



City Council Chambers
9101 Bonita Beach Road
Bonita Springs, Florida 34135

CITY COUNCIL MEETING AGENDA

January 19, 2022
5:30 p.m.

If you plan to address the City Council, please complete a “Public Comment Card” located on the table outside of Chambers. Completed comment cards should be submitted to the City Clerk who sits to the left of the podium prior to the start of the meeting.

To submit your public comment in writing, please email your name, address, and comments to CITYMEETINGS@CITYOFBONITASPRINGS.ORG. **Any written public comment must be received by 2:00 p.m. on January 19, 2022.**

The City of Bonita Springs will not discriminate against individuals on the basis of race, color, national origin, sex, age, disability, religion, income, or marital status. To request an ADA-qualified reasonable modification at no charge to the requestor, please contact Lisa Roberson by calling (239) 949-6262 at least 48 hours prior to the meeting.

If a person decides to appeal a decision made by the Council on any matter at this meeting, such person must have a verbatim record of the proceeding to include the testimony and evidence upon which such appeal is to be based.

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Approval of Agenda
6. Mayor’s Welcome
7. Public Comment on Agenda Items
8. Zoning and Land Use Items:

A. (Public Hearing) A ZONING RESOLUTION OF THE CITY OF BONITA SPRINGS, FLORIDA; CONSIDERING A REQUEST FOR A SPECIAL EXCEPTION TO ALLOW A VEHICLE AND EQUIPMENT DEALER, GROUP

I USE WITHIN THE HISTORIC ZONE OF THE BONITA BEACH ROAD CORRIDOR OVERLAY; LOCATED AT 28280 OLD 41 ROAD, UNIT M-5, BONITA SPRINGS, FL 34135; PROVIDING FOR AN EFFECTIVE DATE. (Green Sheet No. 22-01-010)

- B. (First Reading and Public Hearing) A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO AMEND THE SCHEDULE OF USES IN BONITA SPRINGS ZONING ORDINANCE 19-02, TO CREATE A PHASE 1A APPROXIMATELY 4 ACRES+/- IN SIZE, TO INCLUDE AN INDOOR/OUTDOOR SPORTS CHALLENGE COMPLEX, WITH CONSUMPTION ON PREMISES, AND TO ADD THREE (3) DEVIATIONS, PROVIDING FOR AN EFFECTIVE DATE. (Green Sheet No. 22-01-011)
- C. (First Reading and Public Hearing) A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO REZONE APPROXIMATELY 113 ACRES +/- FROM RS-1 AND RM-2 TO A RESIDENTIAL PLANNED DEVELOPMENT (RPD) FOR A MAXIMUM OF 350 DWELLING UNITS, PURSUANT TO DIVISION 43 OF CHAPTER FOUR OF THE CITY OF BONITA SPRINGS LAND DEVELOPMENT CODE, PROVIDING FOR AN EFFECTIVE DATE. (Green Sheet No. 22-01-012)

9. Proclamations and Presentations:

- A. Presentation and discussion of Cooperative Agreement between the City of Bonita Springs and the South Florida Water Management District to develop regional solutions that will serve to further mitigate flooding in south Lee County. (Green Sheet 22-01-013)
- B. Presentation of certificates to the winners of the Lee County Sheriff's Office "Shop with a Cop" 2021 Essay Contest.
- C. Presentation of Certificates of Appreciation to Jay Welsch and Rex Sims for their years of service to the City of Bonita Springs.

10. Consent Agenda:

- A. Approval of a Resolution to add Change Order No. 4 to the West Terry Street Pathway Extension contract with Coastal Concrete for the construction of a pocket park in the amount of \$39,850.00, bringing the total amount for the West Terry Street Pathway Extension to \$904,641.52. (Green Sheet No. 22-01-002)

- B. Approve Purchase Agreement Amendment #1 for the Voluntary Home Buyout Program extending the agreement expiration date from January 31, 2022 to March 31, 2022. (Green Sheet No. 22-01-003)
- C. Adopt Resolution awarding the Voluntary Home Buyout Program Demolition Contractor Project, RFB #21-22, to the lowest responsible bidder, HONC Destruction. (Green Sheet No. 22-01-004)
- D. Authorize staff to submit a grant proposal to the Florida Department of Environmental Protection for the Federal Recreational Trails Program (RTP) to construct the Pine Avenue Multi-Use Path. (Green Sheet No. 22-01-005)
- E. Authorize staff to advertise RFP for Letters of Interest from Artists and other similar vendors for use of Artist Cottage #2 at Riverside Park. (Green Sheet No. 22-01-007)
- F. Approve FDOT's request for use of the Bonita Springs Recreation Center Gymnasium for a public meeting regarding alternative conceptual plans for US 41 at Bonita Beach Road PD&E study in the City of Bonita Springs. (Green Sheet No. 22-01-008)
- G. Adopt Resolution with Budget Transfer accepting the bid for Imperial Shores Boulevard Sidewalk Improvements Project RFB 21-23 from Andrew Sitework LLC in the bid amount of \$2,949,284.80 upon approval of all documentation. (Green Sheet 22-01-009)

11. Mayor and Council Member Items:

- A. Authorize staff to pursue the Eagle Cam Project. (Chris Corrie; Green Sheet 22-01-014)
- B. Discussion regarding YMCA's request for City Council's concurrence to increase non-member pickle ball fee from \$4 to \$6. (Fred Forbes; Green Sheet 22-01-006)

12. City Attorney's Items:

- A. Adopt a Resolution establishing the process, intent, and redistricting criteria for the City's redistricting process. (Green Sheet 22-01-001)
- B. Hold a public hearing and approve Resolution finding a public interest in the issuance of the Series 2022 refunding revenue bonds. (Green Sheet No. 22-01-015)

- 13. City Manager's Items:
- 14. Mayor and Council Member Reports
- 15. Approval of the Minutes: 12/15/2021
- 16. Public Comment
- 17. Adjournment

REQUESTED MOTION: A ZONING RESOLUTION OF THE CITY OF BONITA SPRINGS, FLORIDA; CONSIDERING A REQUEST FOR A SPECIAL EXCEPTION TO ALLOW A VEHICLE AND EQUIPMENT DEALER, GROUP I USE WITHIN THE HISTORIC ZONE OF THE BONITA BEACH ROAD CORRIDOR OVERLAY; LOCATED AT 28280 OLD 41 ROAD, UNIT M-5, BONITA SPRINGS, FL 34135; PROVIDING FOR AN EFFECTIVE DATE.

REQUESTOR: Mary Zizzo, Esq., Planner II, Community Development

AGENDA: Zoning and Land Use Items

STRATEGIC PRIORITY:

BACKGROUND: The requested special exception (SPE21-82503-BOS) is to allow for an indoor car sales center, by appointment only, in Unit M-5 in the Causeway Commerce Park. The site is located within the Historic Zone of the Bonita Beach Road Corridor Overlay, which requires a special exception for the uses pursuant to LDC Section 4-898.

The Zoning Board for Land Use Adjustments reviewed the request on December 14, 2021, and voted 6-1 to approve the special exception request, as conditioned in the Staff Report. These conditions are outlined in the draft Zoning Resolution provided. The Applicant is in agreement with these proposed conditions.

The staff report is viewable online with the meeting agenda and packet. Please contact the Clerk's Office for a hard copy.

STAFF RECOMMENDATION: Approve the request as conditioned.

ATTACHMENTS:

1. Draft Zoning Resolution
2. Draft Zoning Board Meeting Minutes from 12-14-21

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	John Dulmer

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS
ZONING RESOLUTION NO. 22 –

A ZONING RESOLUTION OF THE CITY OF BONITA SPRINGS, FLORIDA; CONSIDERING A REQUEST FOR A SPECIAL EXCEPTION TO ALLOW A VEHICLE AND EQUIPMENT DEALER, GROUP I USE WITHIN THE HISTORIC ZONE OF THE BONITA BEACH ROAD CORRIDOR OVERLAY; LOCATED AT 28280 OLD 41 ROAD, UNIT M-5, BONITA SPRINGS, FL 34135; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, High Road Holdings, LLC (“Applicant”) has filed an application to request a special exception to allow an indoor car sales office and indoor showroom use; and

WHEREAS, the subject property is located at 28280 Old 41 Road, Unit M-5, STRAP No. 02-48-25-B1-29000.0M05, and is described more particularly as:

“See Exhibit A”

WHEREAS, the Bonita Beach Road Corridor Overlay requires that certain uses are required to obtain a special exception pursuant to Section 4-898 of the Land Development Code (“LDC”); and

WHEREAS, a Public Hearing was advertised and heard on December 14, 2021 by the City of Bonita Springs Board for Land Use Hearings and Adjustments and Zoning Board of Appeals (“Zoning Board”) on Case SPE21-82503-BOS who recommended approval (6-1) after giving full and complete consideration of the record, consisting of the Staff Recommendation, the documents on file with the City and the testimony of all parties; and

WHEREAS, City Council at their January 19, 2022 zoning meeting considered the record of the Zoning Board on Case SPE21-82503-BOS, as well as a transcript of the Zoning Board hearing submitted as part of the City Council hearing record, and gave full consideration of the Staff Recommendation, the evidence and testimony, including the expert opinion of the Applicant’s agents.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bonita Springs, Lee County, Florida:

SECTION ONE: APPROVAL OF REQUEST

City Council of Bonita Springs hereby approves the request for a special exception with the following conditions:

Conditions:

1. This approval is for an appointment only car sales office and indoor sales room use only, within Unit M-5 at 28280 Old 41 Road.
2. Hours of appointments, pick-ups and drop-offs of vehicles are limited to 9:00 AM- 4:00 PM, Monday-Saturday.
3. The uses shall be conducted entirely within the Unit. No vehicles are permitted to be stored or shown outside of the Unit.
4. All doors shall remain closed at all times unless vehicles are actively entering or exiting the Unit via wheel casters.
5. All vehicle ignitions are to remain off when entering, exiting and inside of the Unit.
6. All vehicles are to enter from the rear access roll-up door only.
7. All hazardous materials, as defined by the Environmental Protection Agency, shall be properly stored, used, and disposed of in accordance with Best Management Practices, manufacturer recommendations, and local, state, and federal regulations.

Findings and Conclusions:

Based upon an analysis of the application and the standards for approval of special exception, Bonita Springs City Council makes the following findings and conclusions:

1. The Applicant has proven entitlement for the requested special exception by demonstrating compliance with the Bonita Springs Comprehensive Plan; and
2. The Applicant has specifically proven:
 - i. Exceptional or extraordinary conditions exist which warrant the proposed uses.
 - ii. The request is consistent with the goals, objectives, policies and intent of the Bonita Plan.
 - iii. The request meets all performance and locational standards set forth.
 - iv. Will protect, conserve or preserve environmentally critical areas and natural resources.
 - v. Will be compatible with existing or planned uses.
 - vi. Will not cause damage, hazard, nuisance or other detriment to persons or property.

- vii. In compliance with all general zoning provisions, supplemental regulations and performance standards pertaining to the uses set forth in this chapter.
- viii. No physical constraints, hazards or nuisances which are detrimental to the health and safety are present.

SECTION TWO: INCORPORATION OF RECORD

City Council of Bonita Springs hereby adopts and incorporates into this resolution the record hearing exhibits and attachments considered as part of the application as follows:

EXHIBITS:

- A. Legal Description of the Subject Property

ATTACHMENTS:

- A. Area Plan
- B. Floor Plan

SECTION THREE: EFFECTIVE DATE

This Resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January, 2022.

AUTHENTICATION:

Mayor City Clerk

APPROVED AS TO FORM: _____
City Attorney

Vote:

Carr
Purdon
Forbes
Gibson

Corrie
Quaremba
Steinmeyer

Date filed with City Clerk: _____

EXHIBIT A

UNIT M-5

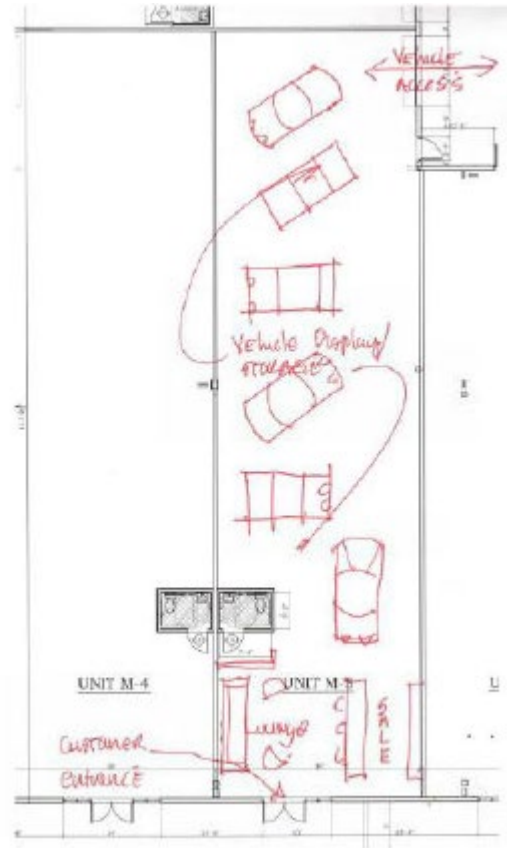
UNIT M-5 CAUSEWAY COMMERCE BUILDING, A COMMERCIAL CONDOMINIUM
ACCORDING TO THE DECLARATION OF THE CONDOMINIUM THEREOF RECORDED IN
THE OFFICIAL RECORDS INSTRUMENT No. 2019000076625, OF THE PUBLIC
RECORDS OF LEE COUNTY, FLORIDA.

ATTACHMENT A

AREA PLAN



ATTACHMENT B
FLOOR PLAN





**City of Bonita Springs Board
for
Land Use Hearings & Adjustments and Zoning Board of Appeals
MINUTES
Tuesday, December 14, 2021
9:00 A.M.**

I. CALL TO ORDER.

Chairman Anthony Rascio called the meeting to order at 9:00 A.M.

II. INVOCATION.

Board Member Russ Winn furnished the invocation.

III. PLEDGE OF ALLEGIANCE.

Chairman Rascio led the Board in the Pledge of Allegiance.

IV. ROLL CALL.

Chairman Rascio and all Board Members were in attendance.

V. APPROVAL OF MINUTES: November 16, 2021.

Board Member Ben Hershenson motioned for approval of the minutes; Board Member Bruce Galloway seconded; motion passed unanimously.

VI. PUBLIC HEARINGS.

- A. CASE NAME: SPORTS CHALLENGE COMMERCIAL PLANNED DEVELOPMENT (PD21-82898-BOS)

A REQUEST TO AMEND THE SCHEDULE OF USES IN BONITA SPRINGS ZONING ORDINANCE 19-02, TO CREATE A PHASE 1A APPROXIMATELY 4 ACRES+/- IN SIZE, TO INCLUDE AN INDOOR/OUTDOOR SPORTS CHALLENGE COMPLEX, WITH CONSUMPTION ON PREMISES, AND TO ADD THREE (3) DEVIATIONS.

- Chairman Rascio read the request into the record.
- City Attorney Derek Rooney placed all witnesses under oath for Case A.
- Mike Fiigon, Community Development, provided a synopsis. And stated that Staff and the Applicant are in agreement with the recommendation of approval with conditions.
- Paula McMichael, with Hole Montes, representing the Applicant, introduced the team and gave a presentation of the project.
- Scott Sabin, COO of Southwest Florida Enterprises, provided a background on the Sports Challenge America concept.
- Ms. McMichael addressed concerns regarding the layout of the site.
- Thomas Jones, Project Architect, addressed questions regarding the layout of the building and future access to a connecting road.
- Mr. Fiigon provided a powerpoint presentation to address the deviations, site plan, conditions and surrounding uses.
- Mr. Fiigon responded to a question by Bruce Galloway by stating that deviations or conditions have been included to address lighting. Bruce Galloway questioned the inclusion of a condition to require landscaping at 3 year's development. Board discussion was held.

PUBLIC COMMENTS:

Jim Mangus spoke in support of the project.

MOTION:	Motion to approve with conditions recommended by staff and by Zoning Board Member Gary Gambrell relating to the landscaping.
RESULT:	PASSED [7-0]
MOTION BY:	Gary Gambrell, Board Member
SECOND BY:	Anthony Rascio, Chairman

B. CASE NAME: CAUSEWAY COMMERCE SALES CENTER SPECIAL EXCEPTION (SPE21-82503-BOS)

A SPECIAL EXCEPTION REQUEST AT 28280 OLD 41 ROAD, UNIT M-5, TO ALLOW A VEHICLE AND EQUIPMENT DEALER, GROUP I USE WITHIN THE HISTORIC ZONE OF THE BONITA BEACH ROAD CORRIDOR OVERLAY.

- Chairman Rascio introduced the case and read the request into the record.
- City Attorney Derek Rooney placed all witnesses under oath for Case B.

- Mary Zizzo, Community Development, provided a brief synopsis and stated that staff does recommend approval
- Joe McHarris with McHarris Planning and Design presented for the applicant. The change in conditions relate to the way auto dealerships operate these days. They will have high-end car sales online and in-person by appointment only. Discussion was held.
- Ms. Zizzo presented a Powerpoint presentation to address the case.

PUBLIC COMMENTS: None

MOTION:	Motion to approve, as conditioned.
RESULT:	PASSED [6-1]
MOTION BY:	Bruce Gallaway, Board Member
SECOND BY:	Ben Hershenson, Board Member
OPPOSED BY:	Anthony Rascio, Chairman

ADDITIONAL ITEM:

- Board Member Ben Hershenson addressed the issue of deviations, and a discussion was held.
- City Attorney Derek Rooney gave a brief explanation of the difference between a deviation and a variance for the Board.

VII. NEXT MEETING: January 11, 2022 at 5:30pm (tentative)

VIII. ADJOURNMENT.

There being no further items to discuss, Vice-Chairman Ben Hershenson adjourned the meeting at 10:43 A.M.

REQUESTED MOTION: (First Reading and Public Hearing) A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO AMEND THE SCHEDULE OF USES IN BONITA SPRINGS ZONING ORDINANCE 19-02, TO CREATE A PHASE 1A APPROXIMATELY 4 ACRES+/- IN SIZE, TO INCLUDE AN INDOOR/OUTDOOR SPORTS CHALLENGE COMPLEX, WITH CONSUMPTION ON PREMISES, AND TO ADD THREE (3) DEVIATIONS, PROVIDING FOR AN EFFECTIVE DATE.

REQUESTOR: Mike Fiigon II, Senior Planner

AGENDA: First Reading and Public Hearing

STRATEGIC PRIORITY:

BACKGROUND: This is a request to amend an existing zoning ordinance (19-02) to establish a Phase 1A approximately four (4) acres in size, for an indoor/outdoor sports challenge complex. Zoning Ordinance 19-02 was passed in August of 2019 and contains two phases: Phase One is the current location of the Bonita Springs Card Room; Phase Two is the remaining 88+/- acres, of which permanent uses are still largely undetermined. The request is to take four (4) acres from the remaining 88 acres of Phase Two, and convert it to a Phase 1A for this sports challenge complex. The complex consists of a 10,000sf (+/-) building and outdoor sport courts such as a basketball court, baseball field, football field and a par-three golf hole.

The Applicant is requesting to add three (3) deviations to Ordinance 19-02 to help facilitate an effective and safe sports challenge facility. The proposed deviations are:

1. LDC 4-1467(b)(2)(b)(1), which prohibits chain-link fences, to allow cyclone fencing around a portion of the proposed baseball field
2. LDC 4-1467(b)(2)(b)(3), which limits maximum fence height to six (6) feet, to allow netting around the golf green at 40 feet, football field netting at 20 feet, and baseball field fencing at 12 feet.
3. LDC 4-899(b)(3)(a), which prohibits a site from providing more than 15% above the minimum parking requirement, to allow for 20% above the minimum parking requirement

The case went before the Zoning Board on December 14, 2021 and was approved unanimously (7-0), with the added condition that the Applicant provides larger and taller plants for the proposed buffers, at time of planting.

STAFF RECOMMENDATION: Move to Second Reading and Public Hearing

ATTACHMENTS:

1. Draft Zoning Ordinance

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	John Dulmer

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS
ZONING ORDINANCE NO. 22 -

A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO AMEND THE SCHEDULE OF USES IN BONITA SPRINGS ZONING ORDINANCE 19-02, TO CREATE A PHASE 1A APPROXIMATELY 4 ACRES+/- IN SIZE, TO INCLUDE AN INDOOR/OUTDOOR SPORTS CHALLENGE COMPLEX, WITH CONSUMPTION ON PREMISES, AND TO ADD THREE (3) DEVIATIONS, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council previously approved Zoning Ordinance 19-02 which was a request from the Bonita-Fort Myers Corporation to rezone approximately 97.6+/- acres from the AG-2, RM-2, C-2, and CPD zoning districts to a Commercial planned development (CPD) to allow for a two phased zoning approval. The first phase allowed for an approximately 32,616+/- square foot building at the southwest corner of Bonita Beach Road and Racetrack Road to include a restaurant with a bar, cardroom, simulcast area, and offices; and

WHEREAS, Bonita-Fort Myers Corporation is now seeking to add a mid-phase project to the subject property by amending to amend the schedule of uses in Bonita Springs Zoning Ordinance 19-02, to create a Phase 1A approximately 4 acres+/- in size, to include an indoor/outdoor sports challenge complex, with consumption on premises, and to add three (3) deviations;

WHEREAS, the subject property is generally located on the east of Old US 41, South of Bonita Beach Road, west of Racetrack Road, and north of the Mediterra RPD. Phase 1A consists of 4+/- acres from Phase 2, more particularly describe in:

“See Exhibit A”

WHEREAS, a Public Hearing was advertised and heard on August 20, 2019, by the City of Bonita Springs Board for Land Use Hearings and Adjustments and Zoning Board of Appeals (“Zoning Board”) on Case PD21-82898-BOS, which considered the evidence available and recommended approval (7-0 vote) after giving full and complete consideration of the record, consisting of the Staff Recommendation, the documents on file with the City, and the testimony of all interested parties. The December 14, 2021 Staff Report prepared by Community Development and evidence submitted at the Zoning Board hearing, as part of the City Council hearing record, are on file with the City Clerk.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bonita Springs, Florida:

SECTION ONE: APPROVAL OF REQUEST

City Council of Bonita Springs hereby approves the request to amend Zoning Ordinance 19-02 with the additions and ~~deletions~~ below maintaining all remaining provisions and development regulations for Phase 1 to apply except where modified to Phase 1A:

Conditions:

1. The project should be generally consistent with the Master Concept Plan stamped received August 14, 2019 and titled "Bonita Springs Card Room" prepared by Hole Montes, and attached hereto (Exhibit "B", Sheets 1-2).

Phase 1 is limited to the construction of a new 32,616+/- square foot facility (card room, simulcasting, and restaurant) on approximately 9+/- acres. Phase 2 includes the existing racetrack facility, parking lot, temporary uses, and 12-unit multiple-family building on approximately ~~8884~~884+/- acres; the expansion of or new uses within Phase 2 will require an amendment to the CPD

Phase 1A is limited to a 10,208+/- square foot indoor sports challenge building and outdoor sports challenge facilities on approximately 4+/- acres as shown on the Master Concept Plan amended in October 2021.

2. The Schedule of Uses are as follows:

Phase 1

Accessory uses and structures

Administrative offices

ATM (Automatic Teller Machine)

Bar or cocktail lounge

Consumption on Premises (associated with Restaurant, Group III including outdoor seating areas specifically identified on the MCP)

Essential Services

Essential Service Facilities, Group I

Excavations, water retention

Gift and Souvenir Shop

Night Club

Recreation Facilities, Commercial, Group IV, Indoor Facilities (limited to pari-mutuel wagering and card room, as authorized by Chapter 550, Florida Statutes)

Parking Lot, Accessory

Restaurant, Group III, with outdoor seating

Temporary Uses – Subject to LDC 4-2124 et. seq.

Phase 1A

Bar or cocktail lounge

Consumption of Premises, including outdoor areas as shown on the Master Concept Plan

Indoor Sports Challenge Facility, limited to a 10,208+/- square foot building

Outdoor Sports Challenge Facilities

Phase 2

Accessory Uses and Structures

Essential Services

Essential Service Facilities, Group I

Multi-Family Residential (limited to 12 dwelling units)

Parking Lot, Accessory

Racetrack, Group II (subject to Condition 4)

Temporary Uses, subject to LDC restrictions, including permit requirement, except for calendar year time limitations and limited to the following (subject to Condition 5):

- Outdoor sales, parking lot sales or tent sales of merchandise, products, services, or other commercial activities; and
- Event uses, such as fairs, carnivals, circuses, concerts, and expositions or fair associations chartered in accordance with Ch. 616 F.S.; and
- Automobile Surface Storage (where delineated on MCP); and
- Motorcycle training activities; and
- In the event of an emergency, staging/storage in support of emergency responders limited to vehicles and related equipment.

3. The Development Regulations are as follows:

Phase 1 & Phase 1A

Minimum Lot Area and Dimensions: N/A

Minimum Setbacks:	Principal Structure
Street	25 feet
Side	20 feet
Rear	20 feet
Minimum Building Separation:	½ the sum of the building heights (20' minimum)
Maximum Building Height:	30 feet (1 story)
Minimum Open Space:	20 percent

4. The Grandstand/clubhouse and kennels will be demolished within one year of the certificate of occupancy being issued for the card room facility in Phase 1.
5. All Temporary Uses listed under Phase 2 are limited to a ten year period from the effective date of this ordinance. After ten years, all Temporary

Uses identified for Phase 2 are permitted in accordance with LDC Sec. 4-2124.

6. Consumption on Premises. The hours of operation for consumption on premises in conjunction with the Group III Restaurant for indoors will be from 11AM to 2AM daily. The hours of operation for consumption on premises in condition with the Group III Restaurant for the outdoor seating area will be from 11 AM to midnight daily.
7. No new development for Phase 2 is authorized by this zoning. Any expansion and/or new uses in Phase 2 shall require an amendment to the CPD or rezoning to a new CPD.
8. Additional Conditions – At the time of local development order, the Applicant shall meet the following criteria:
 - a. Provide engineering plans showing how the site will store and treat its surface water runoff consistent with the City's Comprehensive Plan and the City's LDC, including compliance with Policy 9.3.3 of the Conservation/Coastal Management Element of the City's Comprehensive Plan, which states that an additional fifty (50) percent water quality is required over the already required South Florida Water Management District water quality.
 - b. Provide a drainage analysis demonstrating that the site development plan has no adverse impact on adjacent properties and that there is sufficient on-site drainage capacity, storm-water conveyance, and controlled discharge. The drainage analysis shall include, but not be limited to:
 - i. Provide an Interconnected Pond and Channel Routing (ICPR) Model. The 100-year 24 hour storm event is the primary storm used to evaluate the proposed design. The City reserves the right to request additional modeling of other storm events upon review of the data. All data submitted shall be formatted for inclusion into the city's Interconnected Pond Routing (ICPR) Model.
 - ii. A drainage map for all contributory areas within and into the development, showing flow paths/arrows, existing on-site and off-site drainage structures (sizes and inverts), and sub-basin areas; and (2) hydrologic and hydraulic calculations for the 5-, 25-, and 100-year design storm events in order to establish existing baseline conditions.
 - iii. Drainage impediments identified during the modeling process must be addressed in the drainage plan.
 - c. Service Areas and the armored truck bay will be designed in a fashion that visually screens their view from the Bonita Beach Road right of way. Satisfaction of this condition will be determined by the City's Architect as part of the formal architectural approval.
 - d. At time of local development order, at Applicant shall submit landscape plans generally consistent with the MCP and the

Landscape Plans prepared by DMJA, Inc. stamped received August 15, 2019 and attached hereto (Exhibit "C").

- e. Roof gutters are required as part of the drainage plan.
- f. All handicap spaces must have direct pedestrian access to the building and comply with ADA Standards 206 Accessible Route.
- g. Final architectural approval by the City Architect is required prior to local development order approval, said review and approval shall be consistent with Chapter 3 and 4 processes within the Land Development Code.
- ~~h. Applicant, its successors or assigns, agree to reserve a right-of-way providing an alternative route for the traveling public between Old US 41 to either Bonita Beach Road or Race Track Rd. as required by the Bonita Springs Comprehensive Plan at no cost to the Applicant. The proposed right-of-way will meet the collector right-of-way standards as provided by Sections 3-302 and 3-303 of the LDC, as may be amended. Specific delineation of the reserved right-of-way will not be required until the subsequent amendment of this CPD for the development of Phase 2. Prior to the development of Phase 2, the existing connection and access between Old US 41 and Bonita Beach Road through Race Track Rd will remain open to the public. The Applicant, its successors or assigns, agree to reserve a right-of-way providing an alternative route for the traveling public between Old US 41 to either Bonita Beach Road or Race Track Road, as required by the Bonita Springs Comprehensive Plan, at no cost to the Applicant. The proposed right-of-way will meet the collector right-of-way standards as provided by Sections 3-302 and 3-303 of the LDC, as may be amended. A notation or conceptual location is to be identified on the master concept plan for Phase 1A as a separate exhibit, with the ultimate delineation to be determined dependent on the outcome of the Lee County Project Development and Environment (PD&E) Study for Bonita Beach Road, being conducted by Rummel, Klepper & Kahl (RK&K). The existing connection and access between Old 41 Road and Bonita Beach Road through Race Track Road will remain open to the public.~~
- i. The City requests that final design attempt to accommodate a traffic grid network throughout the subject property.
- j. Additional traffic control improvements, may be required by the City Engineer to be installed by the applicant within the Racetrack Road right-of-way from the south right of way line of Bonita Beach Road up to 100 feet south of the northern drive into the Card Room site. The need for a such traffic control improvement shall be based on traffic efficiency or safety conditions such as higher than expected traffic counts, conflicting movements, insufficient stacking, or to alleviate intersection congestion. ~~The applicant shall provide traffic counts (methodology as specified by the City in the development order) along Racetrack Road at the~~

- i. Pursuant to Deviation #4, if the data suggests the excess parking beyond 15 percent is not needed, the Applicant shall submit a permit application to the City of Bonita Springs to convert the excess spaces into open space or landscaping. If a conversion is required, the Applicant will be notified by the City, and the permit shall be submitted no more than twelve (12) months after notification.
- k. This Plan is subject to conditions set forth herein and the rules, regulations laws and codes in place at the time of Development Order and Constructions Plan approval. Approval of this Planned Development is not a guarantee of future approvals.

9. The permitted hours of operation for Phase 1A are as follows:

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Indoor activities: Wednesday: 10:00am – 10:00pm
Thursday: 10:00am – 10:00pm
Friday: 10:00am – 11:00pm
Saturday: 10:00am – 11:00pm
Sunday: 10:00am – 10:00pm

10. In concurrence with Conditions 8h and 8j the Applicant shall provide a temporary striping and signage plan for the proposed right of way, at time of local development order submittal.
11. In accordance with Deviation #2, the cyclone fence shall be coated green or black. A natural or unfinished metal look is not permitted.

Deviations:

2. Deviation 2: Relief from LDC 4-1467(b)(2)(b)(1) with regards to the location and height of fences (other than residential project fences), which prohibits chain-link fences, to allow for cyclone fencing around a portion of the baseball field as identified on the master concept plan (MCP) is **APPROVED**, subject to **Condition 11**.
3. Deviation 3: Relief from LDC 4-1467(b)(2)(b)(3) which requires that fences and walls in commercial areas not exceed six feet in height, to allow for netting around the golf green at a maximum height of 40', football field netting at a maximum height of 20', and baseball field fencing (cyclone fence) at a maximum height of 12' is **APPROVED**.
4. Deviation 4: Relief from LDC 4-899(b)(3)a, Parking requirements, which limits the maximum number of parking spaces to no more than 15 percent more than the minimum requirement, to allow for maximum parking spaces 20 percent more than the minimum required is **APPROVED**, subject to **Condition 8(j)(i)**.

SECTION TWO: INCORPORATION OF RECORD

City Council of Bonita Springs hereby adopts and incorporates into this ordinance the record hearing exhibits and attachments considered as part of the application as follows:

EXHIBITS:

- A. Legal Description and Sketch of the Subject Property
- B. Master Concept Plan (October 2021)
- C. Landscape Plan for Phase 1A

SECTION FOUR: EFFECTIVE DATE

This Ordinance shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this ____ day of February, 2022.

AUTHENTICATION:

Mayor City Clerk

APPROVED AS TO FORM: _____
City Attorney

Vote:

Carr	Gibson
Purdon	Quaremba
Forbes	Steinmeyer
Corrie	

Date filed with City Clerk: _____

REQUESTED MOTION: (First Reading and Public Hearing) A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO REZONE APPROXIMATELY 113 ACRES +/- FROM RS-1 AND RM-2 TO A RESIDENTIAL PLANNED DEVELOPMENT (RPD) FOR A MAXIMUM OF 350 DWELLING UNITS, PURSUANT TO DIVISION 43 OF CHAPTER FOUR OF THE CITY OF BONITA SPRINGS LAND DEVELOPMENT CODE, PROVIDING FOR AN EFFECTIVE DATE.

REQUESTOR: Mike Fiigon II, Senior Planner

AGENDA: First Reading and Public Hearing

STRATEGIC PRIORITY: NA

BACKGROUND: This is a request to rezone approximately 113 acres from conventional residential zoning districts (RS-1 and RM-2) to a Residential Planned Development (RPD). In 2019, City Council passed Ordinance 19-07, which established criteria for redevelopment of golf courses with residential uses. The ordinance requires and Applicant obtain approval for a planned development, which is why the application was submitted.

The original request was for 500 dwelling units with multiple types, such as single-family, two-family attached, townhouses, and multi-family buildings. The application and corresponding master concept plan (MCP) was amended several times, in an effort to work with the City on provisions for a regional stormwater/flood reduction project, which would include utilizing a portion of the golf course property. The current request has reduced the density to 350 units and limits the types to single-family and two-family attached.

There were fourteen (14) deviations requested as part of the application. Staff is recommending approval of nine (9), denial of three (3), and withdrawal of two (2).

The case went before the Zoning Board on January 11, 2022, and was approved by a vote of 5-2.

STAFF RECOMMENDATION: Move to Second Reading and Public Hearing

ATTACHMENTS:

1. Draft Zoning Ordinance

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	John Dulmer

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS
ZONING ORDINANCE NO. 22 - __

A ZONING ORDINANCE OF THE CITY OF BONITA SPRINGS CONSIDERING A REQUEST TO REZONE APPROXIMATELY 113 ACRES +/- FROM RS-1 AND RM-2 TO A RESIDENTIAL PLANNED DEVELOPMENT (RPD) FOR A MAXIMUM OF 350 DWELLING UNITS, PURSUANT TO DIVISION 43 OF CHAPTER FOUR OF THE CITY OF BONITA SPRINGS LAND DEVELOPMENT CODE, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, BSGC Land Holdings, LLC has filed an application to rezone 113 +/- acres from RS-1 and RM-2 zoning districts to the Residential Planned Development (RPD) zoning district.

WHEREAS, the subject property is located Bonita Springs, Florida, STRAP numbers 14-47-25-B1-1400A.0000, 23-47-25-B1-01400.0860, 23-47-25-B1-0050A.0000, and 23-47-25-B1-00500.0040; and is described more particularly as:

See Exhibit "A"

WHEREAS, a Public Hearing was advertised and heard on January 11, 2022 by the City of Bonita Springs Board for Land Use Hearings and Adjustments and Zoning Board of Appeals ("Zoning Board"), who gave full consideration to the evidence available and recommended approval (5-2) of the applicant's request and gave full and complete consideration of the record, consisting of the Staff Recommendation, the documents on file with the City and the testimony of all interested parties. The Staff Report prepared by Community Development, and evidence submitted at the Zoning Board hearing is on file with the City Clerk.

WHEREAS, the case was presented for First Reading for the City Council at their January 19, 2022, meeting; and

WHEREAS, City Council at their February XX, 2022, meeting considered the record of the Zoning Board on Case PD21-78545-BOS, and gave full consideration of the Staff Recommendation, the evidence and testimony.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bonita Springs, Lee County, Florida:

SECTION ONE: APPROVAL OF REQUEST

City Council of Bonita Springs hereby approves the request to rezone the property from the RS-1 and RM-2 zoning districts to the Residential Planned Development (RPD) zoning district. In so doing the City Council makes the following findings and conclusions, upon an analysis of the application and the standards for approval subject to the following conditions and deviations:

Conditions:

1. The development shall be generally consistent with the proposed ten-page MCP, Exhibit B, not to exceed 350 dwelling units.

2. The Schedule of Uses are as follows:

Accessory Uses and Structures
Administrative Offices
Community Gardens
Dwelling Units

North Parcel

Single-Family
Two-Family Attached (Twin Villa)

South Parcel

Single Family
Two-Family Attached (Twin Villa)

Excavation, Water Retention
Fences and Walls
Food and Beverage Service, Limited
Parking Lot Accessory
Recreation Facilities (Clubs), Private, On-Site with Consumption on Premises
Signs

3. The Development Regulations shall be those contained on Exhibit C, with the proposed preserve setback subject to LDC 3-417(b)(6)(a), and the maximum height of development on the amenity tract limited to thirty-five (35) feet.
4. The Applicant shall install traffic count monitors at the intersection of Paradise Road and Shangri-La Road. The data collection methodology and appropriate collection period/timeline shall be determined as part of the local development order process.
5. The minimum width of the alternate pathway provided as part of Deviation 3 shall be no less than eight (8) feet.
6. The Applicant shall meet the notification standards of LDC 3-297(3) and must provide an emergency access plan to be reviewed by Staff at time of local development order submittal. The emergency plan must address life safety code requirements. Any modifications to the MCP that are necessary to address this issue may be reviewed administratively.
7. Pursuant to Deviation 1, all proposed perimeter fences/walls shall be treated as residential project walls, which, pursuant to LDC 4-1466 will require

landscaping on the exterior side and a minimum planting width of seven and one half (7.5) feet. Where vegetation or walls/fences conflict with drainage facilities, alternative landscape plans shall be provided at time of local development order submittal.

8. Pursuant to Deviation 7, the Applicant shall make every effort to provide additional landscaping, where feasible, that will meet the height and opacity standards of LDC 4-2312(d)(7) and (d)(8). At time of local development order, the Applicant can submit a justification for areas where the required standards of the aforementioned code sections cannot be met, to be considered for fencing in lieu of landscaping. If fencing is approved, it shall be consistent with the cross sections provided by the Applicant as part of the ten-page MCP (Exhibit B). Any homesites located adjacent to a buffer of less than 50 feet wide shall be limited to one story, not to exceed 25 feet in height.
9. Pursuant to Deviation 8, at time of local development order, the Applicant shall provide revised cross sections to show enhanced buffers and planting areas where a pathway is not possible. In areas where a pathway is possible, the minimum width shall be eight (8) feet.
10. Pursuant to Deviation 10, at time of local development order submittal, the Applicant shall provide documentation that a reasonable effort was made to secure replacement plantings at twenty (20) feet in height. In no instance shall the replacement trees be less than fourteen (14) feet in height.
11. Pursuant to Deviation 12, existing community names identified on the off-site directional sign shall be included in the sign's refurbishment and remain in perpetuity.
12. The Applicant is proposing a roundabout, as shown on the MCP. The specific location of the roundabout, final design, dimensions, and radii shall be determined at time of local development order. If it is determined that the roundabout is insufficient, the Applicant shall provide alternative traffic calming device concepts for consideration.
 - i. The Applicant shall work with the Community Development Department and the Public Works Department to provide additional traffic calming devices along Paradise Road.
13. If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the permitted project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The Applicant shall contact the Florida Department of State, Division of Historical Resources,

Compliance Review Section at (850)-245-6333. Project activities shall not resume without verbal and/or written authorization. In the event that unmarked human remains are encountered during permitted activities, all work shall stop immediately, and the proper authorities notified in accordance with Section 872.05, *Florida Statutes*.

14. The Developer shall hold a neighborhood meeting prior to development order approval commencement of construction. The meeting shall be noticed to every property owner within 1,000 feet of the project area and shall contain additional information of what was approved on the MCP.
15. Less the deviations and/or exceptions provided by this RPD approval, Unless approved by a deviation, or unless there are conflicts with the water management design or companion developer's agreement, at the time of local development order, all required multimodal facilities (infrastructure, crossings, amenities, furnishings, access points, easements, etc.) both internal and external to the site, shall meet or exceed the intent of the design standards provided by Chapter 3 of the City of Bonita Springs Land Development Code, the City of Bonita Springs Bicycle Pedestrian Master Plan (PATH), the City of Bonita Springs Golf Course Redevelopment Regulations and all applicable design standards, except as modified herein and as required by the Bonita Springs Fire Control and Rescue District and National Fire Protection Association (NFPA).
16. Unless approved by the City Council, deviations that are denied may be reevaluated upon the Applicant providing additional information addressing Staff's concerns. If the Applicant wishes to have the request reevaluated, the Applicant shall apply for a Planned Development Amendment (Administrative) to address existing deviations that have been denied. Any request for new deviations will require a Planned Development Amendment (Public Hearing).
17. Approval of this RPD does not guarantee local development order approval. Unless modified as part of this approval, future development order approvals must satisfy the requirements of the City of Bonita Springs Land Development Code and the Bonita Plan.

Deviations:

1. Deviation 1 for allowing vehicular gates and perimeter fences and walls is **DENIED** for vehicular gates, and **APPROVED** for perimeter fences and walls, with the condition that the fences and walls be treated as residential project walls which require a landscape planting area at least 7.5 feet in width on the exterior side, pursuant to LDC 4-1466(3).
2. Deviation 2 to not require fences around water management lakes is **DENIED**, subject to **Condition 16**.

3. Deviation 3 which requests relief from LDC 3-263(b)(2) – Bikeways Facilities and Pedestrian Facilities, which requires the developer to construct bike and pedestrian facilities in the public road rights-of-way if proposed in the City's Bicycle and Pedestrian Master Plan, to provide an alternative pathways plan, is **APPROVED**, subject to **Condition 5**.
4. Deviation 4 which requests relief from LDC 3-297(3) – Access to Street Required, which requires that any residential development more than five acres provide two or more means of ingress and egress to the project, to allow a single access to the northern residential tract and a single access to the southern residential tract, is **APPROVED**, subject to **Condition 6**.
5. Deviation 5 is **WITHDRAWN**.
6. Deviation 6 is **WITHDRAWN**.
7. Deviation 7, which requests relief from LDC 4-2312(d)(7)—Golf Course Redevelopment Regulations, Development Approval Standards, which requires a 50-foot-wide buffer with screening at a minimum height of six (6) feet to allow reduced buffers in locations identified on the MCP and to not require buffers adjacent to the lakes, is **APPROVED**, pursuant to **Condition 8**.
8. Deviation 8, which requests relief from LDC 4-2312(d)(9)—Golf Course Redevelopment Regulations, which requires the inclusion of a tree-lined trail (12 feet in width) in instances when the buffer is reduced to less than 50 feet, to provide an alternate pathway ranging from 6 feet-12 feet in width, or no path, but added buffers when the City's staff and drainage consultant deems additional storage is needed for the area-wide public system, is **APPROVED**, subject to **Condition 9**.
9. Deviation 9, which requests relief from LDC 4-2312(d)(12)—minimum roadway width, which requires a minimum roadway width for any portion of a golf course considered for redevelopment, to allow an access road to the northern tract that is 129.11 feet wide, is **APPROVED** for the northern tract only.
10. Deviation 10, which requests relief from LDC 3-417(b)(1)(b)(4)—Indigenous Native Vegetation, which requires efforts be made to preserve heritage trees and specifies sizing criteria for replacement landscaping for impacted heritage trees, to allow replacement trees at a one-to-one ration with a minimum height of 14 feet, is **APPROVED**, subject to **Condition 10**.
11. Deviation 11, which requests relief from LDC 3-417(d)(2)c, which limits existing or proposed bodies of water, including stormwater management areas, to offset a maximum of 25% of the required open space, to allow

stormwater management areas to offset up to a maximum of 40% of the required open space, is **DENIED**, subject to **Condition 16**.

12. Deviation 12, which requests relief from LDC 6-39(c)(3), which states that a legal nonconforming sign becomes illegal if more than 25% of the copy area is removed or unassembled for a period or more than six months, of if more than 25% of the copy area is changed in a 12-month period, to allow for modifications to the sign beyond the threshold, is **APPROVED**, subject to **Condition 11**.

13. Deviation 13, which requests relief from LDC 6-146(a)(1), which requires off-site directional signs for subdivisions to be located within 500 feet of the nearest intersection involving a turning movement to locate the development, to allow the existing off-site sign to remain and to permit greater than 25% of the sign copy to modified during any 12-month period, is **APPROVED**, subject to **Condition 11**.

14. Deviation 14, which requests relief from LDC 4-2312(d)(4), which prohibits alterations of elevations of property within 30 feet of a golf course boundary, to allow alterations of elevations where required to implement improvements for the proposed stormwater management system, is **APPROVED**.

SECTION TWO: EFFECTIVE DATE

This Ordinance shall take effect immediately upon of adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this ____ day of _____, 2022.

AUTHENTICATION:

Mayor City Clerk's Office

APPROVED AS TO FORM: _____
City Attorney

Vote: Carr	_____	Corrie	_____
Purdon	_____	Quaremba	_____
Forbes	_____	Steinmeyer	_____
Gibson	_____		

Date filed with City Clerk: _____

REQUESTED MOTION: Presentation and discussion of Cooperative Agreement between the City of Bonita Springs and the South Florida Water Management District to develop regional solutions that will serve to further mitigate flooding in south Lee County.

REQUESTOR: Arleen Hunter, City Manager; Matt Feeney, Assistant City Manager

AGENDA: Presentations

STRATEGIC PRIORITY: #1 Stormwater Improvement

BACKGROUND:

The attached Cooperative Agreement between the City of Bonita Springs and the South Florida Water Management District is intended to further the development of short-term and long-term efforts for flood mitigation, watershed flow, and intergovernmental coordination in south Lee County. The agreement provides for:

1. Quarterly meetings on south Lee County watersheds
2. District to provide technical expertise and support for proposals and planning for the region
3. District to assist in development of a South Lee County Flood Forecast Model
4. Development of operational guidelines for emergency conveyances and emergency use of pumps
5. Short term focus on:
 - a. Pursuit of funds for land acquisition to address flooded areas in Bonita Springs
 - b. The District's support on modeling, engineering, and planning for a water management project for the CREW/Flint Pen/Larry Kiker Preserve to address flood protection and hydrologic restoration.
6. Original term of 10 years with option to renew upon mutual agreement

Chairman Chauncey Goss and Phil Flood of the South Florida Water Management District will be present to discuss this agreement and answer any questions Council may have. Representative Adam Botana will also be participating virtually.

STAFF RECOMMENDATION: Approval.

ATTACHMENTS:

1. Cooperative Agreement

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	Matt Feeney

Council Action: Approved __ Denied __ Deferred __ Other _____

**COOPERATIVE AGREEMENT
BETWEEN THE
SOUTH FLORIDA WATER MANAGEMENT DISTRICT
and
CITY OF BONITA SPRINGS**

THIS COOPERATIVE AGREEMENT BETWEEN THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT and CITY OF BONITA SPRINGS ("AGREEMENT"), is made and entered into this _____ day of _____, 2021, by and between the South Florida Water Management District, an independent special district of the State of Florida, (the "*DISTRICT*") and the City of Bonita Springs, a municipality of the State of Florida (the "*CITY*"). Collectively, the DISTRICT and CITY are referred to as the Parties (the "*PARTIES*").

RECITALS:

WHEREAS, the DISTRICT is an independent taxing authority, created by the Florida Legislature and given those powers and responsibilities enumerated in Chapter 373, Florida Statutes; and

WHEREAS, the CITY is a municipality within Lee County, Florida; and

WHEREAS, it is the desire and the intent of the PARTIES to coordinate in the development of regional solutions that will serve to further mitigate flooding in south Lee County.

NOW, THEREFORE, in consideration of the benefits flowing from each to the other, the adequacy and sufficiency of which is acknowledged by the PARTIES, the PARTIES agree as follows:

1. The Recitals as set forth above are incorporated in the terms of this AGREEMENT as if set out herein at length.
2. The purpose of this AGREEMENT is to provide a mechanism for the PARTIES to further develop short-term and long-term efforts for flood mitigation, watershed flow and intergovernmental coordination in south Lee County. Accordingly, unless extended or earlier terminated, this AGREEMENT will commence on the _____ day of _____, 2021 and continue for a period of ten (10) years to the _____ day of _____, 2031, and may be renewed upon mutual agreement of the PARTIES.
3. The Project Managers for the PARTIES are as follows:

DISTRICT	CITY
Name:	Name:
Address: 3301 Gun Club Road West Palm Beach, Florida 33406	Address:
Telephone: 561-682-	Telephone:

The PARTIES will direct all matters arising in connection with the performance of this AGREEMENT to the attention of the Project Managers for attempted resolution or action. The Project Managers will be responsible for overall coordination and oversight relating to the performance of this AGREEMENT.

4. All notices to the DISTRICT under this AGREEMENT must also be in writing and sent by certified mail to:

South Florida Water Management District
Attn: Procurement Division
P. O. Box 24680
West Palm Beach, FL 33416-4680

All notices to the CITY under this AGREEMENT must also be in writing and sent by certified mail to:

The PARTIES will also provide a copy of all notices to the PARTIES' Project Managers. All notices required by this AGREEMENT will be considered delivered upon receipt. Should any party change its address or designated Project Managers, immediate written notice of the new address and/or Project Manager must be sent to the other Parties in accordance with provisions of this section.

5. It is the intent of the DISTRICT to use its best efforts to provide technical expertise and support short-term proposals and long-term planning for south Lee County while meeting the water management needs of the region as a whole. In further support, the DISTRICT will assist in the development of a South Lee County Flood Forecast Model.

6. It is the intent of the PARTIES that the DISTRICT will coordinate a quarterly meeting between the PARTIES with an emphasis on south Lee County watersheds. The

quarterly meeting shall specifically include DISTRICT-designated staff with responsibilities related to the Big Cypress Basin. A primary purpose of the quarterly meeting is for the PARTIES to establish a collaborative list of short-term and long-term efforts benefiting south Lee County watersheds that will be pursued expeditiously. In addition to the quarterly meeting, it is the expectation that the PARTIES, and the Big Cypress Basin via the DISTRICT, will cooperate to coordinate projects and activities on an ongoing basis.

7. It is the intent of the PARTIES to collaborate on the development of operational guidelines for the timing of emergency conveyances and the use of emergency pumps. The DISTRICT will establish and provide to the PARTIES an Emergency Operational Schedule within ninety days of execution of this AGREEMENT. Additionally, the DISTRICT will aid in site preparation for the use of emergency pumps. The PARTIES acknowledge that the timing of emergency conveyances and the use of emergency pumps are subordinate to regional water management needs and subject to all relevant legal requirements. The PARTIES will coordinate their available resources and cooperate to address elevated water events in south Lee County.

8. The PARTIES will cooperate to accomplish projects that are developed as part of this AGREEMENT. Further, the PARTIES acknowledge that an immediate short-term focus for the pursuit of funds includes the following:

- A. Inclusion of a land acquisition program to address flooded areas in Bonita Springs in the PARTIES' respective resiliency plan submittals for State funding.
- B. DISTRICT support on modelling, engineering, and planning for the development of a permittable water management project for the CREW/Flint Pen/Larry Kiker Preserve that addresses flood protection and hydrologic restoration.

9. Notwithstanding any provisions of this AGREEMENT to the contrary, the PARTIES will not be held liable if failure or delay in the performance of this AGREEMENT arises from fires, floods, strikes, embargoes, acts of the public enemy, unusually severe weather, outbreak of war, restraint of Government, riots, civil commotion, *force majeure*, act of God, or for any other cause of the same character which is unavoidable through the exercise of due care and beyond the control of the PARTIES.

10. The failure of any PARTY to obtain sufficient funding to cover its respective obligations pursuant to the terms of this AGREEMENT will be a cause for any of the PARTIES to terminate this AGREEMENT for convenience in accordance with provisions of Paragraph 4. Otherwise, this AGREEMENT may be terminated by a PARTY for convenience by providing the other PARTIES a minimum of six (6) months advance written notice. In such events, the PARTIES will be relieved of any and all future obligations under this AGREEMENT as of the effective date of termination. Termination of the AGREEMENT is the sole and exclusive remedy.

11. The PARTIES hereto acknowledge that they are self-insured public entities.

12. To the extent permitted by Florida law, the DISTRICT will assume any and all risks of personal injury, bodily injury and property damage attributable to the negligent acts or omissions of the DISTRICT and the officers, employees, servants and agents thereof.
13. To the extent permitted by Florida law, the CITY will assume any and all risks of personal injury, bodily injury and property damage attributable to the negligent acts or omissions of the CITY and the officers, employees, servants and agents thereof.
14. The PARTIES further agree that nothing contained herein will be construed or interpreted as (1) denying to a party any remedy or defense available to such party under the laws of the State of Florida; (2) the consent of the State of Florida or its agents and agencies to be sued; or (3) a waiver of sovereign immunity of the State of Florida as provided in §768.28, Florida Statutes.
15. This AGREEMENT may be amended only with the written approval of the PARTIES.
16. The PARTIES will allow public access to all documents and materials in accordance with the provisions of Chapter 119, Florida Statutes.
17. The laws of the state of Florida will govern all aspects of this AGREEMENT. In the event it is necessary for a party to initiate legal action regarding this AGREEMENT, venue will be in the Twentieth Judicial Circuit for claims under State law, and the Middle District of Florida for any claims that are justiciable in Federal court.
18. By execution of this AGREEMENT, the PARTIES are not assuming any liabilities or duties whatsoever, of the other PARTIES, which may presently exist or have previously accrued to any third party.
19. This AGREEMENT states the entire understanding between the PARTIES and supersedes any written or oral representations, statements, negotiations or agreements to the contrary. The PARTIES recognize that any representations, statements or negotiations made by staff of the PARTIES are not legally sufficient to bind the PARTIES in a contractual relationship unless they have been reduced to writing, approved and signed by authorized representatives of the PARTIES.
20. This AGREEMENT is solely for the benefit of the PARTIES herein. No person or entity other than the PARTIES will have any rights or privileges under this AGREEMENT in any capacity whatsoever, either as a third-party beneficiary or otherwise.
21. This AGREEMENT will be binding upon the PARTIES, their assigns, and successors in interest.

IN WITNESS WHEREOF, the PARTIES hereto set their hands and seals on the day, month and year first above written.

**SOUTH FLORIDA WATER
MANAGEMENT DISTRICT BY ITS
GOVERNING BOARD**

**CITY OF BONITA SPRINGS, FLORIDA
BY ITS CITY COMMISSION**

BY: _____
Drew Bartlett, Executive Director

BY: _____

APPROVED AS TO FORM FOR THE
RELIANCE OF THE DISTRICT:

APPROVED AS TO FORM FOR THE
RELIANCE OF CITY OF BONITA
SPRINGS ONLY:

District Counsel

Office of the CITY OF BONITA SPRINGS
Attorney

**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 22-01-002
January 19, 2022

REQUESTED MOTION: Approval of a Resolution to add Change Order No. 4 to the West Terry Street Pathway Extension contract with Coastal Concrete for the construction of a pocket park in the amount of \$39,850.00, bringing the total amount for West Terry Street Pathway Extension to \$904,641.52.

REQUESTOR: Matt Feeney, Assistant City Manager

AGENDA: Consent

STRATEGIC PRIORITY: #5 – Community Aesthetics

BACKGROUND:

On May 5, 2021, Council approved an agreement with the lowest responsible and responsive bidder, Coastal Concrete, in the amount of \$815,122.00 for the construction of the West Terry Street Pathway Extension.

The Palm Avenue Pocket Park project is a Parks and Recreation CIP project adjacent to the West Terry Street Pathway Extension project that is currently under construction. Staff requested pricing from the contractor, Coastal Concrete, to construct the pocket park, anticipating a cost savings as the contractor is already on site and installing landscaping as part of the pathway project. The pricing provided is within the Parks and Recreation Budget, and staff recommends approval of the proposed change to conclude both projects in a timely manner.

Funding is currently provided in FY21-22 budget line item 30.630.572.6027.

STAFF RECOMMENDATION: Approval

ATTACHMENTS:

1. Resolution
2. Change Order No. 4

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director: Matt Feeney

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS, FLORIDA

RESOLUTION NO. 22 –

RESOLUTION APPROVING CHANGE ORDER NO. 4 TO THE WEST TERRY STREET PATHWAY EXTENSION PROJECT CONTRACT WITH COASTAL CONCRETE FOR THE CONSTRUCTION OF A PARKS AND RECREATION POCKET PARK IN THE AMOUNT OF \$39,850.00, BRINGING THE TOTAL AMOUNT FOR WEST TERRY STREET PATHWAY EXTENSION PROJECT INCLUDING POCKET PARK TO \$904,641.52.

WHEREAS, City staff has budgeted funds for a pocket park adjacent to the West Terry Street Pathway Extension project:

The contractor is already on site installing landscaping; this would be a cost savings

WHEREAS, Coastal Concrete submitted a Proposal in the amount of \$39,850.00

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bonita Springs, Lee County, Florida:

Section 1. Accept Change Order No. 4 from Coastal Concrete

Section 2. Effective date.

This resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January 2022

AUTHENTICATION:

Mayor City Clerk

APPROVED AS TO FORM: _____
City Attorney

Vote:

Carr ____	Purdon ____
Corrie ____	Quaremba ____
Forbes ____	Steinmeyer ____
Gibson ____	

Date filed with City Clerk: _____

CITY OF BONITA SPRINGS CONSTRUCTION CONTRACT
CHANGE ORDER – NO. 4

Change Order Requires Approval by the City Council for Expenditures Over \$50,000

CONTRACT/PROJECT NAME: **West Terry Street Pathway Extension Project**

CONTRACTOR: Coastal Site Development LLC PROJECT NO.: _____

CONTRACT No.: _____ BID NO.: RFB #21-07

CHANGE REQUESTED BY: Coastal Site Development LLC DATE OF REQUEST: 12/20/21

Upon the completion and execution of this Change Order by both parties to the Contract, and upon the CITY issuing the CONTRACTOR a written Notice to Proceed, the CONTRACTOR will be authorized to and shall proceed to make the following changes in the Contract Documents:

Description: Include West Terry Street Park Project to the West Terry Street Pathway Extension Project

Purpose of Change Order: Addition of park construction to the West Terry Street Pathway Extension Project to include;

Pro Sprayers 30ea @ \$40.00	= \$1,200.00
Bubblers 50ea @ \$50.00	= \$2,500.00
Valves 5ea @ \$500.00	= \$2,500.00
Mainline 550ea @ \$16.00	= \$8,800.00
Laterals 4550ea @ \$3.00	= \$13,650.00
Bougainvillea H Johnson 100ea @ \$12.00	= \$1,200.00
Vita Mulch 100ea @ \$10.00	= \$1,000.00
Bahia Sod (TBD) per SF Estimated 12000ea @ \$.75	= <u>\$9,000.00</u>
TOTAL	\$39,850.00

Attachments (List documents supporting change) Coastal Site Development Proposal

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIME:
Original Contract Price	Original Contract Time
\$ <u>815,122.00</u>	_____
Previous Change Orders No. <u>1</u> to No. <u>3</u>	Calendar Days
\$ <u>49,669.52</u>	Net change from previous Change Orders
Contract Price prior to this Change Order	_____
\$ <u>864,791.52</u>	Calendar Days
Net Increase (Decrease) of this Change Order	Contract Time prior to this Change Order
\$ <u>39,850.00</u>	_____
Contract Price with all approved Change Orders	Calendar Days
\$ <u>904,641.52</u>	Contract Time with all approved Change Orders

	Calendar Days

It is understood and agreed that the acceptance of this modification by the CONTRACTOR constitutes an accord and satisfaction, and represents an agreement for payment in full (both time and money) for all costs arising out of, or incidental to, the above mentioned change.

RECOMMENDED:	ACCEPTED:	APPROVAL:
By: _____ Consultant (if applicable) Date	By: _____ Contractor	By: _____ Mayor - City of Bonita Springs
By: _____ Public Works Date	Date Accepted: _____	Date Approved: _____
	Corporate Seal	
By: _____		
City Attorney's Office Date Approve _____		

REQUESTED MOTION: Approve Purchase Agreement Amendment #1 for the Voluntary Home Buyout Program extending the agreement expiration date from January 31, 2022 to March 31, 2022.

REQUESTOR: Elly Soto McKuen, Senior Project Manager

AGENDA: Consent

STRATEGIC PRIORITY: 1) Stormwater Management, 4) Environmental Protection

BACKGROUND:

On November 17, 2021, City Council approved the purchase agreement for the Voluntary Home Buyout Program. Section 14 of the purchase agreement provided the agreement's expiration date as January 31, 2022.

The property owner needs additional time to relocate to another home. The homeowner is confident that by extending the purchase agreement deadline from January 31, 2022 to March 31, 2022 they will have enough time to relocate. All other terms and conditions will remain the same.

Staff has redacted the homeowner's names and addresses as outlined in Senate Bill (SB) 966 adopted during the 2020 legislative session. SB 966 provides an exemption from public records requirements for personal identifying information for the purpose of disaster recovery assistance from a presidentially declared disaster. These properties were affected as a result of Hurricane Irma in 2017. Once the property has been transferred to the City's ownership, the information will be made public.

STAFF RECOMMENDATION: Approve Purchase Agreement Amendment #1 for the Voluntary Home Buyout Program extending the agreement expiration date from January 31, 2022 to March 31, 2022.

ATTACHMENTS:

1. Amendment #1 with Original Agreement as Exhibit 1
2. SB 966

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director: Matt Feeney

Council Action: Approved ___ Denied ___ Deferred ___ Other _____





**CITY OF BONITA SPRINGS, FLORIDA
VOLUNTARY HOME BUYOUT PROGRAM**

3. The Purchase Agreement fully executed on November 17, 2021 (BSC-21-11-235) marked as Exhibit 1 is made a part of this Amendment.

Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

IN WITNESS WHEREOF, the Parties have executed this Amendment and the Bonita Springs City Council approved this Agreement on the _____ day of _____, 2022.

SELLER/ [REDACTED]

Signature

Date

BUYER/ CITY:

CITY OF BONITA SPRINGS, FLORIDA

ATTEST: Debra Filipek, Clerk

By: _____
Clerk

Rick Steinmeyer, Mayor

(Seal)

Date: _____

APPROVED AS TO FORM: _____
City Attorney's Office





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

AGREEMENT FOR PURCHASE

THIS AGREEMENT is made this 1st day of November, 2021, by and between the **City of Bonita Springs, FL**, a municipality incorporated in the State of Florida (hereinafter referred to as "BUYER" or "City") and [REDACTED] (hereinafter referred to as "SELLER"):

1. **PROGRAM DESCRIPTION.** The BUYER is acting under a Community Development Block Grant-Disaster Recovery (CDBG-DR) grant from the U.S. Department of Housing and Urban Development made to the State of Florida Department of Economic Opportunity, administered by The BUYER and hereinafter referred to as the "Voluntary Home Buyout Program", to purchase certain property in the City of Bonita Springs, Florida in which the SELLER owns an improved property located at [REDACTED] **Bonita Springs, FL 34135** hereinafter referred to as the "premises".

The SELLER acknowledges that the above-referenced property was impacted by Hurricane Irma, that the SELLER qualifies for the assistance being granted, and that the SELLER understands that any potential utilization of eminent domain by the City will not be implemented under this program. In the event the SELLER is not interested in selling their property, or if the SELLER and the B cannot reach an amicable agreement for the purchase of the property, the BUYER will not pursue its acquisition under eminent domain.

SELLER understands this is a voluntary transaction and that SELLER is not entitled to relocation benefits provided by the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and will not claim any such benefits.

2. **OFFER AND DESCRIPTION.** BUYER agrees to buy, and SELLER agrees to sell all of a certain piece, parcel or lot of land, and other interests buildings, structures and improvements thereon, which lands shall include all tenements, hereditaments, together with all water and other rights, easements, appurtenances, and any and all of the SELLER's rights in or arising by reason of ownership thereunto belonging, owned by them, situate and lying in the City of Bonita Springs, State of Florida, to-wit more particularly described as follows:



Bonita Springs, FL 34135

The SELLER agree that they have full right, power, and authority to convey, and that they will convey to the CITY the fee simple title together with legal and practical access thereto clear, free, and unencumbered, except subject to the following easements or reservations:

Existing easements for canals, ditches, flumes, pipelines, railroads, public highways and roads, telephone, telegraph, power transmission lines and public utilities.





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

3. CONSIDERATION. The SELLER acknowledges that the price to be paid for the property is the current Fair Market Value that was determined by a certified Florida Appraiser. The purchase price for the real estate property and improvements above described is Two Hundred Ninety Thousand Dollars and Zero Cents (\$290,000.00) to be paid at closing, minus any outstanding liens and transaction costs due from SELLER which are due and payable at the date of settlement.

- a. The SELLER agrees, so long as this offer remains in effect, not to sell, mortgage, encumber, or otherwise dispose of the property or any part thereof, or interest therein, except to the CITY.
- b. Loss or damage to the property by any cause shall be at the risk of the SELLER until title has been conveyed to the CITY.
- c. The SELLER agrees to deliver a good and sufficient general warranty deed conveying marketable title.
- d. It is understood by all parties that the proceeds from the sale shall first be applied to all liens on the property which are due and payable at the date of settlement. It is further understood that the CDBG-DR program funds being used for the purchase of the property, cannot and will not duplicate benefits that have been received for the same from any other funds. Duplication of Benefits (DOB) applies if the SELLER is currently receiving funds for temporary housing from local, state, or federal sources as the BUYER will provide relocation funding as described in the following paragraph (refer to Program Incentive). DOB includes any Small Business Administration (SBA) loan secured by the SELLER for relocation purposes. Additionally, SELLER shall resolve any and all outstanding claims and sign a Subrogation Agreement (Attachment A) which will require the return of any and all monies or payments to either the funding agency or the CITY, related to this property which may be claimed by SELLER after settlement, stemming from Hurricane Irma, September 10, 2017 landfall in the City of Bonita Springs, Florida, and any disaster events afterwards.

4. PROGRAM INCENTIVE. In addition to the fair market offer identified above presented for the valuation of the above referenced legal description, and by participating in the VHBP, the SELLER may be eligible for additional housing incentive awards. The VHBP is offering Housing Replacement Incentives. The City has determined that the SELLER may qualify for up to **\$10,000.00**, pending final verification of incentive requirements.

4.1 The SELLER is eligible for up to \$10,000 in additional assistance as a Housing Replacement Incentive. The purpose of the incentive is to encourage maximum participation by property owners and removal of as many properties as possible from high flood risk areas. Incentive payments should assist the household with necessary funds to buy an existing home or construct a home on a newly purchased lot, as applicable.

The following items must be met to be eligible for the incentive:

- a. Purchased a lot or are using a pre-owned lot located outside of a floodplain or to a lower-risk area within the City's jurisdiction for construction of a new home (a construction date must be provided), or the homeowner has purchased a newly





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

constructed or existing home located outside of a floodplain or a lower flood risk area in the City of Bonita Springs' jurisdiction. The City will review the location to ensure the new location is outside a flood prone area and will complete a HUD established 58.6 checklist on the new home or lot.

- b. The homeowner's yearly **income exceeds the HUD income requirements** in order to qualify for the incentive.

5. CONTINGENCIES.

- a. SELLER shall vacate the property within ninety (90) days from the date of this contract or by the settlement date, whichever is soonest. If SELLER does not vacate the property, the BUYER shall have the right to void this contract, unless an extension has been agreed upon between SELLER and the BUYER. The property shall be delivered at settlement free of any tenant or occupancy whatsoever.
- b. BUYER shall have the right to perform any and all inspections on the property up until the day of closing (settlement date). If BUYER's inspections are not satisfactory to the BUYER, the BUYER shall have the right to void this contract. BUYER shall also have the right to void this contract if the City's intended use of the property is a violation of any restrictive covenants on the property that cannot be modified.
- c. BUYER and SELLER acknowledge that the purchase of the property is with U.S. Department of Housing and Urban Development (HUD) funds that are being allocated through the state of Florida's Department of Economic Opportunity (DEO). The SELLER acknowledges that this Contract does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of an environmental review, DEO approval of the purchase, the City of Bonita Springs City Council's approval of the purchase, and receipt and release of funds from DEO.

6. TRANSACTION COSTS. BUYER's Transaction Costs include appraisal fee, BUYER's attorney fees, deed preparation, title search, and title insurance and all recording fees, if applicable. SELLER's Transaction Costs include payoff fees. BUYER shall be responsible for BUYER's transaction costs and SELLER's transaction costs. SELLER shall be responsible for any costs necessary to deliver a marketable title (including recording of loan satisfaction). If SELLER is represented by a realtor or attorney, the SELLER is responsible for all realtor and attorney fees.

7. REAL ESTATE TAXES. SELLER shall provide a paid tax receipt for the most recent tax bill five (5) days prior to closing. BUYER shall be responsible for the pro-rata share of prepaid real property taxes allocable to the period subsequent to the vesting of title in the CITY, or the effective date of possession of such real property by the same, whichever is earlier. It shall be the obligation of the SELLER to pay all taxes and assessments outstanding as liens at the date title vests of record in the CITY, whether or not such taxes and assessments are then due and payable.





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

8. ADJUSTMENTS. NONE.
9. CONVEYANCE DATE OF CLOSING/POSSESSION. Conveyance will be made subject to all easements and covenants of record (provided they do not make the title unmarketable or prohibits the City of Bonita Springs from its desired use of the property) and to all governmental statutes, ordinances, rules, and regulations. The SELLER expressly agrees herein to furnish to the CITY any documents in SELLER's possession establishing evidence of title including, but not limited to, abstracts, title commitments, title policies and opinions of title, if needed. SELLER agrees to convey by marketable title with a general warranty deed, free of encumbrances. The deed will be prepared in the name of the City of Bonita Springs, Florida or as otherwise stipulated by BUYER, and delivered to stipulated place of closing. The Closing Attorney shall be authorized to disburse the sales proceeds at the time of settlement. This transaction will be closed on or before 90 days of the signing of this contract.
10. ACKNOWLEDGEMENTS. The SELLER acknowledges that it has had an opportunity to review this Agreement and that it has had an opportunity, if needed, to contact an attorney of its choice to review this Agreement, and the SELLER enters into this Agreement fully understanding the nature thereof and saves and holds harmless the City and its agents as a result of this Agreement or anything incident to the sale of the referenced real property
11. FIXTURES AND PERSONAL PROPERTY. At the time of closing (settlement date), this sale includes all property, fixtures, equipment, and improvements of any kind left on the premises. Personal property, such as fixtures, can be removed from the property prior to Vacancy Inspection so long as this removal does not cause health or safety concerns on the premises. After the Vacancy Inspection date, SELLER shall not be allowed to remove any personal property, fixtures or other items otherwise agreed upon between BUYER and the SELLER.
12. VACANCY INSPECTION. The SELLER acknowledges and agrees that on the Vacancy Inspection date, the BUYER will require the premises, including all external doors and windows to be secure. If the property is not secure, the Vacancy Inspection and closing may be required to be rescheduled for a later date. The Vacancy Inspection will need to be completed within twenty-four (24) hours prior to closing, unless otherwise agreed upon between the BUYER and the SELLER.
13. SELLER CLOSING ACTION ITEMS. The SELLER agrees that all utilities are turned off on or before the Vacancy Inspection date. SELLER shall be responsible for the payment of all utilities up to the date of closing. Attachment B has a number of tips to ensure the necessary steps for the closing process have been completed.
14. EXPIRATION OF OFFER. This offer from BUYER will be withdrawn at **11:59 o'clock PM.** (Eastern Standard Time) on **January 31, 2022** unless accepted or countered by SELLER in written form prior to such time. If SELLER requires an extension to the time and date stated above to accept or counteroffer the offer presented by the BUYER, a written request with reasoning needs to be submitted to and approved by the BUYER prior to the expiration date.





**CITY OF BONITA SPRINGS, FLORIDA
VOLUNTARY HOME BUYOUT PROGRAM**

15. ENTIRE AGREEMENT. This agreement supersedes any and all understandings and agreements between the parties and constitutes the sole and entire agreement between the parties. No oral agreement or representations prior hereto shall be included herein unless set forth in writing. Any change to this Contract shall be in writing.
16. The SELLER shall close any open building permits or code enforcement proceedings prior to closing.
17. EFFECTIVE DATE. The effective date of this Agreement shall be the date when the last of the SELLER and the CITY has signed this Agreement.

Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

This space has intentionally been left blank.





**CITY OF BONITA SPRINGS, FLORIDA
VOLUNTARY HOME BUYOUT PROGRAM**

IN WITNESS WHEREOF, the SELLER has hereunto signed their names and affixed their respective seals, as applicable, and therefore the SELLER for and in consideration of the Ten Dollars (\$10.00) hereinabove acknowledge as received, have, and do hereby grant unto the CITY or its authorized representative, or any other office or agent of the CITY authorized to purchase said lands, the option and right to enter into this Agreement and to purchase said lands as herein provided.

SELLER/ [REDACTED]

Signature

11/1/2021

Date

BUYER/ CITY:

CITY OF BONITA SPRINGS, FLORIDA

ATTEST: Debra Filipek, Clerk

By: _____
Clerk

Rick Steinmeyer, Mayor

(Seal)

Date: _____

APPROVED AS TO FORM: _____
City Attorney's Office

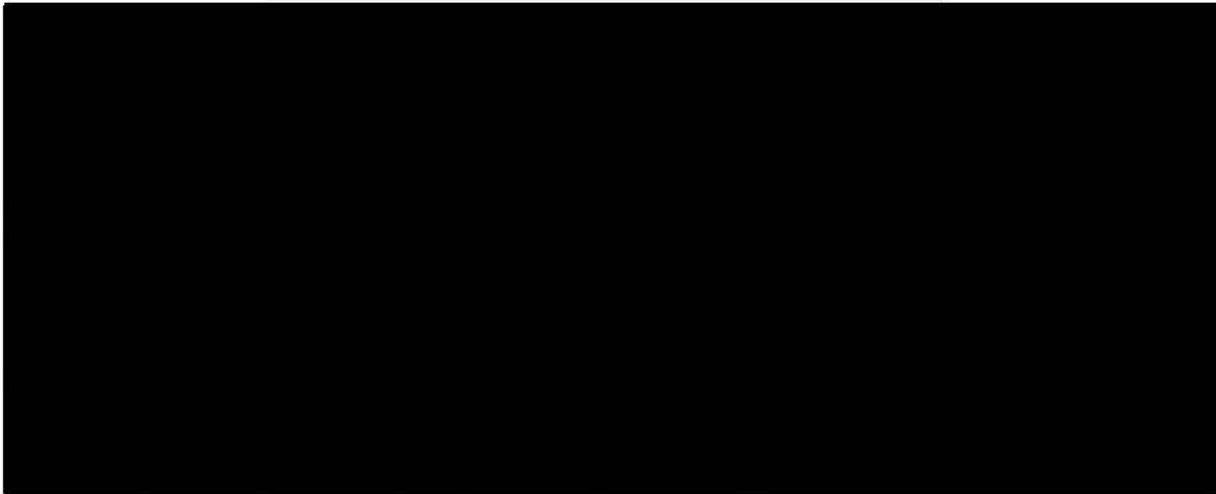




CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

Exhibit A

Metes and Bounds Property Description





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

Attachment A

PROGRAM SUBROGATION AGREEMENT

Federal law prohibits any person, business, or other entity from receiving Federal funds for any part of such loss as to which they have received financial assistance under any other program, or from insurance or any other source. A duplication of benefits ("DOB") occurs when a beneficiary receives assistance, the assistance is from multiple sources, and the assistance amount exceeds the need for a particular recovery purpose. The DOB prohibition applies to federally funded programs providing financial assistance as a result of a major disaster or emergency.

To comply with federal law, the undersigned SELLER of benefits under the Rebuild Florida Voluntary Home Buyout Program (the "Program") being administered by the City of Bonita Springs (the "City") as a subrecipient of the Florida Department of Economic Opportunity ("DEO") Community Development Block Grant-Disaster Recovery (CDBG-DR) grant, the SELLER hereby assigns to the City all of their future rights to reimbursement and all payments that may be received, or have been previously received and not disclosed, under any Federal Emergency Management Agency ("FEMA") program, Small Business Administration ("SBA") program relating to temporary housing provided through the Program relating to the disaster or emergency for which these CDBG-DR funds are awarded.

The City's rights under this Agreement regarding Proceeds or DOB shall be subject to the following:

- A. If Proceeds are received by the SELLER between the date of the signed Duplication of Benefits Certification and the date of completion of Program participation (closing), that have not been previously disclosed to the Program, then the SELLER must repay the City the difference between (i) the total amount of Program disbursements as of the date the Proceeds were received, and (ii) the total amount that would have been made if such Proceeds had been included in the original DOB calculation.
- B. If Proceeds are received by the Recipient after the date of completion of Program participation, then the SELLER must turn over to DEO the total amount of the Proceeds up to, but not exceeding, the amount received under Program benefits.

The SELLER agrees to assist and cooperate with the City should the City elect to pursue any of the claims the Recipient has or may have for benefits or reimbursement under any Federal, State, or private sources. The SELLER's assistance and cooperation shall include allowing suit to be brought in the name(s) of the SELLER, giving depositions, providing documents, producing records and other evidence, testifying at trial, and any other form of assistance and cooperation reasonably requested by the City or DEO.

If requested by the City, the SELLER agree to execute such further and additional documents and instruments as may be requested to further and better assign to the City the Proceeds and/or





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

any rights thereunder as contemplated by this Agreement, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the City to consummate and make effective the purposes of this Agreement.

The SELLER explicitly allows the City to request of any company or entity with which the Recipient held policies, or FEMA, or the SBA, or any other entity from which the SELLER has applied for or is receiving Proceeds, any nonpublic or confidential information determined to be reasonably necessary by the City to monitor and/or enforce its interest in the rights assigned to it under this Agreement and gives the SELLER's consent to such company or entity to release said information to the City.

The SELLER agrees that any lawyer or claims adjuster representing the Recipients in connection with Program benefits or services are authorized and instructed to communicate with the City regarding the nature and status of claims and to share information with the City relating to the claims. The lawyer and claims shall protect the interest of the State in any proceeds resulting from the claim upon receipt of notice of this subrogation.

If the SELLER hereafter receives any Proceeds for the same purpose as the Program, the SELLER agrees to promptly pay such Proceeds, or an equivalent amount of funds, to the City in accordance with the terms of this Agreement.

This space intentionally left blank





**CITY OF BONITA SPRINGS, FLORIDA
VOLUNTARY HOME BUYOUT PROGRAM**

In any proceeding to enforce this Agreement, the City shall be entitled to recover all costs of enforcement, including actual attorneys' fees.

Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

OWNER: [REDACTED]

[REDACTED]

Signature

[REDACTED]

Print Name

PROGRAM STAFF

Signature

Print Name





CITY OF BONITA SPRINGS, FLORIDA VOLUNTARY HOME BUYOUT PROGRAM

Attachment B

STEPS TO A SUCCESSFUL CLOSING

A City of Bonita Springs representative will assist you through the closing process. Please review the following tips to ensure the necessary steps for the closing process are completed.

The Vacancy Inspection is an important step in the process and is required before the City can take possession of your property.

Please complete the following items before the Vacancy Inspection:

- 1. You or your authorized representative need to be present at the vacancy inspection the day before the scheduled closing.**
- 2. All utilities need to be turned off.** This includes, but is not limited to, electrical, gas, plumbing, cable, and any other recurring services at the property. Please advise the utility company that the property will be demolished.
- 3. All personal property, fixtures, and/or any other items on the premises need to be removed from the property.** This includes, but is not limited to vehicles and vessels, personal items, and items in the household the current owner wishes to keep. After the Vacancy Inspection is complete, all items remaining on the property will become the City's property.
- 4. The property needs to be completely vacated.** At the time of the Vacancy Inspection, no individuals can be living on the property.
- 5. The property needs to be secured and inaccessible to the public.** This includes, but is not limited to, confirming that all doors and windows lock. If windows or doors are not secured, the necessary steps need to be taken to secure the building (such as placing boards over the windows).
- 6. Please ensure that all hazardous items have been removed from the household and properly disposed of.** This includes, but is not limited to, household cleaners, paints, oils, and batteries.
- 7. Provide all property keys to the City:** Please bring your property keys to the closing. If the closing will be accomplished remotely, please ensure the property keys are surrendered to the City as prearranged by closing.



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1
2 An act relating to public records; amending s.
3 119.071, F.S.; providing an exemption from public
4 records requirements for property photographs and
5 personal identifying information provided to specified
6 entities by certain persons for the purpose of
7 disaster recovery assistance; authorizing access to
8 such records and information for certain purposes;
9 providing for future legislative review and repeal of
10 the exemption; providing a statement of public
11 necessity; providing an effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Paragraph (f) of subsection (5) of section
16 119.071, Florida Statutes, is amended to read:

17 119.071 General exemptions from inspection or copying of
18 public records.—

19 (5) OTHER PERSONAL INFORMATION.—

20 (f) 1. The following information held by the Department of
21 Economic Opportunity, the Florida Housing Finance Corporation, a
22 county, a municipality, or a local housing finance agency is
23 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I
24 of the State Constitution:

25 a. Medical history records and information related to
26 health or property insurance provided ~~to the Department of~~
27 ~~Economic Opportunity, the Florida Housing Finance Corporation, a~~
28 ~~county, a municipality, or a local housing finance agency~~ by an
29 applicant for or a participant in a federal, state, or local

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housing assistance program ~~are confidential and exempt from s.~~
~~119.07(1) and s. 24(a), Art. I of the State Constitution.~~

b. Property photographs and personal identifying
information of an applicant for or a participant in a federal,
state, or local housing assistance program for the purpose of
disaster recovery assistance for a presidentially declared
disaster.

2. Governmental entities or their agents shall have access
to such confidential and exempt records and information for the
purpose of auditing federal, state, or local housing programs or
housing assistance programs.

3. Such confidential and exempt records and information may
be used in any administrative or judicial proceeding, provided
such records are kept confidential and exempt unless otherwise
ordered by a court.

4. Sub-subparagraph 1.b. is subject to the Open Government
Sunset Review Act in accordance with s. 119.15 and shall stand
repealed on October 2, 2025, unless reviewed and saved from
repeal through reenactment by the Legislature.

Section 2. The Legislature finds that it is a public
necessity that property photographs and personal identifying
information of an applicant for or participant in a federal,
state, or local housing assistance program for the purpose of
disaster recovery assistance for a presidentially declared
disaster, held by the Department of Economic Opportunity, the
Florida Housing Finance Corporation, a county, a municipality,
or a local housing finance agency, be made confidential and
exempt from s. 119.07(1), Florida Statutes, and s. 24(a),
Article I of the State Constitution. In response to a disaster,

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59 an agency, in an effort to determine damage and ascertain the
60 estimated cost of rehabilitation, may conduct a property
61 inspection to observe and record damage to the property. This
62 information may be used to locate the damaged property and to
63 identify and contact the property owner or tenant. Following a
64 disaster, the people affected are vulnerable and frequently
65 displaced due to the severely damaged and often uninhabitable
66 condition of their residences. If released, property photographs
67 and personal identifying information could be used by fraudulent
68 contractors, predatory lenders, thieves, or individuals seeking
69 to impose on the vulnerability of the distressed property owner
70 or tenant following a disaster. Therefore, it is necessary that
71 property photographs and personal identifying information be
72 protected to ensure that those affected by a disaster are not
73 harassed, intimidated, or potentially defrauded.

74 Section 3. This act shall take effect July 1, 2020.

**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 22-01-004
January 19, 2022

REQUESTED MOTION: Adopt Resolution awarding the Voluntary Home Buyout Program Demolition Contractor Project, RFB #21-22, to the lowest responsive, responsible bidder, HONC Destruction.

REQUESTOR: Elly Soto McKuen, Senior Project Manager

AGENDA: Consent

STRATEGIC PRIORITY: 1) Stormwater Management and 4) Environmental Protection

BACKGROUND:

December 1, 2021 – City staff advertised for bids for the Voluntary Home Buyout Program Project, RFB#21-22.

January 7, 2022 – City staff receive one (1) sealed bid for the demolition project

Contractor	Fee
HONC Destruction	NOTE: Fees are predicated on square footage of each structure and appurtenances on the property. See Bid Tabulation for costs per housing type.

STAFF RECOMMENDATION: Adopt Resolution awarding bid.

ATTACHMENTS:

1. Resolution
2. Bid Tabulation

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director: Matt Feeney

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS, FLORIDA

RESOLUTION NO. 22-

RESOLUTION OF THE CITY OF BONITA SPRINGS, FLORIDA, AUTHORIZING THE MAYOR TO SIGN AGREEMENT WITH HONC DESTRUCTION FOR A VOLUNTARY HOME BUYOUT DEMOLITION CONTRACTOR PROJECT (RFB# 21-22) UPON APPROVAL OF THE DOCUMENTS BY THE CITY ATTORNEY.

WHEREAS, on December 1, 2021, the City advertised for bids for a Voluntary Home Buyout Program Demolition Contractor, and

WHEREAS, on January 7, 2022, the City received one (1) bid from the following:

Contractor	Bid Amount
HONC DESTRUCTION	NOTE: Fees are predicated on square footage of each structure and appurtenances on the property. See Bid Tabulation for costs per housing type.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bonita Springs, Lee County, Florida:

Section 1. That the bid received from HONC DESTRUCTION is determined to be the lowest responsive and responsible bidder and the Mayor is authorized to sign the agreement, upon approval of the documents and insurance by the City Attorney.

Section 2. Effective date: This resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January 2022.

AUTHENTICATION:

Mayor

City Clerk

APPROVED AS TO FORM: _____
City Attorney's office

Vote:

Forbes
Gibson
Quaremba
Corrie

Steinmeyer
Carr
Purdon

Date filed with City Clerk: _____

Voluntary Home Buyout Program Demolition Contractor
RFB# 21-22
Bid Tabulation

Item	Description	Unit of Measurement	Unit Price
1	Demolish Wood Frame Structure – As outlined in the Scope of Work in the RFB	Square Foot	\$ 2.65/SQ FT
2	Demolish Concrete Block Structure – As outlined in the Scope of Work in the RFB	Square Foot	\$ 2.65/SQ FT
3	Asbestos Survey	Lump Sum	\$ 1,000.00/LS
4	Asbestos Abatement	Square Foot	\$ 4.00/SQ FT
5	Installation of Silt Fence	Lineal Foot	\$ 2.00/LF
6	Concrete and/or Asphalt Flatwork (slabs, footers, foundations, driveway, walkways, etc.)	Cubic Yard	\$ 8.00/CU YD
7	Septic Tank and Appurtenances Removal	Lump Sum	\$ 600.00/LS
8	Wells on site – Grouted (unusable)	Lump Sum	\$ 1,500.00/LS
9	Loading, transporting, and disposing of demolition debris at an approved landfill (Tonnage based on individual weight tickets from disposal site)	Ton	\$ 75.00/Ton
		Cubic Yard	\$ 15.00/CU YD
10	Restoration of Natural Ground after removal of all debris, appurtenances, and foundation. Restoration shall include fill, grade, furnish and install Rye and Bahia or any seasonal mix	Square Foot	\$ 0.65/SQ FT

REQUESTED MOTION: Authorize staff to submit a grant proposal to the Florida Department of Environmental Protection for the Federal Recreational Trails Program (RTP) to construct the Pine Avenue Multi-Use Path.

REQUESTOR: Elly Soto McKuen, Senior Project Manager

AGENDA: Consent

STRATEGIC PRIORITY: 1) Improve Stormwater Management, 2) Transportation, 3) Strengthen City Finances, 4) Environmental Protection, 5) Community Aesthetics, 8) Economic Development

BACKGROUND: The Florida Department of Environmental Protection (FDEP) announced a grant opportunity for the Federal Recreational Trails Program (RTP). The Recreational Trails Program is federally funded through the United States Department of Transportation's Federal Highway Administration (FHWA). The RTP provides competitive, matching-grant funds to renovate, develop, or maintain recreational motorized, nonmotorized, and mixed-use trails and trailside facilities.

Staff recommends the Pine Avenue Multi-Use Pathway Project. The project scope is Pine Avenue from West Terry Street north to the City's Recreational Center's covered basketball courts. Pine Avenue is the connection between the recently upgraded improvements along West Terry Street and the City's Recreation Center. A multi-use path along Pine Avenue would allow for wider pathways and upgraded landscaping and lighting similar to those recently installed along West Terry Street.

Staff has shovel ready plans. The application requires a 1:1 match. The maximum amount for a non-motorized trail is \$400,000 with the City contributing \$400,000 for a total project cost of \$800,000.

STAFF RECOMMENDATION: Authorize staff to submit a grant proposal to the Florida Department of Environmental Protection for the Federal Recreational Trails Program (RTP) to construct the Pine Avenue Multi-Use Path.

ATTACHMENT:

1. Grant Announcement

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	Matt Feeney

Council Action: Approved ___ Denied ___ Deferred ___ Other_____

Miscellaneous

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Office of the Secretary

NOTICE OF GRANT SUBMISSION PERIOD FOR RECREATION TRAILS PROGRAM

The Department of Environmental Protection (Department) will accept Fiscal Year 2022-2023 grant applications for the Federal Recreational Trails Program (RTP), as follows:

APPLICATION SUBMISSION PERIOD: The Department is accepting applications from February 1 through March 1, 2022. Completed applications must be postmarked on or before March 1, 2022.

ELIGIBLE APPLICANTS: Eligible applicants include all local governmental entities and state or federal agencies, federally or state recognized Indian tribal governments that have the legal responsibility for the provision of outdoor recreational sites and facilities for the use and benefit of the public, and active Florida nonprofit corporations that have an agreement with a governmental agency to develop public lands.

INELIGIBLE APPLICANTS: A grantee with two incomplete RTP projects by the closing date of the application submission period is not eligible to apply.

APPLICATION LIMIT PER SUBMISSION CYCLE: The maximum number of applications an applicant may submit is as follows: local governments may submit one; consolidated city-county government may submit two; nonprofit corporations may submit one; state and federal agencies may submit one per district.

ELIGIBLE PROJECT SITES: The site of a proposed RTP project must be on public lands. The site must be owned by the applicant or government on or before the closing date of the application submission period. A site not owned by the applicant or government must be under the applicant's or government's control by a 99-year lease or similar control, such that the applicant has the legal ability to dedicate and manage the site for public recreational trail use pursuant to subsections 62S-2.076(1) and (2), F.A.C. School board property used primarily for educational or school related purposes is not eligible. In addition, nonprofit corporations must provide a letter from the landowner or managing agency stating that it supports the project and will abide by the compliance requirements of this rule, and the Recreational Trails Program Interim Guidance issued by the Federal Highway Administration.

ELIGIBLE PROJECT TYPES: The primary purpose of the project must be providing recreational trails for the public and may include motorized trail, nonmotorized trail, and mixed-use trail projects that facilitate recreational trail use. A recreational trail is a thoroughfare or track across land or water, used for recreational purposes such as bicycling, day hiking, equestrian activities, jogging or similar fitness activities, trail biking, overnight and long distance backpacking, roller skating, in-line skating, running, aquatic or water activity, and vehicular travel by motorcycle, four-wheel drive, all terrain off-road vehicles, or dune buggies per subsection 62S-2.070(39), F.A.C. Projects may include facilities such as boat launches, docks, and related facilities to create or enhance recreational trail opportunities.

PERMISSIBLE USES OF RTP GRANT FUNDS: Maintenance or renovation of existing trails; development or renovation of trailside or trailhead facilities or trail linkages; purchase of trail construction or maintenance equipment; construction of new trails on local and state lands; construction of new trails crossing federal lands; operation of educational programs to promote safety and environmental protection that specifically relate to the uses of recreational trails, to the extent the Department has not chosen to use the educational funds in whole or in part, to further a statewide goal of the Greenways and Trails Plan.

MAXIMUM GRANT REQUEST: The maximum grant amount per project type is as follows: nonmotorized trail: \$400,000; mixed use trail: \$500,000; motorized trail: \$1,000,000. Grant awards are distributed on a reimbursement basis and are contingent upon an apportionment from the Federal Highway Administration and expenditure authorization by the Florida Legislature.

MATCH REQUIREMENTS: The RTP grant is provided on a 50:50, 60:40, or 80:20 matching ratio (program: grantee).

APPLICATION PACKETS AND ADDITIONAL DETAILS: RTP grant application packets and additional grant details may be obtained electronically at <https://floridadep.gov/lands/land-and-recreation-grants/content/rtp-assistance> or by contacting RTP staff via email at Tara.V.Reynolds@floridadep.gov, by phone (850)245-2501 or U.S. Mail at Department of Environmental Protection, Land and Recreation Grants Section, 3900 Commonwealth

Boulevard, Mail Station 585, Tallahassee, Florida 32399. See also, Fla. Stat. §260.016, and F.A.C. Rule 62S-2 for specific application requirements, processing, and evaluation criteria.

APPLICATION WEBINAR: RTP staff will host a webinar to assist potential grant applicants in understanding the application processes for both development and acquisition projects.

DATE AND TIME: January 19, 2022, 10:00 a.m.

PLACE: Interested parties may participate via GoToWebinar:

Please register in advance at <https://attendee.gotowebinar.com/register/1363387139118794768>

After registering, you will receive a confirmation email from customercare@gotowebinar.com containing information about joining the webinar.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting: Linda Reeves, (850)245-2501. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

REQUESTED MOTION: Authorize staff to advertise RFP for Letters of Interest from Artists and other similar type vendors for use of Artist Cottage #2 at Riverside Park.

REQUESTOR: Nicole Perino, Parks and Recreation Director

AGENDA: Consent

STRATEGIC PRIORITY: #8 Economic Development

BACKGROUND:

On May 28, 2022, the current use agreement for Artist Cottage #2 is set to expire. The current tenants have exhausted all renewals based on their current agreement, which provided for an initial term of one year and three options for renewal.

On December 1, 2021, Council granted an extension to Diane Hein and Jennifer Sanders, the current Cottage #2 tenants, in order to allow them to remain in the cottage until the end of season after which would require an RFP for Letters of Interest. The current tenant will have the ability to submit a Letter of Interest for the new RFP. Once advertised and Letters of Interest are submitted, the Art in Public Places Board will review the submissions and provide a ranking of the top three submissions and provide a recommendation to City Council.

STAFF RECOMMENDATION: Authorize Staff to advertise RFP for Letters of Interest from Artists and similar type vendors for use of Artist Cottage #2 in Riverside Park.

ATTACHMENTS:

1. Draft RFP

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	Nicole Perino

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

**CITY OF BONITA SPRINGS
REQUEST FOR LETTERS OF INTEREST FOR
RIVERSIDE PARK COTTAGE USE AGREEMENT
RFP 22-**

The City of Bonita Springs is continuously seeking proposals for artists and other similar type vendors who seek to use City space in one (1) of the historic and recently refurbished fishing cottages located at Riverside Park, 27300 Old U.S. 41, Bonita Springs, FL 34135. The fishing cottages are 12' x 26' (312 sq. ft.) and are equipped with air conditioning, electric and water (to be included in the monthly fee for use). Bathroom access will be the same as public. The cottage will be filled on an ongoing basis when there is a vacancy from proposers who have submitted to this proposal.

It is the intent of the City to enter into Use Agreements with artists and other similar type vendors for use of the cottages. The City is interested in the public being able to observe a "village" of artists and/or craftsmen in a historic area which is undergoing redevelopment activities. Vendors will be required to be open for business during City organized special events. Other hours of operation to be determined by vendor.

The City sets the monthly fee for annual terms, to be determined by City Council based on fair market value of the space. A copy of the current rate is available from the Parks and Recreation Director, serving as the City's representative. City Council is not interested in selling any of the cottages.

If you are an artist or other vendors interested in leasing one of the cottages, please send the City of Bonita Springs a Letter of Interest in the following format:

- Letter of Interest shall be sealed, submitted and plainly marked on the outside of the envelope RFP 22- LETTER OF INTEREST: RIVERSIDE PARK COTTAGE USE AGREEMENT.
- Vendors should submit the proposal on or before Friday March 18, 2022, to Debbie Filipek, City Clerk, City of Bonita Springs, City Hall, 9101 Bonita Beach Rd., Bonita Springs, Florida 34135.
- Any Letters of Interest received after the specified time will not be considered
- Faxed documents will not be accepted. Letters of Interest should be on 8½" x 11" page paper, not to exceed ten (10) pages. Paper should be white, so that photographs and text are easily reproducible.
- Vendors are expected to fully inform themselves as to the requirements in the Standard Instructions in this Letter of Interest.
- All questions pertaining to this Request for Proposals must be submitted in writing by email at Nicole.perino@cityofbonitasprings.org or by mail to the attention of Nicole Perino, Parks and Recreation Director, City of Bonita Springs, Bonita Springs City Hall, 9101 Bonita Beach Rd., Bonita Springs, FL 34135.

Standard Instructions

1. LOI will be evaluated to determine which Vendors are most appropriate based on the City of Bonita Springs having an area for the public to be able to observe a “village” of artists and/or craftsmen in the park. If all of the requested information is not provided in the Proposal, the Proposal may be deemed non-responsive and may be eliminated from further consideration. Therefore, the information outlined below must be provided on 8½” x 11” page paper, not to exceed ten (10) pages (single sided) in length:
 - a. Description of type of vendor and/or concession;
 - b. Type of Business – Sole Proprietor, Partnership, Corporation, etc.;
 - c. Discussion of past vendor/work related experience;
 - d. A description of the type of art, craft, etc. that the vendor is proposing to demonstrate and potentially sell in the cottage.
 - e. If you will be using a kiln, please give a description of the kiln including its components and type.
 - f. A commitment and financial capability to pay the monthly fee of \$300 per month September – May and \$200 per month June - August to use the cottage with a possible increase based on market rate or inflation index each year.
 - g. A timetable of when the Vendor can commence operations at the Cottage.
 - h. Any chemicals or mechanical components which may be hazardous, flammable or otherwise dangerous to the public.
 - i. Qualifications and experience of outside Vendors or sub-Vendors regularly engaged by the Vendors under consideration;
 - j. Proof of payment of Lee County Business Tax Receipt (formerly occupational license tax) if available or statement of intent to obtain;
 - k. Proposal for duration of lease including but not limited to requested duration – full time, part time, weekend, seasonal, and commitment to work the special events
 - l. Any additional information provided by the Vendor which demonstrates nature of the proposal.
 - m. Current tenant of the artist cottage will be given additional consideration based on their prior performance as a tenant.
2. All questions pertaining to this Request for Proposals must be submitted in writing by email at Nicole.perino@cityofbonitasprings.org or by mail to the attention of Nicole Perino, Parks and Recreation Director, City of Bonita Springs, Bonita Springs City Hall, 9101 Bonita Beach Rd., Bonita Springs, FL 34135.
3. Vendors are expected to fully inform themselves as to the requirements of the Letter of Interest (LOI). Failure to do so will be at their own risk. A vendor shall not expect to secure relief on the plea of error or lateness. Any LOI not containing all material information requested herein may be rejected at the City’s sole discretion. However, the City reserves the right to request any omitted information from any Vendors or to clarify any information submitted. The Vendor agrees that the submission of the LOI represents the Vendor’s acceptance of the terms and conditions as set forth in this request for LOI.

4. The City is not responsible for any expenses incurred in preparing and submitting a LOI or taking any action in the selection process or for the cost of any services performed by any firm prior to the execution of a contract with the City.
5. The City reserves the right to reject any and all Letters of Interest, in whole or in part, with or without cause, to waive any informalities and technicalities, and to award the contract on such terms it deems to be in the best interests of the City.
6. UNDER NO CIRCUMSTANCES SHOULD ANY PROSPECTIVE VENDORS, OR ANYONE ACTING FOR OR ON BEHALF OF A PROSPECTIVE VENDOR. SEEK TO INFLUENCE OR GAIN THE SUPPORT OF ANY MEMBER OF THE CITY COUNCIL OR THE CITY STAFF FAVORABLE TO THE INTEREST OF ANY PROSPECTIVE VENDORS. LIKEWISE, CONTACT WITH THE CITY COUNCIL OR CITY STAFF AGAINST THE INTERESTS OF OTHER PROSPECTIVE VENDORS IS PROHIBITED. ANY SUCH ACTIVITIES MAY RESULT IN EXCLUSION OF THE PROSPECTIVE VENDOR FROM CONSIDERATION BY THE CITY.
7. Use Agreements will be awarded to a Vendor(s) for the use of one (1) cottage. The vendor will be required to maintain appropriate insurance (including professional liability insurance). The City of Bonita Springs shall be named as additional insured and be provided thirty (30) day prior written notice of any material change or cancellation of policies. Evidence of such coverage must be provided to the City of Bonita Springs prior to award of the agreement. All contracts and agreements will contain a hold harmless clause for the protection of the City of Bonita Springs.
8. Responses should be prepared simply and economically, and should provide straightforward and concise responses, which satisfy the requirements of this Request for Letters of Interest. Emphasis should be placed on the completeness and clarity of the content. The City of Bonita Springs shall not be liable for any expenses incurred in the preparation or presentation of the responses.
9. Federal, state, county, and local laws, ordinances, rules and regulations that in any manner affect the items covered herein shall apply. Lack of knowledge by the Vendors is no cause for relief from responsibility. Vendors are to be in full compliance with the following laws, specifically including, but not limited to: 1) Conflict of Interest; 2) City of Bonita Springs; 3) Government-in-the-Sunshine Laws; 4) Florida Public Records Law; 5) State of Florida Rules and Regulations; and, 7) ADA Rules and Regulations.
- 10. PUBLIC RECORDS - RESPONSES TO THIS RFP ARE PUBLIC RECORDS AVAILABLE FOR INSPECTION BY THE PUBLIC PURSUANT TO FLORIDA STATUTES §119.07.**
11. The City of Bonita Springs shall not be responsible for delays caused by the United States Postal Service, overnight express mail services, or for delays caused by any other occurrence.

12. The issuance of this RFP constitutes only an invitation to present Letters of Interests. The City of Bonita Springs reserves the right to determine, in its sole discretion, whether any aspect of the response satisfactorily meets the criteria established in the RFP, the right to seek additional information and/or clarification from any firm submitting a response, the right to negotiate with any firms or individuals submitting a response, and the right to reject any or all responses with or without cause.
13. In the event that the RFP is withdrawn by the City of Bonita Springs for any reason including, but not limited to, the failure of any of those things or events set forth herein to occur, the City of Bonita Springs shall have no liability for any costs or expenses incurred in connection with this RFP or otherwise.

Vendors Evaluation

1. All submitted LOIs will be reviewed by the Bonita Springs Art in Public Places Board (APPB) based on the information received. Based on this review, the APPB will identify the names of the most qualified vendors, by ranking, for City Council concurrence and acceptance.
2. Prior to ranking, the APPB may request the vendors to give an oral presentation. The vendor will be notified of the time and place of oral presentations. ORAL PRESENTATIONS MAY BE WAIVED BY THE APPB. If no oral presentations are requested, the APPB selection shall be based on the LOI submitted. If oral presentations are conducted, the vendors may be questioned by the APPB and City staff during the oral presentations.
3. The City reserves the right to reject any and all Letters of Interest.
4. Only those Vendors submitting Letters of Interest including all pertinent information as requested and which meet the requirements herein will be considered for Use Agreements, with the City filling vacancies on a space available basis.

**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 22-01-008
January 19, 2022

REQUESTED MOTION: Approve FDOT's request for use of the Bonita Springs Recreation Center Gymnasium for a public meeting regarding alternative conceptual plans for US 41 at Bonita Beach Rd. PD&E study in the City of Bonita Springs.

REQUESTOR: Nicole Perino, Parks and Recreation Director

AGENDA: Consent

STRATEGIC PRIORITY: #2 Transportation, #7 Government Transparency – Community Outreach

BACKGROUND:

On January 4, 2022, the Florida Department of Transportation sent a letter to the City Manager requesting use of the Bonita Springs Recreation Center Gymnasium on Thursday, April 14, 2022, from 3 pm to 8 pm including set up and tear down for a public meeting regarding the conceptual plans for US 41 at Bonita Beach Road Project Development & Environment (PD&E) study in the City of Bonita Springs.

The purpose of the study is to address congestion and projected travel demand as well as to enhance mobility, improve safety conditions and provide for multi-modal features. The public meeting is being held to present information and receive feedback from the community.

Historically, the City has granted requests from other governmental agencies, particularly when the targeted outreach is to our community.

STAFF RECOMMENDATION: Approval.

ATTACHMENTS:

1. Letter from FDOT

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	Nicole Perino

Council Action: Approved ___ Denied ___ Deferred ___ Other _____



Florida Department of Transportation

RON DESANTIS
GOVERNOR

801 North Broadway Avenue
Bartow, Florida 33830

L.K. NANDAM, P.E.
SECRETARY

January 4, 2022

Ms. Arleen Hunter
City Manager
City of Bonita Springs
9101 Bonita Beach Road
Bonita Springs, FL 34135

Subject: Public Information Meeting Venue Request
US 41 at Bonita Beach Road Project Development & Environment (PD&E) Study
Lee County
Financial Project Identification (FPID) No.: 444321-1-22-01

Dear City Manager:

The Florida Department of Transportation (FDOT) requests the use of the Bonita Springs Recreation Center Gymnasium for a public meeting regarding alternative conceptual plans for the US 41 at Bonita Beach Road PD&E study in the City of Bonita Springs on Thursday, April 14, 2022 from 5 p.m. to 7 p.m. The project team will require time to set up and breakdown around the meeting, and we request a total rental time of 3 p.m. to 8 p.m. for this public meeting.

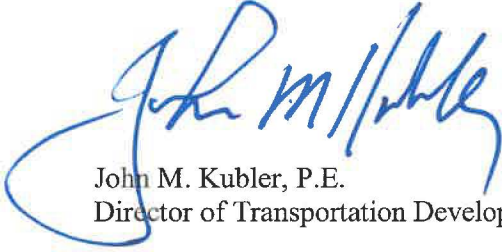
The purpose of this study is to address congestion and projected travel demand. Other goals of the project are to enhance mobility, improve safety conditions, and provide for multi-modal features. The public meeting is being held to present information and receive community feedback.

FDOT will send notices to nearby property owners, business owners, interested persons, and organizations to provide the opportunity to offer comments and express their views regarding this project and the proposed improvements.

Public participation is solicited without regard to race, color, national origin, age, sex, religion, disability, or family status. Persons wishing to express their concerns relative to FDOT compliance with Title VI may do so by contacting Cynthia Sykes, FDOT District One Title VI Coordinator, at Cynthia.Sykes@dot.state.fl.us.

If you have any questions or comments about the project, please contact the Project Manager, Patrick Bateman, by phone at 863-519-2792, by email at Patrick.Bateman@dot.state.fl.us or U.S. mail at Florida Department of Transportation, 801 N. Broadway Ave., Bartow, FL 33830.

Sincerely,

A handwritten signature in blue ink, appearing to read "John M. Kubler". The signature is stylized with a large loop at the beginning and a long, sweeping underline.

John M. Kubler, P.E.
Director of Transportation Development

**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 22-01-009
January 19, 2022

REQUESTED MOTION: Adopt Resolution with Budget Transfer accepting the bid for Imperial Shores Boulevard Sidewalk Improvements Project RFB 21-23 from Andrew Sitework LLC in the bid amount of \$2,949,284.80 upon approval of all documentation.

REQUESTOR: Matt Feeney, Assistant City Manager

AGENDA: Consent

STRATEGIC PRIORITY: #5 Community Aesthetics

BACKGROUND: On November 14, 2021, City staff advertised for sealed bids for the Imperial Shores Boulevard Sidewalk Improvements Project RFB 21-23.

December 16, 2021 – City received two (2) sealed bids for Imperial Shores Boulevard Sidewalk Improvements Project:

1. Andrew Sitework LLC - \$2,949,284.80 (\$823,817.00 of this amount is Bonita Springs Utilities portion)
2. Pavement Maintenance LLC – \$3,999,169.00 (\$1,391,701.75 of this amount is Bonita Springs Utilities portion)

The City entered into a Cooperative Agreement with Bonita Springs Utilities (BSU) for their portion of the project. Per agreement, BSU will reimburse the City as the project progresses.

Partial funding for the project is available from the Imperial Shores Sidewalk CIP, and staff has prepared a budget transfer of available funds from the Multi-Use Pathways & Sidewalks and the Capital Carry-over line items.

STAFF RECOMMENDATION: Adopt Resolution and approve budget transfer.

ATTACHMENTS:

1. Resolution
2. Bid Submittals

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director: Matt Feeney

Council Action: Approved ___ Denied ___ Deferred ___ Other_____

CITY OF BONITA SPRINGS, FLORIDA

RESOLUTION NO. 22 –

ADOPT RESOLUTION WITH BUDGET TRANSFER ACCEPTING THE BID FOR IMPERIAL SHORES BOULEVARD SIDEWALK IMPROVEMENTS RFB 21-23 FROM ANDREW SITEWORK, LLC IN THE BID AMOUNT OF \$2,949,284.80 UPON APPROVAL OF ALL DOCUMENTATION.

WHEREAS, City staff advertised for the Imperial Shores Boulevard Sidewalk Project and received two (2) sealed bids,

Andrew Sitework, LLC	\$2,949,284.80
Pavement Maintenance, LLC	\$3,999,169.00

WHEREAS, the lowest responsive and responsible submittal was from Andrew Sitework, LLC in the total bid amount of \$2,949,284.80, of which \$823,817.00 is Bonita Springs Utilities portion of the project :

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bonita Springs, Lee County, Florida:

Section 1. To enter into an agreement with the lowest responsive and responsible bidder, Andrew Sitework, LLC;

Section 2. Authorize budget amendment as follows:

(a) budget amendment for additional Bonita Springs Utilities (BSU) project cost into 30.250.541.6336 Imperial Shores Blvd Sidewalk of \$823,817 with funding from Contributions received from BSU; and

(b) budget transfer into 30.201.541.6336 Imperial Shores Blvd Sidewalk of \$1,082,780 transferred from 30.250.541.6320 Multi-Use Pathways & Sidewalks. \$732,780 from Capital Carry-over, \$50,000 from 2021-2022 budget and \$300,000 from 2022-2023 budget. Funding in 2021-2022 of \$418,242 from Road Impact Fees, \$314,538 from Gas Tax, \$50,000 from General Fund and 2022-2023 funding of \$300,000 from General Fund.

Section 3. Effective date.

This resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January 2022.

AUTHENTICATION:

Mayor

City Clerk

APPROVED AS TO FORM: _____
City Attorney

Vote:

Carr _____
Purdon _____
Forbes _____
Gibson _____

Corrie _____
Quaremba _____
Steinmeyer _____

Date filed with City Clerk: _____

IMPERIAL SHORES BOULEVARD SIDEWALK IMPROVEMENTS FINAL PLANS BID TAB					
ROADWAY & DRAINAGE ITEMS		ANDREW SITEWORK ROADWAY & DRAINAGE			
Item No.	Items	Unit	Qty.	Unit Cost	Expanded Cost
101-1	MOBILIZATION	LS	1	\$ 196,633.00	\$ 196,633.00
101-1-2	PROVIDE CONSTRUCTION SURVEYING AND LAYOUT	LS	1	\$ 46,530.00	\$ 46,530.00
101-1-3	PROVIDE CONSTRUCTION SURVEYING AS-BUILT	LS	1	\$ 18,563.00	\$ 18,563.00
102-1	MAINTENANCE OF TRAFFIC	LS	1	\$ 78,278.00	\$ 78,278.00
104-10-3	SEDIMENT BARRIER	LF	196	\$ 67.00	\$ 13,132.00
104-11	FLOATING TURBIDITY BARRIER	LF	40	\$ 81.50	\$ 3,260.00
110-1-1	CLEARING & GRUBBING	LS/AC	1/1.125	\$ 175,753.00	\$ 175,753.00
110-4-10	REMOVAL OF EXISTING CONCRETE	SY	470	\$ 30.20	\$ 14,194.00
110-7-1	MAILBOX, F&I SINGLE	EA	5	\$ 598.00	\$ 2,990.00
120-1	REGULAR EXCAVATION	CY	190	\$ 99.00	\$ 18,810.00
120-6	EMBANKMENT	CY	606	\$ 198.00	\$ 119,988.00
160-4	STABILIZATION	SY	574	\$ 65.00	\$ 37,310.00
285-706	OPTIONAL BASE, BASE GROUP 6	SY	114	\$ 62.00	\$ 7,068.00
327-70-6	*MILLING EXIST ASPH PAVT, 1 1/2" AVG DEPTH	SY	5,450	\$ 3.00	\$ 16,350.00
334-1-53	SUPERPAVE ASPH CONC, TRAF C, PG76-22	TN	450	\$ 200.00	\$ 90,000.00
400-011	CONCRETE CLASS NS, GRAVITY WALL, INDEX 400-011	CY	83	\$ 1,542.00	\$ 127,986.00
425-1201	INLETS, CURB, TYPE 9, <10'	EA	1	\$ 5,805.00	\$ 5,805.00
425-1202	INLETS, CURB, TYPE 9, J BOT, >10'	EA	1	\$ 87,566.00	\$ 87,566.00
425-1203	INLETS, CURB, TYPE 9, J BOT, <10'	EA	7	\$ 9,192.00	\$ 64,344.00
425-1521	INLETS, DT BOT, TYPE C, <10'	EA	6	\$ 3,773.00	\$ 22,638.00
425-1541	INLETS, DT BOT, TYPE D, <10'	EA	5	\$ 5,490.00	\$ 27,450.00
VALLEY GUTTER	INLETS, VALLEY GUTTER (USF 5113 VALLEY GUTTER INLET FRAME AND 6194 GRATE OR EQUIVALENT), <10'	EA	1	\$ 18,673.00	\$ 18,673.00
VALLEY GUTTER, J BOT	INLETS, VALLEY GUTTER J BOT (USF 5113 VALLEY GUTTER INLET FRAME AND 6194 GRATE OR EQUIVALENT), <10'	EA	3	\$ 21,486.00	\$ 64,458.00
425-2-41	MANHOLE, P-7, <10'	EA	10	\$ 6,554.00	\$ 65,540.00
425-2-71	MANHOLE, J-7, <10'	EA	4	\$ 8,869.00	\$ 35,476.00
425-2-72	MANHOLE, J-7, >10'	EA	1	\$ 15,633.00	\$ 15,633.00
430-175-115	*PIPE CULV, OPT MATL, ROUND, 15"S/CD	LF	180	\$ 184.55	\$ 33,219.00
430-175-118	*PIPE CULV, OPT MATL, ROUND, 18"S/CD	LF	210	\$ 105.50	\$ 22,155.00
430-175-124	*PIPE CULV, OPT MATL, ROUND, 24"S/CD	LF	103	\$ 243.00	\$ 25,029.00
430-175-130	*PIPE CULV, OPT MATL, ROUND, 30"S/CD	LF	19	\$ 385.00	\$ 7,315.00
430-175-136	*PIPE CULV, OPT MATL, ROUND, 36"S/CD	LF	625	\$ 217.20	\$ 135,750.00
430-175-148	*PIPE CULV, OPT MATL, ROUND, 48"S/CD	LF	276	\$ 344.50	\$ 95,082.00
430-175-215	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 15"S/CD	LF	31	\$ 266.00	\$ 8,246.00
430-175-218	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 18"S/CD	LF	50	\$ 234.00	\$ 11,700.00
430-175-230	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 30"S/CD	LF	126	\$ 547.00	\$ 68,922.00
430-175-236	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 36"S/CD	LF	81	\$ 493.00	\$ 39,933.00
430-536-202	*STRAIGHT CONCRETE ENDWALLS, 36", DOUBLE, 0 DEGREES, ELLIPTICAL	EA	1	\$ 25,083.00	\$ 25,083.00
515-2311	*PEDESTRIAN/ BICYCLE RAILING, ALUMINUM ONLY, 42" TYPE 1	LF	271	\$ 147.00	\$ 39,837.00
520-1-10	*CONCRETE CURB & GUTTER, TYPE F	LF	1,800	\$ 37.80	\$ 68,040.00
522-2	CONCRETE SIDEWALK, 6" THICK	SY	1,560	\$ 84.00	\$ 131,040.00
527-2	DETECTABLE WARNINGS	SF	109	\$ 42.00	\$ 4,578.00
530-3-4	RIPRAP, RUBBLE, F&I, DITCH LINING	TN	12.3	\$ 426.00	\$ 5,239.80
570-1-2	PERFORMANCE TURF, SOD	SY	1,100	\$ 23.00	\$ 25,300.00
700-1-11	SINGLE POST SIGN, F&I GROUND MOUNT, UP TO 12 SF	AS	1	\$ 192.00	\$ 192.00
700-1-50	SINGLE POST SIGN, RELOCATE	AS	6	\$ 124.00	\$ 744.00
711-11123	THERMOPLASTIC, STANDARD, WHITE, SOLID, 12" FOR CROSSWALK AND ROUNDABOUT	LF	471	\$ 3.00	\$ 1,413.00
711-11125	THERMOPLASTIC, STANDARD, WHITE, SOLID, 24" FOR STOP LINE AND CROSSWALK	LF	118	\$ 5.00	\$ 590.00
711-11170	THERMOPLASTIC, STANDARD, WHITE, ARROW	EA	2	\$ 186.00	\$ 372.00
711-16101	*THERMOPLASTIC, STANDARD-OTHER SURFACES, WHITE, SOLID, 6"	LF	440	\$ 1.20	\$ 528.00
711-16201	*THERMOPLASTIC, STANDARD-OTHER SURFACES, YELLOW, SOLID, 6"	LF	366	\$ 2.00	\$ 732.00
				Total (Roadway and Drainage)	\$ 2,125,467.80
				Total (BSU GRAND TOTAL PARTS 1, 2, & 3)	\$ 823,817.00
				Project Grand Total	\$ 2,949,284.80

* See pay item notes within Plan Set.

**See Next Sheet

BSU BID ITEMS, WATER MAIN REPLACEMENT and FORCE MAIN IMPROVEMENTS IMPERIAL SHORES BOULEVARD BID TAB					
BSU WM UTILITY ITEMS		ANDREW SITEWORK - BONITA SPRINGS UTILITIES			
Item No.	Items	Unit	Quantity	Unit Cost	Expanded Cost
PART 1 - GENERAL REQUIREMENTS					
BSU-1	MOBILIZATION	LS	1	\$16,760.00	\$ 16,760.00
BSU-2	MAINTENANCE OF TRAFFIC	LS	1	\$15,574.00	\$ 15,574.00
BSU-3	PRECONSTRUCTION AUDIO/VIDEO RECORDING	LS	1	\$5,321.00	\$ 5,321.00
BSU-4	SURVEY LAYOUT & RECORD DRAWING	LS	1	\$9,900.00	\$ 9,900.00
PART 1 GENERAL REQUIREMENTS TOTAL					\$ 47,555.00
PART 2 - WATER MAIN					
BSU-5	WATER MAIN				
A	2" DR9 C901 (NOT ASSOCIATED WITH WATER SERVICES)	LF	140	\$85.80	\$ 12,012.00
B	6" DR18 PVC	LF	65	\$302.00	\$ 19,630.00
C	8" DR18 PVC	LF	125	\$171.00	\$ 21,375.00
D	8" DR14 PVC	LF	105	\$545.00	\$ 57,225.00
E	10" DR18 PVC	LF	1,550	\$143.60	\$ 222,580.00
F	10" DR14 PVC	LF	410	\$196.80	\$ 80,688.00
BSU-6	WM VALVES				
A	10" GV	EA	12	\$4,238.00	\$ 50,856.00
B	8" GV	EA	4	\$2,871.00	\$ 11,484.00
C	12x10" HOT TAP AND 10" TAPPING VALVE	EA	1	\$9,946.00	\$ 9,946.00
BSU-7	CONNECTIONS TO EXISTING WMs				
A	CONNECTION TO Ex. 12" WM	EA	1	\$2,982.00	\$ 2,982.00
B	CONNECTION TO Ex. 8" WM	EA	1	\$3,673.00	\$ 3,673.00
C	CONNECTION TO Ex. 6" WM	EA	4	\$2,699.00	\$ 10,796.00
D	CONNECTION TO Ex. 2 - 2.5" WM	EA	4	\$1,721.00	\$ 6,884.00
BSU-8	WATER SERVICES				
A	SHORTSIDE SINGLE	EA	2	\$1,680.00	\$ 3,360.00
B	LONGSIDE SINGLE	EA	7	\$3,389.00	\$ 23,723.00
C	LONGSIDE DOUBLE/QUAD	EA	3	\$5,461.00	\$ 16,383.00
BSU-9	FIRE HYDRANTS				
A	NEW FIRE HYDRANT ASSEMBLY	EA	4	\$8,535.00	\$ 34,140.00
B	REMOVE EX. FIRE HYDRANT ASSEMBLY	EA	2	\$1,135.00	\$ 2,270.00
BSU-10	AIR RELEASE VALVES	EA	18	\$4,841.00	\$ 87,138.00
BSU-11	GROUT & ABANDON EXISTING WM				
A	GROUT & ABANDON EX. 2-2.5" WM	LF	160	\$18.25	\$ 2,920.00
B	GROUT & ABANDON EX. 6" WM	LF	2,150	\$8.70	\$ 18,705.00
C	GROUT & ABANDON EX. 8" WM	LF	60	\$52.00	\$ 3,120.00
PART 2 WATER MAIN TOTAL					\$ 701,890.00
PART 3 - WASTEWATER					
BSU-12	FORCE MAIN DEFLECTION	EA	2	\$26,264.00	\$ 52,528.00
BSU-13	AIR RELEASE VALVES	EA	4	\$5,461.00	\$ 21,844.00
PART 3 WASTEWATER TOTAL					\$ 74,372.00
BSU GRAND TOTAL PARTS 1, 2, & 3					\$ 823,817.00

IMPERIAL SHORES BOULEVARD SIDEWALK IMPROVEMENTS FINAL PLANS BID TAB					
ROADWAY & DRAINAGE ITEMS		PMI CITY ROADWAY & DRAINAGE			
Item No.	Items	Unit	Qty.	Unit Cost	Expanded Cost
101-1	MOBILIZATION	LS	1	\$ 414,202.00	\$ 414,202.00
101-1-2	PROVIDE CONSTRUCTION SURVEYING AND LAYOUT	LS	1	\$ 29,404.00	\$ 29,404.00
101-1-3	PROVIDE CONSTRUCTION SURVEYING AS-BUILT	LS	1	\$ 8,800.00	\$ 8,800.00
102-1	MAINTENANCE OF TRAFFIC	LS	1	\$ 297,800.00	\$ 297,800.00
104-10-3	SEDIMENT BARRIER	LF	196	\$ 4.00	\$ 784.00
104-11	FLOATING TURBIDITY BARRIER	LF	40	\$ 25.00	\$ 1,000.00
110-1-1	CLEARING & GRUBBING	LS/AC	1/1.125	\$ 395,165.00	\$ 395,165.00
110-4-10	REMOVAL OF EXISTING CONCRETE	SY	470	\$ 90.00	\$ 42,300.00
110-7-1	MAILBOX, F&I SINGLE	EA	5	\$ 450.00	\$ 2,250.00
120-1	REGULAR EXCAVATION	CY	190	\$ 24.00	\$ 4,560.00
120-6	EMBANKMENT	CY	606	\$ 34.00	\$ 20,604.00
160-4	STABILIZATION	SY	574	\$ 84.00	\$ 48,216.00
285-706	OPTIONAL BASE, BASE GROUP 6	SY	114	\$ 90.00	\$ 10,260.00
327-70-6	*MILLING EXIST ASPH PAVT, 1 1/2" AVG DEPTH	SY	5,450	\$ 3.80	\$ 20,710.00
334-1-53	SUPERPAVE ASPH CONC, TRAF C, PG76-22	TN	450	\$ 195.00	\$ 87,750.00
400-011	CONCRETE CLASS NS, GRAVITY WALL, INDEX 400-011	CY	83	\$ 624.00	\$ 51,792.00
425-1201	INLETS, CURB, TYPE 9, <10'	EA	1	\$ 7,330.75	\$ 7,330.75
425-1202	INLETS, CURB, TYPE 9, J BOT, >10'	EA	1	\$ 53,758.00	\$ 53,758.00
425-1203	INLETS, CURB, TYPE 9, J BOT, <10'	EA	7	\$ 11,082.00	\$ 77,574.00
425-1521	INLETS, DT BOT, TYPE C, <10'	EA	6	\$ 5,655.00	\$ 33,930.00
425-1541	INLETS, DT BOT, TYPE D, <10'	EA	5	\$ 7,110.00	\$ 35,550.00
VALLEY GUTTER	INLETS, VALLEY GUTTER (USF 5113 VALLEY GUTTER INLET FRAME AND 6194 GRATE OR EQUIVALENT), <10'	EA	1	\$ 10,715.00	\$ 10,715.00
VALLEY GUTTER, J BOT	INLETS, VALLEY GUTTER J BOT (USF 5113 VALLEY GUTTER INLET FRAME AND 6194 GRATE OR EQUIVALENT), <10'	EA	3	\$ 12,360.00	\$ 37,080.00
425-2-41	MANHOLE, P-7, <10'	EA	10	\$ 7,250.00	\$ 72,500.00
425-2-71	MANHOLE, J-7, <10'	EA	4	\$ 21,052.00	\$ 84,208.00
425-2-72	MANHOLE, J-7, >10'	EA	1	\$ 50,535.00	\$ 50,535.00
430-175-115	*PIPE CULV, OPT MATL, ROUND, 15"S/CD	LF	180	\$ 149.50	\$ 26,910.00
430-175-118	*PIPE CULV, OPT MATL, ROUND, 18"S/CD	LF	210	\$ 152.00	\$ 31,920.00
430-175-124	*PIPE CULV, OPT MATL, ROUND, 24"S/CD	LF	103	\$ 214.50	\$ 22,093.50
430-175-130	*PIPE CULV, OPT MATL, ROUND, 30"S/CD	LF	19	\$ 211.85	\$ 4,025.15
430-175-136	*PIPE CULV, OPT MATL, ROUND, 36"S/CD	LF	625	\$ 323.00	\$ 201,875.00
430-175-148	*PIPE CULV, OPT MATL, ROUND, 48"S/CD	LF	276	\$ 420.00	\$ 115,920.00
430-175-215	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 15"S/CD	LF	31	\$ 283.00	\$ 8,773.00
430-175-218	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 18"S/CD	LF	50	\$ 275.00	\$ 13,750.00
430-175-230	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 30"S/CD	LF	126	\$ 385.50	\$ 48,573.00
430-175-236	*PIPE CULVERT, OPTIONAL MATERIAL, OTHER-ELIP/ARCH, 36"S/CD	LF	81	\$ 533.00	\$ 43,173.00
430-536-202	*STRAIGHT CONCRETE ENDWALLS, 36", DOUBLE, 0 DEGREES, ELLIPTICAL	EA	1	\$ 25,531.85	\$ 25,531.85
515-2311	*PEDESTRIAN/ BICYCLE RAILING, ALUMINUM ONLY, 42" TYPE 1	LF	271	\$ 3.00	\$ 813.00
520-1-10	*CONCRETE CURB & GUTTER, TYPE F	LF	1,800	\$ 28.80	\$ 51,840.00
522-2	pmi	SY	1,560	\$ 62.00	\$ 96,720.00
527-2	DETECTABLE WARNINGS	SF	109	\$ 25.00	\$ 2,725.00
530-3-4	RIPRAP, RUBBLE, F&I, DITCH LINING	TN	12.3	\$ 300.00	\$ 3,690.00
570-1-2	PERFORMANCE TURF, SOD	SY	1,100	\$ 2.95	\$ 3,245.00
700-1-11	SINGLE POST SIGN, F&I GROUND MOUNT, UP TO 12 SF	AS	1	\$ 500.00	\$ 500.00
700-1-50	SINGLE POST SIGN, RELOCATE	AS	6	\$ 500.00	\$ 3,000.00
711-11123	THERMOPLASTIC, STANDARD, WHITE, SOLID, 12" FOR CROSSWALK AND ROUNDABOUT	LF	471	\$ 3.00	\$ 1,413.00
711-11125	THERMOPLASTIC, STANDARD, WHITE, SOLID, 24" FOR STOP LINE AND CROSSWALK	LF	118	\$ 5.00	\$ 590.00
711-11170	THERMOPLASTIC, STANDARD, WHITE, ARROW	EA	2	\$ 200.00	\$ 400.00
711-16101	*THERMOPLASTIC, STANDARD-OTHER SURFACES, WHITE, SOLID, 6"	LF	440	\$ 1.50	\$ 660.00
711-16201	*THERMOPLASTIC, STANDARD-OTHER SURFACES, YELLOW, SOLID, 6"	LF	366	\$ 1.50	\$ 549.00
				Total (Roadway and Drainage)	\$ 2,607,467.25
				**Total (BSU GRAND TOTAL PARTS 1, 2, & 3)	\$ 1,391,701.75
				Project Grand Total	\$ 3,999,169.00

* See pay item notes within Plan Set.

**See Next Sheet

BSU BID ITEMS, WATER MAIN REPLACEMENT and FORCE MAIN IMPROVEMENTS IMPERIAL SHORES BOULEVARD BID TAB					
BSU WM UTILITY ITEMS		PMI - BONITA SPRINGS UTILITIES			
Item No.	Items	Unit	Quantity	Unit Cost	Expanded Cost
PART 1 - GENERAL REQUIREMENTS					
BSU-1	MOBILIZATION	LS	1	\$117,502.00	\$ 117,502.00
BSU-2	MAINTENANCE OF TRAFFIC	LS	1	\$79,578.00	\$ 79,578.00
BSU-3	PRECONSTRUCTION AUDIO/VIDEO RECORDING	LS	1	\$7,500.00	\$ 7,500.00
BSU-4	SURVEY LAYOUT & RECORD DRAWING	LS	1	\$12,500.00	\$ 12,500.00
	PART 1 GENERAL REQUIREMENTS TOTAL				\$ 217,080.00
PART 2 - WATER MAIN					
BSU-5	WATER MAIN				
A	2" DR9 C901 (NOT ASSOCIATED WITH WATER SERVICES)	LF	140	\$71.50	\$ 10,010.00
B	6" DR18 PVC	LF	65	\$240.00	\$ 15,600.00
C	8" DR18 PVC	LF	125	\$220.00	\$ 27,500.00
D	8" DR14 PVC	LF	105	\$312.25	\$ 32,786.25
E	10" DR18 PVC	LF	1,550	\$199.50	\$ 309,225.00
F	10" DR14 PVC	LF	410	\$296.00	\$ 121,360.00
BSU-6	WM VALVES				
A	10" GV	EA	12	\$5,132.00	\$ 61,584.00
B	8" GV	EA	4	\$3,845.00	\$ 15,380.00
C	12x10" HOT TAP AND 10" TAPPING VALVE	EA	1	\$26,508.00	\$ 26,508.00
BSU-7	CONNECTIONS TO EXISTING WMs				
A	CONNECTION TO Ex. 12" WM	EA	1	\$19,860.00	\$ 19,860.00
B	CONNECTION TO Ex. 8" WM	EA	1	\$18,305.00	\$ 18,305.00
C	CONNECTION TO Ex. 6" WM	EA	4	\$17,385.00	\$ 69,540.00
D	CONNECTION TO Ex. 2 - 2.5" WM	EA	4	\$7,060.00	\$ 28,240.00
BSU-8	WATER SERVICES				
A	SHORTSIDE SINGLE	EA	2	\$3,265.00	\$ 6,530.00
B	LONGSIDE SINGLE	EA	7	\$3,525.00	\$ 24,675.00
C	LONGSIDE DOUBLE/QUAD	EA	3	\$4,792.00	\$ 14,376.00
BSU-9	FIRE HYDRANTS				
A	NEW FIRE HYDRANT ASSEMBLY	EA	4	\$13,794.00	\$ 55,176.00
B	REMOVE EX. FIRE HYDRANT ASSEMBLY	EA	2	\$2,365.00	\$ 4,730.00
BSU-10	AIR RELEASE VALVES	EA	18	\$5,720.00	\$ 102,960.00
BSU-11	GROUT & ABANDON EXISTING WM				
A	GROUT & ABANDON EX. 2-2.5" WM	LF	160	\$39.00	\$ 6,240.00
B	GROUT & ABANDON EX. 6" WM	LF	2,150	\$40.25	\$ 86,537.50
C	GROUT & ABANDON EX. 8" WM	LF	60	\$45.25	\$ 2,715.00
	PART 2 WATER MAIN TOTAL				\$ 1,059,837.75
PART 3 - WASTEWATER					
BSU-12	FORCE MAIN DEFLECTION	EA	2	\$39,270.00	\$ 78,540.00
BSU-13	AIR RELEASE VALVES	EA	4	\$9,061.00	\$ 36,244.00
	PART 3 WASTEWATER TOTAL				\$ 114,784.00
	BSU GRAND TOTAL PARTS 1, 2, & 3				\$ 1,391,701.75

REQUESTED MOTION: Authorize staff to pursue the Eagle Cam Project.

REQUESTOR: Council Member Chris Corrie; District 4

AGENDA: Mayor and Council Members Items

STRATEGIC PRIORITY: #4 Environmental Protection

BACKGROUND: At a previous Council meeting, I had requested that staff coordinate with Bonita Bay to inquire as to the feasibility of installing cameras for the public to view the Bonita Bay eagles. If Council approves this project, staff will bring forward a budget resolution for \$55,000.00, which provides for the anticipated project cost and contingency funds. The project partners have also been invited to consider committing financial support to the project. If approved, staff will execute a contract with Stanley Security to install, operate and maintain an Eagle Cam at Bonita Bay. The attached proposed estimate from Stanley Security includes:

Eagle Cam at Bonita Bay Project:

- Total upfront cost: approximately \$55,000 (There is some contingency built into this number.)
- Annual fees: Total approximately \$2,519.00

Cost breakdown – one-time charges

- Power must come from 440 feet away and will need to be directionally bored to the location. Material and labor costs for this will be \$5,600.00
- Eagle camera installed directly above the nest in the same tree as the nest \$17,200.00. Includes us providing the lift, trenching the cable, getting it back to the network and installing the camera
- An additional dome style camera in the adjacent tree \$8,250.00. This price assumes we will do this work at the same time as the other camera, and not later down the road.
- Fiber Build Cost: \$6,000.00 one-time charge

Monthly charges/annual fees

- Annual maintenance on the cameras is highly recommended. This would cost \$60 per month, or \$720.00 annually.
- 100/20 Hotwire Internet Connection cost would be \$149.99 per month, or \$1,799.88 annually. The internet connection will come with a single static IP.

STAFF RECOMMENDATION: Discuss Eagle Cam Project and determine if you'd like staff to proceed.

Attached:

- 1) Eagle Cam Costs
- 2) Eagle Cam Layout

REVIEWERS:

City Manager:	Arleen Hunter
City Attorney:	Derek Rooney
City Clerk:	Debra Filipek
Department Director:	Lora Taylor

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

Subject:

FW: Stanley Security Eagle Cam

From: Ferm, Kevin <Kevin.Ferm@sbdinc.com>**Sent:** Friday, November 19, 2021 11:44 AM**To:** Lora Taylor <Lora.Taylor@cityofbonitasprings.org>**Subject:** Stanley Security Eagle Cam

Hi Lora

Here's is what we have put together for some budget pricing for the Eagle cam at Bonita Bay. We did not hear back as to where the electrical or data was going to be run so we went with the worst case scenario which is from our second choice location.

1. PTZ (pan/tilt/zoom) Eagle camera installed directly above the nest in the same tree as the nest \$17,200.00. Includes us providing the lift, trenching the cable, getting it back to the network and of course installing the camera.

Similar to this



2. An additional dome style camera in the adjacent tree \$8,250.00. This price assumes we will do this work at the same time as the other camera, and not later down the road.

It is highly recommended to perform annual maintenance on the cameras. This would cost \$42 per month for #1 above. To add the additional camera to the maintenance it would be an additional \$18 per month.

I hope this helps. Please let me know if you have any questions.

Thank you!

Kevin Ferm

Security Consultant

Stanley Electronic Security, Inc.

Direct: (813) 465-4809

Kevin.Ferm@sbdinc.com

www.stanleycss.com

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STANLEY IntelAssure: Intelligent Automation for Business Security click [here](#).



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Subject: FW: [External]RE: [External]Location for Data Connection

From: Michael Honorio <michael.honorio@hotwirecommunication.com>

Sent: Wednesday, December 15, 2021 3:46 PM

To: Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>

Cc: Pete Ferreira <pferreira@hotwirecommunication.com>

Subject: RE: [External]RE: [External]Location for Data Connection

Hi Kiehl,

Following up on our conversation, below is the quote for the fiber build and internet access for this project:

Fiber Build Cost: \$6,000.00 one-time charge

100/20 Internet Connection: \$149.99 monthly charge

The internet connection will come with a single static IP.

If you would like to move forward, I will just need the following information:

Company Billing Name:

Billing Address:

Contact (Name, Phone number, Email):

Please let me know if you have any additional questions.

Thank you,

Michael Honorio | Director – Sales

(239)784-6580

Fision Stay Support: 855-218-9309

Fision Work Support: 844-888-6644

From: Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>

Sent: Thursday, November 18, 2021 1:43 PM

To: Michael Honorio <michael.honorio@hotwirecommunication.com>

Cc: Pete Ferreira <pferreira@hotwirecommunication.com>

Subject: [External]RE: [External]Location for Data Connection

Thanks for the response Michael. We have another council meeting coming up very soon where we'd like to present some estimates on cost for the project. If you could get us a quote by next Wednesday that would be greatly appreciated. Thank you!

From: Michael Honorio <michael.honorio@hotwirecommunication.com>

Sent: Thursday, November 18, 2021 1:38 PM

To: Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>

Cc: Pete Ferreira <pferreira@hotwirecommunication.com>

Subject: Re: [External]Location for Data Connection

Hi Kiehl,,

Thank you for sending this over. I will connect with Pete to verify access and cost to get fiber to those locations.

We will follow up with additional information.

Thank you,
Michael

From: Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>
Sent: Wednesday, November 17, 2021 4:26 PM
To: Michael Honorio <michael.honorio@hotwirecommunication.com>
Cc: Pete Ferreira <pferreira@hotwirecommunication.com>
Subject: [External]Location for Data Connection

Hello Michael,

I've attached a map with the preferred locations for the fiber run to be terminated at the Bonita Bay Eagle Cam site. Would it be possible to accommodate either one of these locations? See the map attached. Thank you!

Kiehl Ellison | Project Manager



9101 Bonita Beach Road, Bonita Springs FL 34135
phone | (239) 949-6262 • fax | (239) 949-6239
email | [Kiehl.ellison@cityofbonitasprings.org](mailto:kiehl.ellison@cityofbonitasprings.org)
website | www.cityofbonitasprings.org

Subject:

FW: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

From: Wilson Cypher <WilsonC@bbcahome.com>**Sent:** Monday, December 6, 2021 8:25 AM**To:** Lora Taylor <Lora.Taylor@cityofbonitasprings.org>; Robin Leete <RobinL@bbcahome.com>; 'hala@bonitabayclub.net' <hala@bonitabayclub.net>; Fred Fung (FredF@BonitaBayClub.net) <FredF@BonitaBayClub.net>**Cc:** William Lynn <WilliamL@bbcahome.com>; Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>**Subject:** RE: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

The power has to come from 440 feet away and will need to be directionally bored to the location. Material and labor costs for this will be \$5,600.00. As for the Hotwire part my understanding was your IT people were working directly with Hotwires people, if this is not the case I can give you the contacts with Hotwire they would need to get in touch with. We use the same boring company that Hotwire uses and when we met about getting power to the location they also mapped and measured out getting fiber there.

From: Lora Taylor <Lora.Taylor@cityofbonitasprings.org>**Sent:** Friday, December 3, 2021 9:06 AM**To:** Wilson Cypher <WilsonC@bbcahome.com>; Robin Leete <RobinL@bbcahome.com>; 'hala@bonitabayclub.net' <hala@bonitabayclub.net>; Fred Fung (FredF@BonitaBayClub.net) <FredF@BonitaBayClub.net>**Cc:** William Lynn <WilliamL@bbcahome.com>; Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>**Subject:** RE: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

Have you heard anything from Hotwire on pricing? We have quotes from a camera company, but I wanted to be sure to include the entire cost of the project when we send the pricing out to everyone. Also, please let me know if there are any additional costs besides Hotwire and the Camera Company that you may be aware of.

Hope all is well!

Lora Taylor | Director of Communications

9101 Bonita Beach Road, Bonita Springs, FL 34135

phone | (239) 949-6262 • fax | (239) 949-6251

email | Lora.Taylor@cityofbonitasprings.orgwebsite | www.cityofbonitasprings.org

-Click these icons to connect with us on social media!

From: Wilson Cypher <WilsonC@bbcahome.com>
Sent: Friday, November 5, 2021 2:15 PM
To: Lora Taylor <Lora.Taylor@cityofbonitasprings.org>; Robin Leete <RobinL@bbcahome.com>; 'hala@bonitabayclub.net' <hala@bonitabayclub.net>; Fred Fung (FredF@BonitaBayClub.net) <FredF@BonitaBayClub.net>
Cc: William Lynn <WilliamL@bbcahome.com>; Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>
Subject: RE: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

Bill and I met with Hotwire (Fiber), Keen Choice (Boring Company), and Mason (our electrician) on site today. We located suitable 120 volt electric that will only require us to get an easement from Bonita Bay Club and no resident easement needed. The power is only 440 feet away from where we anticipate putting the demarcation box. Hotwire is working up some cost estimates as is Keen Choice. If we give them a few days they should have some solid numbers to work with. Hotwire was asking do you plan on a web site access only and will this be open to anyone wanting to view it? Lora can you have your IT guy get in touch with Hotwire rep Pete Ferreira and Michael Honorio at pferreira@hotwirecommunication.com and Michael.honorio@hotwirecommunication.com sometime next week so they can get some of the technical questions answered.

From: Lora Taylor <Lora.Taylor@cityofbonitasprings.org>
Sent: Friday, November 5, 2021 9:42 AM
To: Robin Leete <RobinL@bbcahome.com>
Cc: Wilson Cypher <WilsonC@bbcahome.com>; William Lynn <WilliamL@bbcahome.com>; Kiehl Ellison <kiehl.ellison@cityofbonitasprings.org>
Subject: RE: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you! It was nice meeting you and your team as well. I look forward to working with you.

Lora Taylor | Director of Communications



9101 Bonita Beach Road, Bonita Springs, FL 34135
phone | (239) 949-6262 • fax | (239) 949-6251
email | Lora.Taylor@cityofbonitasprings.org
website | www.cityofbonitasprings.org



-Click these icons to connect with us on social media!

From: Robin Leete <RobinL@bbcahome.com>
Sent: Thursday, November 4, 2021 4:25 PM
To: Lora Taylor <Lora.Taylor@cityofbonitasprings.org>
Cc: Wilson Cypher <WilsonC@bbcahome.com>; William Lynn <WilliamL@bbcahome.com>
Subject: RE: [EXTERNAL]FW: Eagle Cam Site Visit and Assessment

Hello Lora,

It was nice meeting you and your team today. I am providing you with Bill Lynn, Director of Community Maintenance and Wilson Cypher, Assistant Director Community Maintenance emails.

We will look into creating a map of each eagle nest location and the nearest power sources. And will provide you with any additional information and suggestions which may be useful.

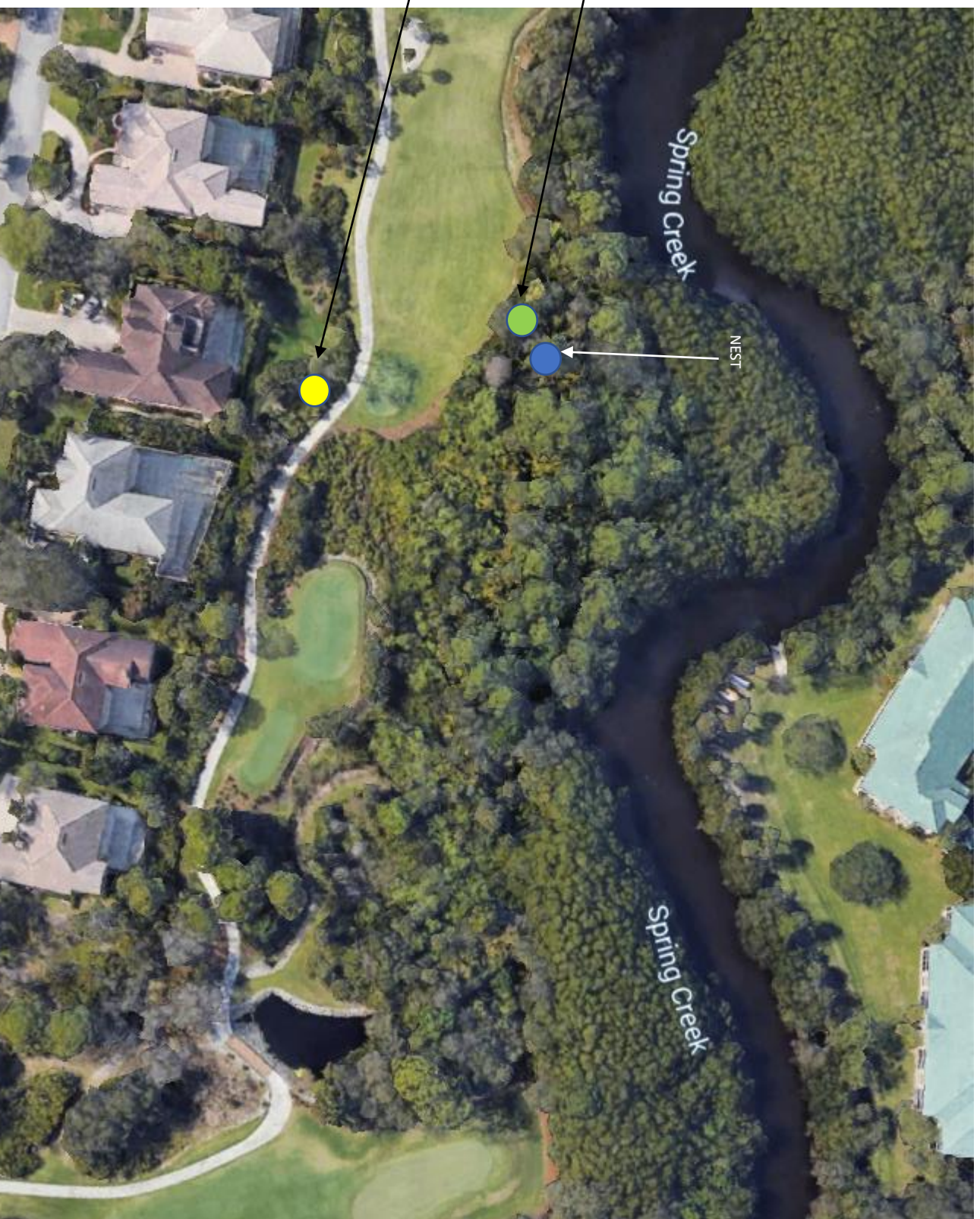
First Choice Location
For data and power

Second Choice Location
For data and power

NEST

Spring Creek

Spring Creek



**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 21-01-006
January 19, 2022

REQUESTED MOTION: Discussion regarding YMCA's request for City Council's concurrence to increase non-member pickle ball fee from \$4 to \$6.

REQUESTOR: Council Member Fred Forbes, District 6

AGENDA: Mayor and Council Member Items

STRATEGIC PRIORITY: #7 Government Transparency

BACKGROUND:

On July 20, 2016, the City entered into a partnership with the Bonita Springs YMCA for the construction, operation, and maintenance of eight pickle ball courts. The partnership was effectuated with the adoption of Ordinance 16-09, which authorized a public-private partnership lease agreement with the Sky Family YMCA. The terms of the lease provided that the City would fund \$150,000 to the project, subject to the YMCA providing access to the public (non-members) for the length of the lease agreement, which is ten years from the date the courts were opened. Section 6 of the lease agreement provides that the guest fee for non-members shall be \$4 per game. Section 20 provides for no modifications except by written agreement.

Mark Suwyn, Chairman of the YMCA, has reported a 21% increase in operating costs over the past year, which has caused the YMCA to increase its rates for individual and family membership fees. The YMCA is requesting the City Council's consent to raising the \$4 guest fee for non-members to play a game of pickle ball to \$6 per game, beginning on February 1, 2022.

Should Council agree, the City Attorney's Office will prepare an addendum for the Mayor's signature.

STAFF RECOMMENDATION: Council's pleasure

ATTACHMENTS:

1. Letter from Chairman Suwyn
2. Ordinance 16-09

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director:

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

January 8, 2022

Memo to Fred Forbes

From: Mark Suwyn, Chairman Community Board of Bonita Springs YMCA

Impact of Inflation on YMCA Costs

The Bonita Springs YMCA has experienced more than a 20% increase in our basic costs over the past 18-24 months driven primarily by;

- Labor Costs – we have raised the pay for most of our employees due to the inflation they are facing and in order to retain and attract new hires during this time of severe labor shortages.
- Response to seasonal increases – we are hiring more employees as the number of seasonal customers has increased rapidly the past few months
- Maintenance Costs – the cost of outside services is going up steadily as their labor and material costs have been rising for the same reasons as above
- Most material costs – the costs of paper, cleaning supplies, etc. have gone up sharply

Steps taken by the YMCA to deal with rising costs

- Raised the price of an individual membership from \$51 to \$72/month
- Raised the price of an individual membership from \$36 to \$48/month
- Propose taking the price of walk-on pickleball players from \$4/time to \$6/time.
- Have instituted efficiency and cost reduction actions across the system including stopping some projects that were losing money.
- Have accelerated our efforts to raise scholarship funds to help families afford the new prices. We provide scholarships for anyone or family that can't afford the monthly fees. With the inflation we are having to provide more scholarships for regular YMCA fees and for families at the Early Learning Center.

We intend to increase the walk-on price effective February 1, 2022.

CITY OF BONITA SPRINGS, FLORIDA

ORDINANCE NO. 16 – 09

AN ORDINANCE AUTHORIZING A LEASE AGREEMENT FOR THE USE OF A PORTION OF LAND OWNED BY THE SKY FAMILY YMCA INC, FOR USE OF SHARED PICKLEBALL COURTS; AUTHORIZING THE MAYOR AND CITY OFFICIALS TO EXECUTE SAID AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Bonita Springs YMCA was envisioned by a large number of civic leaders in the late 1990s, and is a significant provider of recreational services in the City of Bonita Springs; and

WHEREAS, the Bonita Springs YMCA is operated by the SKY Family YMCA, who has partnered with the City of Bonita Springs to provide use of the facility as an emergency shelter and previously coordinated the City and YMCA soccer fields through a shared employee agreement, and

WHEREAS, the City of Bonita Springs and the SKY Family YMCA desire to enter into a partnership for the construction, operation and maintenance of Pickleball courts which will be open to the public pursuant to the terms of this lease agreement.

THE CITY OF BONITA SPRINGS HEREBY ORDAINS:

SECTION 1: The Lease agreement that is referenced in Exhibit “A”, attached hereto and incorporated herein by this reference, is hereby approved, and the City Council hereby authorizes the Mayor and City Officials to execute said Lease agreement on behalf of the City.

SECTION 2: The effective date of this ordinance shall be thirty days from its adoption date.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 20th day of July, 2016.

BSC-16-09-108

AUTHENTICATION:

Pete A. O'Flinn Debra Salpak
Mayor City Clerk

APPROVED AS TO FORM: BEK
City Attorney

Vote:

DeWitt	Aye	Quaremba	Aye
Forbes	Aye	Simmons	Aye
Gibson	Aye	Slachta	Aye
O'Flinn	Aye		

Date filed with City Clerk: 7/21/16

Public Private Partnership Lease Agreement
Between the City of Bonita Springs and
The SKY Family YMCA

This Lease is made this 19th day of August, 2016, between the City of Bonita Springs, a Florida municipal corporation, whose address is 9101 Bonita Beach Road, Bonita Springs, FL 34135, referred to as City and SKY Family YMCA, Inc., a Florida non-profit corporation, whose address is 701 Center Road, Venice, FL 34292, referred to as YMCA. City and YMCA are sometimes jointly referred to as the "Parties."

RECITALS

Whereas, the Bonita Springs YMCA is operated by the SKY Family YMCA, who has partnered with the City of Bonita Springs to provide use of the facility as an emergency shelter and coordinate the City and YMCA soccer fields, and

Whereas, the City of Bonita Springs and the SKY Family YMCA desire to enter into a partnership for the construction, operation and maintenance of Pickleball courts which will be open to the public pursuant to the terms of this lease agreement.

Whereas, the intent of the City of Bonita Springs is to enter into a public / private partnership with the SKY Family YMCA, who will construct and operate seven to nine (7-9) Pickleball Courts (hereinafter "Pickleball Courts") on YMCA property, with City of Bonita Springs supporting the project with \$150,000 funding, subject to YMCA providing access to the public (non-YMCA members) for the length of the lease agreement as set forth herein, with the public (non-YMCA members) paying a guest fee to the YMCA to help support the ongoing operation of the Pickleball courts.

Whereas, the City of Bonita Springs has as one its top priorities developing and implementing partnerships that meet the needs of its residents and public; and

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

1. **Grant and Description of Lease.** YMCA grants to City, and City accepts from YMCA, the use of Pickleball Courts for use of the public in accordance with and subject to the terms of this Agreement. The legal description of the parcel is set forth in Exhibit A.
2. **Rent.**
 - a. City will pay YMCA \$150,000, which will be paid in one lump sum payment no later than October 1, 2016.
 - b. YMCA will invoice City when it is prepared to construct the Pickleball Courts. City will remit payment within thirty (30) days of invoice.
 - c. For purposes of this Agreement only, "prepared to construct" shall mean prior to YMCA accepting the bid for the work in accordance with YMCA purchasing

criteria for construction of the courts, but not earlier than the bid being accepted.

- d. In the event the YMCA fails to construct the Pickleball Courts or changes the use the City is entitled to return of the \$150,000.00 one lump sum payment. In the event YMCA discontinues or prohibits public usage in accordance of this Agreement, the parties agree to an amount pro-rated over the term of this Lease (\$15,000 per year or part thereof). Nothing herein prohibits the parties from making other such arrangements as mutually agreed to by the parties.

3. Duration of Lease; Renewal.

- a. This Lease Agreement shall remain in full force and effect for ten (10) years from the date the Pickleball Courts are operational and open to the public.
- b. The City and YMCA may renew this Agreement for additional five year terms if mutually agreed upon.
- c. City shall notify YMCA of its intent to renew for an additional five year term. The parties will determine at that time the consideration for the five year term and if there needs to be any change in the usage by the public (non-YMCA members).
- d. Within sixty (60) days of such notice, City will schedule at a regular public meeting, its decision as to whether or not to renew. In the event the City decides not to renew, this Lease Agreement shall terminate after the expiration of the last period approved by Council.
- e. This provision is not intended to in any way limit the ability of the City and YMCA to otherwise extend this Lease Agreement by mutual written agreement between them, or shorten the term in the event YMCA ceases operations and reimburses City for pro-rated rent set forth in paragraph 2 (d).

4. Proposed Improvements.

- a. YMCA will install all improvements at their own costs except as otherwise noted herein, in substantial compliance with the USAPA standards for outdoor Pickleball courts (size, layout, netting, surface materials and markings, fencing, etc.).
- b. Each of the courts should be suitable for tournament play (singles or doubles).
- c. YMCA must complete its building of the Pickleball Courts within one (1) year of the effective date of the Lease, unless this time period is extended for good cause or unforeseen events such as a severe weather event, labor strikes, or other *force majeure event*. Failure to have the essential facilities timely completed may be grounds for termination of this Lease.

- d. YMCA will be responsible for all site improvements, including but not limited to, obtaining all local, state and federal permitting.
- e. YMCA will solely be responsible in perpetuity for maintaining the structure and the grounds of the property, including lighting for evening play, at their expense.
- f. YMCA is required to obtain all City, County and state permits and development orders for this project. The development of this property will be compliant with the Land Development Code, which will include "Dark Skies" lighting.

5. **Records, Reporting, Right of Entry.**

- a. City reserves the right to inspect records pertaining to the Pickleball Courts, during operational hours, to insure compliance with the covenants of this agreement. This includes construction records (construction design and financial records limited to building the Pickleball Courts) and records related to the operation of the Pickleball Courts as it relates solely to the non-member/public use as specified below.
- b. The YMCA will provide a quarterly report of daily usage to the Director of Parks and Recreation, specifying the number of non-member/public and whether the non-member/public is a city resident using the Pickleball Courts during the term of this lease and any extension thereafter. Names of the actual Pickleball Courts users do not need to be included in the report. This report may be maintained as a log sheet with names redacted.
- c. City also reserves the right to physically inspect the Pickleball Courts as deemed necessary, and subject to a third opinion as set forth below, reserves the right to perform any work of any nature necessary for preservation, maintenance and operation of this facility as open for public use as contemplated under this agreement.
- d. In the event the City has to perform any maintenance action to preserve the courts, subject to a third opinion as set forth below, YMCA shall be liable for all expenses incurred by City for all work done by City in order to preserve, maintain and operate the facility when the work is the result of YMCA's negligence or noncompliance with the terms of this agreement.
- e. If YMCA and City disagree as to whether any conditions of the Pickleball Courts need repair, the parties agree to consult a neutral third party that is agreed upon by both parties, to inspect and determine if a repair is warranted. YMCA and City will comply with the determination of the third party. Otherwise, should YMCA not take corrective action, City may then perform the work contemplated in subsections 5(c) and 5(d) above.

6. **Use of Premises.** The Pickleball Courts may be used in accordance with the following terms:

- a. The YMCA will provide access to public (non-YMCA members) for the full term of this lease agreement. A guest fee will be charged to help support the ongoing operation of the Pickleball courts, which will be kept by the YMCA.
 - b. Pickleball Public (non-YMCA members) Policy
 - i. Guests may try the YMCA their first time for free. Guests may purchase a guest pass for \$4 per individual per visit with no restriction on the number of visits.
 - ii. No family or group guest fee discount.
 - iii. Pickleball public access will be limited to Pickleball courts and locker room facilities.
 - c. Pickleball Hours of Operation
 - i. Monday – Friday: 8:00 am – 8:00 pm
 - ii. Saturday: 8:00 am – 4:00 pm
 - iii. Sunday: 10:00 am – 2:00 pm
 - iv. Organized Play:
 - 1. Monday – Saturday, 8:00 am – 12 noon
 - 2. Evening Organized Play: Monday , Wednesday, 5:30 – 8:00 pm
 - v. Open Play:
 - 1. Monday and Wednesday, 12 noon – 5:30 pm
 - 2. Tuesday, Thursday, Friday, 12 noon – 8:00 pm
 - 3. Saturday 12:00 noon – 4:00 pm
 - 4. Sunday, 10:00 am – 2:00 pm
 - d. With exception of inclement weather, the public has access to both organized and open play times for use of the Pickleball Courts. The times above are the minimum required by YMCA for public usage. The YMCA may permit the public and YMCA members to use the Pickleball Courts during additional times, such as for tournaments or special events. If mutually agreed upon by City and YMCA, the YMCA may change the hours of operation for the actual use of the Pickleball Courts.
 - e. YMCA will be responsible for scheduling activities at the property, ensuring that activities do not interfere with other scheduled events. In the event there is a conflict, the YMCA will decide whether there is a conflict and provide notice to the entities to resolve the conflict.
 - f. YMCA will be responsible for maintaining all areas of property under this Lease, including the lands and structure(s).
7. **Insurance.** YMCA will provide the City with an inventory of improvements, which will be insured for physical damage by YMCA, naming the City of Bonita Springs as a Loss Payee As Their Interest May Appear (ATIMA) and YMCA shall maintain commercial general liability insurance in the minimum of one million dollars for bodily injury and property damage and include an endorsement naming the City as an additional Insured including completed operations coverage. The inventory will be updated by the YMCA annually and

at any time there is a change in improvements. This insurance policy will not be cancelled or reduced without 10 days prior written notice to the City.

8. **Maintenance, Repairs and Replacements.** YMCA shall be responsible for repair and replacement of all structural and mechanical components and equipment permanently attached to the premises, including lighting, walls, foundations, plumbing (irrigation) and electrical systems. YMCA shall be responsible for the repair and maintenance of the walking area to and from the Pickleball Courts. YMCA will maintain the exterior landscaping, including mowing, within the immediate surrounding premises of the Pickleball Courts (between each court and perimeter of twenty (20) feet).
9. **Sanitation and Garbage:** YMCA shall keep the Pickleball Court area and the equipment and furnishings located there in a sanitary condition at all times, in conformity with applicable federal, state, county and city laws. The City may inspect the premises periodically and YMCA agrees to comply with the City's recommendations. YMCA shall provide all janitorial supplies and gardening services required to properly clean and operate the Pickleball Court area and the equipment and furnishings.
10. **Indemnification.** YMCA covenants and agrees that it will fully indemnify, hold harmless, protect and defend at its own cost and expense, the City, its City Council and each member of the Council, its officers, employees and agents and each of them harmless from any risks, suits, damages, expenses or claims (including court costs and reasonable attorney's fees) which the City, its City Council and each member of the Council, may incur or become liable for as a result of the injury or death of any person(s), or the loss or damage of any property that may arise out of the operation of this Lease by YMCA or any of its employees, agents, invitees or any other person acting on behalf of the YMCA.

City covenants and agrees that it will fully indemnify, hold harmless, protect and defend at its own cost and expense, the YMCA, its officers, employees and agents and each of them harmless from any risks, suits, damages, expenses or claims (including court costs and reasonable attorney's fees) which the YMCA, its officers, employees and agents, may incur or become liable for as a result of the injury or death of any person(s), or the loss or damage of any property that may arise out of the operation of this Lease. Nothing in this Lease shall be deemed or interpreted as waiving the City's sovereign immunity protections, or as increasing the limits of liability as set forth in Florida Statutes §768.28. The City's liability shall not exceed the limitations of liability for tort actions as set forth in Florida Statutes §768.25(5).

11. **Nondiscrimination.** YMCA agrees to comply fully with the federal Equal Employment Opportunities Act and with all applicable state and federal laws, and YMCA agrees that no person shall be denied or refused access or other full or equal use of the Leased facilities, as a result of race, creed, color, religion, sex, national origin or ancestry, age, physical or mental handicap.

12. **Employees and/or Volunteers.** YMCA agrees to operate the Premises personally or to employ sufficient and qualified personnel to operate the Premises in a business-like manner. The Premises shall be operated by an employee authorized to act and represent YMCA in all matters pertaining to the operation of this Agreement. YMCA agrees that it and its employees shall be clean and neat in appearance and shall be courteous at all times to users of property.
13. **Signs.** All signs erected by YMCA shall be the responsibility of YMCA and will be kept in good condition by YMCA. Signs shall recognize the City for its partial funding of this project.
14. **Changes or Amendments to Lease.** This Lease sets forth all agreements between the parties. No modification or amendment shall be valid unless set forth in writing and signed by City and YMCA.
15. **Cancellation.** YMCA may be considered in default of this agreement if it fails to comply with the terms of this Agreement. In that event, the City may:
 - a. Declare YMCA in default, notify YMCA in writing, and give YMCA fifteen (15) calendar days from receipt of notice to make substantial efforts towards curing the default. If YMCA fails to make substantial efforts towards curing such default within fifteen (15) calendar days, such Agreement shall be terminated accordingly with re-payment in accordance with paragraph 2(d); or
 - b. The parties may exercise dispute mediation regarding the alleged breach without waiving or being estopped from subsequently pursuing the breach as a matter of law.
 - c. Any final decision on a cancellation will be held during a regular City Council meeting. While formal rules of evidence do not apply, City may only cancel, notwithstanding an expiration of a term under paragraph 2, if the evidence of the breach is clearly shown.
16. **Destruction, Loss or Damage by Fire or Other Causes.** In the event the Premises are damaged by fire or other casualty to an extent that in City's sole opinion the continued operation of the premises by YMCA is not desirable, City may immediately terminate this Lease. YMCA may, but is not obligated to, repair or rebuild the Premises and, in that event, if after the repairs or rebuilding are completed to City's satisfaction, any portion of the original Lease period remains, upon notice from City, YMCA immediately shall resume operation of the premise in accordance with this agreement.
17. **Notices.** All notices required under the terms of this Lease shall be sent to the City Manager on behalf of the City, and to the Chief Executive Officer & President of SKY Family YMCA, Inc., on behalf of the Bonita Springs YMCA, at the addresses written above, or to such other person or address as any Party may designate from time to time in writing.

18. **Remedies.** Any material breach of this Agreement may be enforced by either Party as against the other by appropriate action in law or equity filed in a court of competent jurisdiction; provided, however, no such action may be brought until the defaulting Party has been given notice and ninety (90) days in which to cure the default. If the default cannot reasonably be cured within the ninety (90) day period, such period shall be extended if the cure is commenced within such ninety (90) days and the defaulting Party is proceeding with due diligence for such period of time reasonably required to complete such cure.
19. **Attorney Fees and Costs.** With exception to negligence claims in paragraph 11, in the event of any litigation between the parties arising out of this Lease, each party shall pay their own attorney fees and any costs incurred, including, without limitation, reasonable attorney and/or paralegal fees and costs, whether such fees and costs are incurred before, after, or at trial, on appeal or any bankruptcy arbitration or administrative proceedings.
20. **Entire Agreement.** This Lease constitutes the entire understanding between the parties with respect to the transaction contemplated hereby and all prior Leases, understandings, representations and statements, oral or written, are merged into this Lease. No provision hereof may be waived, modified, amended, discharged, or terminated except by a written instrument signed by the parties hereto.
21. **Severability.** If any provision of this Lease is deemed invalid or unenforceable by a Court of competent jurisdiction, such provision shall be invalid to the extent of such invalidity or unenforceability only without invalidating the remainder of such provision or other remaining provisions of this Lease.
22. **Governing Law:** This Lease shall be governed by an interpreted in accordance with the laws of the State of Florida. Any Court at the venue for any court action will be Lee County, Florida.

IN WITNESS WHEREOF, the parties have executed this document on _____, 2016, with the understanding that the effective date of this Lease Agreement is coterminous with Section Two of the Ordinance.

AUTHENTICATION:

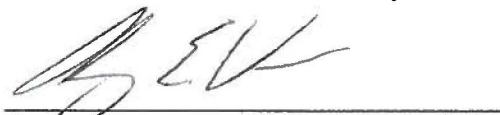


Mayor



City Clerk

APPROVED AS TO FORM:



City Attorney

First Witness Signature

Printed Name First Witness

Second Witness Signature

Printed Name Second Witness

By: _____

Ken Modzelewski
Ken Modzelewski
Chief Executive Officer & President
SKY Family YMCA, Inc.

STATE OF FLORIDA
COUNTY OF Sarasota

The foregoing instrument was acknowledged before me this 6 day of September, 2016 by Ken Modzelewski, Chief Executive Officer & President, SKY Family YMCA, Inc., a Florida nonprofit corporation. He is personally known to me or has produced _____ as identification.



Stephanie M. Deiter
Notary Public

Stephanie M. Deiter
(Print Name)

My Commission Expires:

EXHIBIT A

Parcel One:

The South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 31, Township 47 South, Range 26 East, Lee County, Florida.

Parcel Two, Part One:

The East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 31, Township 47 South, Range 26 East, Lee County, Florida less and except the North 75.00 feet thereof.

Parcel Two, Part Two:

The West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ in Section 31, Township 47 South, Range 26 East, Lee County, Florida less and except the North $\frac{1}{4}$ of the West $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 31, Township 47 South, Range 26 East, and less and except the North 75.00 feet thereof.

ALSO LESS AND EXCEPT FROM PARCEL TWO, PART ONE AND PART TWO THE FOLLOWING
LEGAL DESCRIPTION:

A tract or parcel of land lying in Section 31, Township 47 South, Range 26 East, City of Bonita Springs, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

From the N $\frac{1}{4}$ corner of said Section 31, run S $00^{\circ}45'00''$ E, along the East line of the NW $\frac{1}{4}$ of said Section for 75.00 feet to an intersection with the Southerly Right-of-Way line of East Terry Street, and the Point of Beginning; from said Point of Beginning run N $88^{\circ}59'46''$ E, along said Southerly Right-of-Way line for 48.00 feet; thence run S $00^{\circ}45'00''$ E, along the East line of the West 48 feet of the NE $\frac{1}{4}$ of said Section 31, for 627.15 feet; thence run S $89^{\circ}15'00''$ W, for 329.20 feet; thence run N $00^{\circ}45'00''$ W, for 158.98 feet; thence run S $89^{\circ}15'00''$ W, for 380.56 feet; thence run N $00^{\circ}46'52''$ W, for 375.82 feet; thence run N $88^{\circ}59'35''$ E, for 165.49 feet; thence run N $00^{\circ}48'24''$ W, for 89.20 feet to an intersection with said Southerly Right-of-Way line; thence run N $88^{\circ}59'48''$ E, along said Southerly Right-of-Way line for 496.52 feet to the Point of Beginning.

REQUESTED MOTION: Adopt a Resolution establishing the process, intent, and redistricting criteria for the City's redistricting process.

REQUESTOR: Carly Sanseverino, Staff Attorney

AGENDA: City Attorney's Items

STRATEGIC PRIORITY: #7 Government Transparency

BACKGROUND:

The attached redistricting resolution was prepared by the City Attorney's Office in consultation with the City's redistricting consultant and sets forth the process, intent, and criteria to guide the City Council in drawing new lines for the City's election districts based upon the 2020 census data.

The standard redistricting criteria included are as follows:

1. Population Equality (including consideration of future population growth)
2. Compliance with the Voting Rights Act
3. Compact and contiguous district shapes
4. Geographical Boundaries (water bodies, highways, railroad tracks, etc.)
5. Political Boundaries (U.S. Congressional and Florida Legislative districts, voting precincts, and census blocks)
6. Communities of Interest (neighborhoods, subdivisions, cultural districts, etc.)
7. Existing District Cores

Once approved, staff will work with the consultant to utilize these criteria in the preparation of alternative district maps.

STAFF RECOMMENDATION: Approve the resolution.

ATTACHMENTS:

1. Resolution

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director:

Council Action: Approved ___ Denied ___ Deferred ___ Other_____

**CITY OF BONITA SPRINGS, FLORIDA
RESOLUTION NO. 22-**

**A RESOLUTION OF THE CITY OF BONITA SPRINGS, FLORIDA;
PROVIDING THE INTENT OF THE CITY COUNCIL TO REDISTRICT THE
CITY OF BONITA SPRINGS ELECTION DISTRICTS IN ACCORDANCE
WITH THE CITY CHARTER AND IN CONSIDERATION OF THE 2020
CENSUS CONDUCTED BY THE U.S. CENSUS BUREAU; AND PROVIDING
FOR AN EFFECTIVE DATE.**

WHEREAS, as required by Article I of the Constitution of the United States, the U.S. Census Bureau must conduct a census every ten years to determine the number of people living in the United States; and

WHEREAS, Section 53 of the City Charter provides that in the year 2001, and in the odd-numbered years after each decennial census thereafter, and at any time when required by law, the City Council may redivide the City into six districts as roughly equal in permanent population (along precinct lines) as practical; and

WHEREAS, the City Council most recently redistricted the City by adoption of Ordinance 12-02 using data from the 2010 Census; and

WHEREAS, the U.S. Census Bureau has completed the 2020 Census and the data is now available to the public; and

WHEREAS, in accordance with the City Charter and in consideration of the 2020 Census data, the City Council intends to adjust the boundary lines of the City's election districts by adoption of an ordinance; and

WHEREAS, the City has contracted with Kurt Spitzer & Associates to assist the City Council in analyzing the 2020 Census data and redistricting the City accordingly.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONITA SPRINGS:

SECTION 1. *Public Participation.* The City Council will conduct a transparent redistricting process with opportunity for public participation. All redistricting plan information will be available to the public in a timely fashion, free of charge, via the City's website and other reasonable means. The public will have the opportunity to submit comments on district maps for City Council's consideration.

SECTION 2. *Expert Consultant.* In March 2022, insofar as practical or possible, Kurt Spitzer & Associates will present to City Council its final recommendation for revisions to the City's election district boundaries in accordance with the criteria provided in this resolution. Kurt Spitzer & Associates must include a map together with a description of the recommended election

districts and, may include several other potential redistricting options that meet the criteria established in this resolution.

SECTION 3. *Redistricting Criteria.* The City Council shall follow established constitutional principles for redistricting in accordance with law. In furtherance of this requirement, the City Council shall adopt election district boundaries that meet the criteria set forth below. With the exception of population equality and compliance with the Voting Rights Act, which are mandatory criteria, there is no order of priority among the remaining criteria, which are discretionary criteria that the Council is choosing to follow to the extent practicable.

- A. ***Population Equality.*** Election districts must be based upon the principle of equal and effective representation as required by the U.S. Constitution. Accordingly, each district must be as nearly of equal population as is practicable. The districts may deviate somewhat from perfect population equality to accommodate the redistricting criteria otherwise set forth in this resolution. The target for population deviation is no more than 3% greater or less than the ideal population for election districts, and in no case may the difference in deviation between the largest and smallest election districts exceed ten percentage points based on the data available from the 2020 census. The City Council may consider future population growth over the next decennial period.
- B. ***Voting Rights Act.*** The districts must comply with Section 2 of the U.S. Voting Rights Act of 1965, which prohibits voting practices or procedures that discriminate on the basis of race, color, or membership in certain language minority groups, or which result in denying a racial or language minority and equal opportunity to participate in the political process. To this end, election districts must not be drawn in a manner that results in the dilution of the vote of a racial, ethnic, or language minority group.
- C. ***Compactness.*** Each district should to the extent practicable be compact, striving for a minimum distance between all parts of the district with no bizarre shapes. For example, a circle, square, or hexagon would be examples of shapes that are compact.
- D. ***Contiguity.*** Each district must have contiguous territory, where all parts of the district are connected at some point with the rest of the district. Contiguity may be achieved by crossing a waterbody.
- E. ***Geographical Boundaries.*** The boundaries of each district should, to the extent practicable, recognize significant natural or man-made boundaries. For example, these include water bodies, major highways, or railroad tracks.
- F. ***Political Boundaries.*** Each district should, to the extent practicable, recognize and not split existing political boundaries such as U.S. Congressional and Florida Legislative districts, voting precincts, or census blocks.
- G. ***Communities of Interest.*** Each district should to the extent practicable recognize and not split existing communities of interest such as where people share recognizable social, political, cultural, religious, or economic interests. Communities of interest may

include but are not limited to established neighborhoods and subdivisions, downtown districts, historical districts, or economic districts.

H. ***Existing District Cores.*** Each district should, to the extent practicable, maintain existing election districts as previously drawn.

SECTION 4. *Intended timeline.* The City Council intends to establish revised election district boundaries with an ordinance adopted no later than May 4, 2022, insofar as practical or possible.

SECTION 5. *Effective date.* This resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January, 2022.

AUTHENTICATION

Mayor Rick Steinmeyer

City Clerk's Office

Approved as to form:

[Seal]

City Attorney's Office

Vote:

Carr
Corrie
Forbes
Gibson

Purdon
Quaremba
Steinmeyer

**CITY OF BONITA SPRINGS
AGENDA ITEM SUMMARY**

Green Sheet No. 22-01-015
January 19, 2022

REQUESTED MOTION: Hold a public hearing and approve Resolution finding a public interest in the issuance of the Series 2022 refunding revenue bonds.

REQUESTOR: Terraces of Bonita Springs / Alachua County Health Facilities Authority

AGENDA: City Attorney's Items

STRATEGIC PRIORITY: #8 Economic Development

BACKGROUND:

The Alachua County Health Facilities Authority is seeking a resolution approving their issuance of a refunding revenue bond on behalf of The Terraces of Bonita Springs ("Community") continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134. The approval would support the Community's efforts to utilize tax exempt financing to (1) refund existing debt that was issued in 2011 to construct the Community, and (2) fund current capital improvements to the Community. The approval is needed because a portion of the proceeds of the issue will be expended within the City. The approval of the City is extremely limited and is required by Section 147(f) of the Internal Revenue Code. In essence, these provisions provide that an elected public body must give its approval to the issuance of private activity bonds prior to their issuance if the proceeds will be used in their jurisdiction. A similar approval was requested and granted in 2011 for the prior bonds. The Alachua County Health Facilities Authority has completed all of their approvals for this transaction and its resolution is attached as Exhibit A to the City Resolution.

STAFF RECOMMENDATION: Approve the resolution.

ATTACHMENTS:

1. Historical Bonita Springs Resolution 11-041
2. Alachua County Health Facility Resolution and Exhibits
3. Proof of Advertising
4. Proposed City Resolution

REVIEWERS:

City Manager: Arleen Hunter
City Attorney: Derek Rooney
City Clerk: Debra Filipek
Department Director:

Council Action: Approved ___ Denied ___ Deferred ___ Other _____

CITY OF BONITA SPRINGS, FLORIDA

RESOLUTION NO. 11 - 041

A RESOLUTION PROVIDING LIMITED APPROVAL TO THE ISSUANCE BY THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS HEALTH FACILITIES REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT) IN ONE OR MORE SERIES OF TAX EXEMPT AND TAXABLE BONDS AND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$165,000,000, THE PROCEEDS FROM THE SALE OF WHICH WILL BE USED PRINCIPALLY TO FINANCE AND REFINANCE CERTAIN CAPITAL IMPROVEMENTS FOR BONITA SPRINGS RETIREMENT VILLAGE, INC., A SENIOR CARE AND HOUSING FACILITY LOCATED IN THE CITY OF BONITA SPRINGS, FLORIDA; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONITA SPRINGS, FLORIDA:

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

A. The Alachua County Health Facilities Authority (the "Authority") has submitted to the City Council of the City of Bonita Springs, Florida (the "City"), a copy of a resolution of the Authority adopted on May 9, 2011 (the "Authority Resolution"), granting its preliminary approval for the issuance by the Authority of its Health Facilities Revenue Bonds, (Terraces at Bonita Springs Project) (the "Bonds"), in one or more series and in an aggregate principal amount not to exceed \$165,000,000 for the primary purposes of (A) financing the cost of (or reimbursing itself and affiliated corporations for prior expenditures for) construction, acquisition (including land) and equipping of a continuing care retirement community with (i) an estimated 144 independent living units, 49 assisted living units, 18 memory support units and 40 private skilled nursing beds, (ii) community common space for use of all residents and a main kitchen to serve all residents, and (iii) various additional capital improvements and equipment for above, (collectively, the "Project"), (B) capitalizing interest on a portion of the Bonds and (C) paying costs and funding necessary reserves associated with the issuance of the Bonds. The Project will be located within the incorporated area of the City at 26401 South Tamiami Trail. A copy of the Authority Resolution is attached hereto as Exhibit A.

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

C. Pursuant to the Authority Resolution, the Authority has requested the City to approve the issuance of the Bonds and the location and nature of the Project for the limited purpose of satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986.

D. It is desirable and in the best interests of the City that the issuance of the Bonds by the Authority to finance and refinance the costs of the Project be approved by the Council.

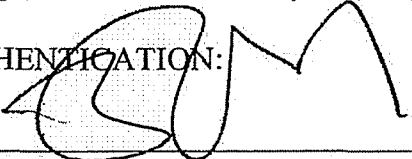
SECTION 2. APPROVAL OF ISSUANCE OF BONDS AND THE PROJECT. The issuance of the Bonds and the use of the proceeds thereof to finance and refinance the costs of the Project as contemplated by the Authority Resolution be and hereby are approved.

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

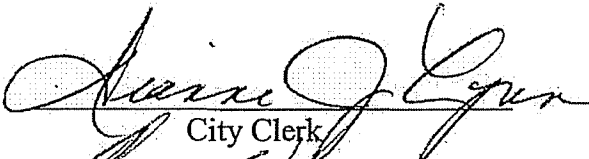
SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

DULY PASSED AND ENACTED by the City Council of the City of Bonita Springs, Florida this 15th day of June, 2011.

AUTHENTICATION:



Mayor



City Clerk

APPROVED AS TO FORM:



City Attorney

Vote:

Nelson	Aye	Spear	Aye
McIntosh	Aye	Simons	Aye
Martin	Aye	Lonkart	Aye
Slachta	Aye		

Date Filed With City Clerk: 6-17-11

EXHIBIT A

AUTHORITY APPROVING RESOLUTION

RESOLUTION NO. 11-53

A RESOLUTION APPROVING THE ISSUANCE BY THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS HEALTH FACILITIES REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT) IN ONE OR MORE SERIES AND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$165,000,000, THE PROCEEDS FROM THE SALE OF WHICH WILL BE USED PRINCIPALLY TO FINANCE AND REFINANCE CERTAIN CAPITAL IMPROVEMENTS FOR BONITA SPRINGS RETIREMENT VILLAGE, INC.; AND PROVIDING AN EFFECTIVE DATE.

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

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

A. The Alachua County Health Facilities Authority (the "Authority") has submitted to the Board of County Commissioners of Alachua County, Florida (the "County"), a copy of a resolution of the Authority adopted on May 9, 2011 (the "Authority Resolution"), granting its preliminary approval for the issuance by the Authority of its Health Facilities Revenue Bonds (Terraces at Bonita Springs Project) (the "Bonds"), in one or more series and in an aggregate principal amount not to exceed \$165,000,000 for the primary purposes of (A) financing and refinancing the cost of construction, acquisition (including land) and equipping of a continuing care retirement community with (i) an estimated 144 independent living units, 49 assisted living units, 18 memory support units and 40 private skilled nursing beds, (ii) community common space for use of all residents and a main kitchen to serve all residents, and (iii) various additional capital improvements and equipment for the above, (collectively, the "Project") to be owned and operated by Bonita Springs Retirement Village, Inc., an affiliate of SantaFe Senior Living, Inc., (B) capitalizing a portion of the interest on the Bonds and (C) paying costs and funding necessary reserves associated with the issuance of the Bonds. A copy of the Authority Resolution is attached hereto as Exhibit A.

B. On May 9, 2011, the Authority held a public hearing, which public hearing was duly conducted by the Authority on such date upon reasonable public notice, and at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to (1) the location and nature of the Project, and (2) the issuance of the Bonds for the purposes described herein and in the Authority Resolution.

C. Pursuant to the Authority Resolution, the Authority has requested the County to approve the issuance of the Bonds in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986.

D. The purposes of Part III of Chapter 154, Florida Statutes, will be effectively served and it is desirable and in the best interests of the County that the issuance of the Bonds to finance and refinance the costs of the Project be approved by the Board of County Commissioners (the "Board") of the County.

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

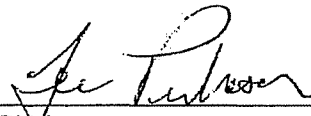
SECTION 3. LIMITED APPROVAL. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of Bonita Springs Retirement Village, Inc. or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation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

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

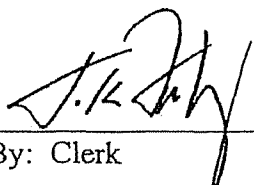
DULY ADOPTED this 24th day of May, 2011.

**BOARD OF COUNTY COMMISSIONERS
OF ALACHUA COUNTY, FLORIDA**

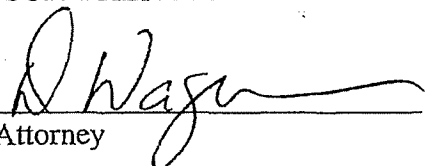
(SEAL)

By: 
Chairman

ATTEST:


By: Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:


County Attorney



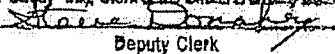
J.K. "Buddy" Irby, Clerk of the Circuit & County Court, Eighth Judicial Circuit of Florida, in and for Alachua County, hereby certifies this to be a true and correct copy of the document now of record in this office. Witness my hand and seal this 1st day of June, 2011.
J.K. "Buddy" Irby, Clerk of the Circuit & County Court
By: 
Deputy Clerk

EXHIBIT A

AUTHORITY APPROVING RESOLUTION

RESOLUTION 2011-1

AN INDUCEMENT RESOLUTION OF THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY REGARDING THE OFFICIAL ACTION OF THE AUTHORITY WITH RESPECT TO THE PROPOSED ISSUANCE OF HEALTH FACILITIES REVENUE BONDS IN ONE OR MORE SERIES OF TAX-EXEMPT AND TAXABLE REVENUE BONDS FOR THE PRINCIPAL PURPOSES OF FINANCING AND REFINANCING THE COSTS OF ACQUISITION (INCLUDING LAND), CONSTRUCTION, EQUIPPING, INSTALLATION AND RENOVATION OF CERTAIN CAPITAL IMPROVEMENTS TO OR FOR THE SENIOR CARE AND HOUSING FACILITIES OF BONITA SPRINGS RETIREMENT VILLAGE, INC., MORE PARTICULARLY DESCRIBED HEREIN, CAPITALIZING A PORTION OF THE INTEREST ON THE BONDS, FUNDING ANY NECESSARY RESERVES AND PAYING ALL OR A PORTION OF THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A MEMORANDUM OF AGREEMENT BETWEEN THE AUTHORITY AND BONITA SPRINGS RETIREMENT VILLAGE, INC.; PROVIDING FOR THE PRELIMINARY APPROVAL BY THE AUTHORITY FOR THE ISSUANCE OF NOT EXCEEDING \$165,000,000 OF SUCH BONDS IN ONE OR MORE SERIES; AND PROVIDING FOR CERTAIN RELATED MATTERS IN CONNECTION THEREWITH AND FOR AN EFFECTIVE DATE.

WHEREAS, Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower") and an affiliate of SantaFe Senior Living, Inc. ("SFSL"), has applied to the Alachua County Health Facilities Authority (the "Authority"), to issue its private activity health facilities revenue bonds in one or more series of tax-exempt and taxable revenue bonds and in an aggregate principal amount not to exceed \$165,000,000 (the "Bonds") for the principal purposes of (A) financing the cost of (or reimbursing itself or its affiliated corporations for prior expenditures for) construction, acquisition (including land) and equipping of a continuing care retirement community with (i) an estimated 144 independent living units, 49 assisted living units, 18 memory support units and 40 private skilled nursing beds, (ii) community common space for use of all residents and a main kitchen to serve all residents, and (iii) various additional capital improvements and equipment for above, (collectively, the "Project"), all located or to be

located on land previously purchased on the Borrower's behalf by one of its affiliated corporation and located in the City of Bonita Springs, Florida (the "City"); (B) capitalizing a portion of the interest on the Bonds and (C) paying costs and funding necessary reserves associated with the issuance of the Bonds; and

WHEREAS, the Borrower has requested that the Authority loan the proceeds of the Bonds to said Borrower pursuant to Chapter 154, Part III, Florida Statutes, and such other provision or provisions of Florida law as the Authority may determine advisable (the "Act") in order to accomplish the foregoing; and

WHEREAS, in accordance with the provisions of Section 154.247 of the Act, the Borrower has represented to the Authority in writing that the issuance of the Bonds by the Authority rather than an issuer located in Lee County, Florida is expected to provide significant cost savings to the Borrower and SFSL, that the Borrower is under common control of SFSL, which is located in Alachua County, Florida (the "County") with its parent company SantaFe Healthcare, Inc. and its affiliated company, North Florida Retirement Village, Inc., and that the issuance of the Bonds for the benefit of such Borrower will benefit the affiliated entities located within the County; and

WHEREAS, the bond resolution granting the final authority for the issuance of the Bonds has not yet been adopted by the Authority; and

WHEREAS, the issuance of the Bonds under the Act in one or more issues or series not exceeding an aggregate principal amount of \$165,000,000 and the loaning of the proceeds thereof to finance and refinance the costs of the Project under a loan agreement or other financing agreement which will provide that payments thereunder be at least sufficient to pay the principal of and interest and redemption premium, if any, on such Bonds and such other costs in connection therewith as may be incurred by the Authority, will assist the Borrower and promote the public purposes provided in the Act; and

WHEREAS, in order to satisfy certain requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Authority held a public hearing on the date hereof, which date is at least 14 days following the first publication of notice of such public hearing in a newspaper of general circulation in Alachua County (a true and accurate copy of the affidavit of publication of such notice is attached hereto as Exhibit A); which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard, both orally and in writing, on the issuance of such Bonds and the location and nature of the Project; was held in a location which, under the facts and circumstances, was convenient for the residents of Alachua County; such notice was reasonably designed to inform residents of Alachua County of the proposed issue; stated that the Authority would be the issuer of the Bonds; stated the time and place of the hearing; generally contained the information required by Section 147(f) of the Code and applicable regulations thereunder; and such 14 days was

adequate for notice to be brought to the attention of all interested persons, exceeds the normal periods for notice of public hearings conducted by the Authority and provided sufficient time for interested persons to prepare for and to express their views at such hearing; and

WHEREAS, the Borrower has agreed to execute and deliver to the Authority a Memorandum of Agreement (the "Memorandum of Agreement") relating to the issuance of the Bonds, in the form attached hereto as Exhibit B; and

WHEREAS, it is intended that this Resolution shall constitute official action toward the issuance of the Bonds within the meaning of the applicable United States Treasury Regulations and, specifically, to satisfy the requirements of Treasury Regulations Section 1.150-2 and to be a declaration of official intent under such Section in addition and as a supplement to other actions previously undertaken by the Borrower; and

IT IS, THEREFORE, DETERMINED AND RESOLVED BY THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY, THAT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution, hereinafter called "Resolution," is adopted pursuant to the provisions of the Act and other applicable provisions of law.

SECTION 2. PRELIMINARY APPROVAL. This Resolution is entered into to permit the Borrower to proceed with commitments for the Project, to incur costs in connection with various phases of the Project, to provide a limited expression of intention by the Authority, prior to the issuance of the Bonds, to issue and sell the Bonds and make the proceeds thereof available to finance and refinance all or part of the costs of the Project, all in accordance with and subject to the provisions of the Constitution and other laws of the State of Florida, including the Act and this Resolution, but subject in all respects to the terms of the Memorandum of Agreement.

SECTION 3. APPROVAL OF THE PROJECT. The financing and refinancing of the Project as described herein and in the notice of public hearing attached hereto as Exhibit A, and the financing and refinancing thereof by the Authority through the issuance of the Bonds, pursuant to the Act and, based solely on the previous representations of the Borrower in writing and otherwise on the date hereof, will promote the economic development and health and welfare of the citizens of the County and the City, will provide the residents of the County and the City with jobs, will promote the general economic structure of the County and the City, will thereby serve the public purposes of the Act and is hereby preliminarily approved, subject, however, in all respects to the Borrower meeting the conditions set forth in the Memorandum of Agreement to the sole satisfaction of the Authority.

SECTION 4. EXECUTION AND DELIVERY OF MEMORANDUM OF AGREEMENT. The Chairman or the Vice-Chairman and the Secretary or the Assistant Secretary are hereby authorized and directed to execute, for and on behalf of the Authority, the Memorandum of Agreement in the form attached hereto as Exhibit B between the Authority and the Borrower providing understandings relative to the proposed issuance of the Bonds by the Authority to finance and refinance the costs of the Project in an initial aggregate principal amount not to exceed lesser of (a) \$165,000,000, or (b) the amount determined by the Authority and the Borrower to be necessary to accomplish the foregoing.

SECTION 5. AUTHORIZATION OF THE BONDS. There is hereby authorized to be issued and the Authority hereby determines to issue the Bonds, if so requested by the Borrower and subject to the conditions set forth in the Memorandum of Agreement, in one or more issues or series of such tax-exempt and taxable fixed and/or variable rate revenue bonds in an aggregate principal amount not to exceed \$165,000,000 for the principal purpose of financing and refinancing the costs of the Project as described herein and in the Memorandum of Agreement, funding any necessary reserves and paying all or a portion of the costs associated with the issuance of the Bonds. The rate of interest payable on the Bonds shall not exceed the maximum rate permitted by law.

SECTION 6. RECOMMENDATION FOR APPROVAL TO ALACHUA COUNTY BOARD OF COUNTY COMMISSIONERS AND CITY COUNCIL OF THE CITY OF BONITA SPRINGS, FLORIDA. The Authority hereby recommends the issuance of the Bonds and the financing and refinancing of the Project for approval to the Board of County Commissioners of Alachua County, Florida (the "Board") and the City Council of the City (the "City Council"). The Authority hereby directs the Chairman or Vice-Chairman and Counsel to the Authority, either alone or jointly, at the expense of the Borrower, to cooperate with Bond Counsel in seeking approval from the Board and the City Council for the issuance of the Bonds and the financing and refinancing of the Project by the Board as the applicable elected representatives of the County and the City under and pursuant to the Act and Section 147(f) of the Code.

SECTION 7. APPOINTMENT OF BOND COUNSEL. The firm of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, is hereby approved and appointed by the Authority to act as Bond Counsel in connection with the issuance by the Authority of the Bonds.

SECTION 8. GENERAL AUTHORIZATION. The Chairman, the Vice-Chairman, the Secretary, Assistant Secretary, Counsel to the Authority and Bond Counsel are hereby further authorized to proceed with the undertakings provided for herein and in the Memorandum of Agreement on the part of the Authority and are further authorized to take such steps and actions as may be required or necessary in order to cause the

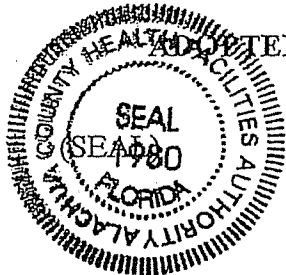
Authority to issue the Bonds subject in all respects to the terms and conditions set forth herein and in the Memorandum of Agreement.

SECTION 9. AFFIRMATIVE ACTION. This resolution is an affirmative action of the Authority toward the issuance of the Bonds, as contemplated in the Memorandum of Agreement, in accordance with the purposes of the laws of the State of Florida and the applicable United States Treasury Regulations.

SECTION 10. LIMITED OBLIGATIONS. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Alachua County, the City, the State of Florida or any other political subdivision or agency thereof but shall be payable solely from the revenues pledged therefor pursuant to a loan agreement or other financing agreement entered into by and between the Authority and the Borrower prior to or contemporaneously with the issuance of the Bonds. The Authority has no taxing power.

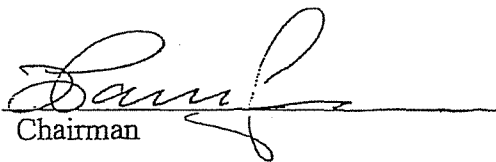
SECTION 11. LIMITED APPROVAL. The approval given herein shall not be construed as an approval of any necessary rezoning applications nor for any other regulatory permits relating to the Project and the Authority shall not be construed by reason of its adoption of this Resolution to have waived any right of the County or the City, or estopping the County or the City from asserting any rights or responsibilities either may have in that regard.

SECTION 12. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.



ADOPTED this 9th day of May, 2011.

**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By: 
Chairman

ATTEST:

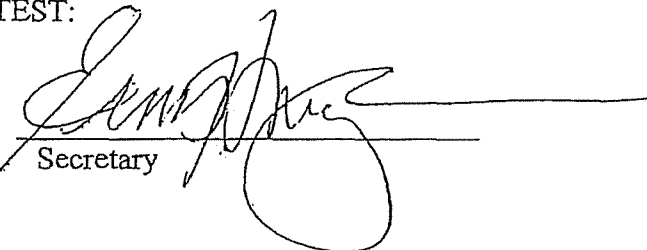
By: 
Secretary

EXHIBIT A

**AFFIDAVIT OF PUBLICATION OF
NOTICE OF PUBLIC HEARING**

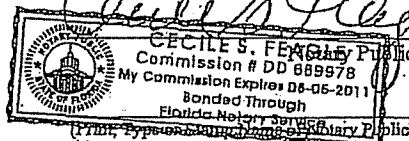
The Gainesville Sun
Published - Daily
Gainesville, Alachua County, Florida

Before the undersigned, a Notary Public of Said County and State, Ernest Blake, III, who on oath says that he is Legal Advertising Coordinator of THE GAINESVILLE SUN, a daily newspaper published at Gainesville, in Alachua County, Florida; that the attached copy of advertisement, being a notice in the matter of

was published in said newspaper in the issues of:

Affiant further says that the said THE GAINESVILLE SUN is a daily newspaper published at Gainesville, in said Alachua County, Florida, and that the said newspaper has heretofore been continuously published in said Alachua County, Florida, daily, and has been entered as second class mail matter at the post office in Gainesville in said Alachua 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 has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the person of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 2 day of April, A.D., 2019



My commission expires 3 day of Aug 2011

ALACHUA COUNTY HEALTH/FACILITIES AUTHORITY
NOTICE OF PUBLIC HEARING

The Alachua County Health/Facilities Authority (the "Authority") will hold a public hearing on May 9, 2011, at 4:00 P.M., or as soon thereafter as practicable, in the Grace Knight Conference Room located on the second floor of the County Administration Building, 1225 S.E. First Street, Gainesville, Florida 32602, to consider adoption of a resolution providing for the preliminary approval of the issuance by the Authority of bonds of not exceeding \$165,000,000 of the Health Facilities Revenue Bonds (the "Bonds") for the Springs Project (the "Bonds") and, moreover, series, of tax exempt and taxable revenue bonds. The proceeds of the Bonds will be loaned to the City of Bonita Springs, a "Borrower" Village, Inc. (the "Borrower"). The Borrower will use the proceeds of the Bonds to (A) improve the cost of or eliminate and/or one or more of its affiliated corporations, for prior expenditures for) construction, acquisition and equipping of a continuing care retirement community (including the land on which the community will be located) with (i) an estimated 334 independent living units, 49 assisted living units, 16 memory support units and 16 private nursing beds; (ii) community, commercial space for use of all residents and a main kitchen for senior residents; and (iii) various additional capital improvements and equipment for the above; collectively, the "Project," located in Bonita located on land purchased for said purpose in the City of Bonita Springs, Florida (B) and a portion of the interest on the Bonds (C) pay costs and fund necessary reserves associated with the issuance of the Bonds.

(a) The Project will be owned by the Borrower and located at 26401 South Tamiami Trail, Bonita Springs, Florida 34134. The Borrower is a Village, Inc. and its board of directors is under control of the board of directors of Santa Fe Senior Living, Inc. ("SFL") located at 4300 N.W. 89th Boulevard in Gainesville, Florida, 32606. The Bonds are being issued under the authority of Statute 154, Chapter 154, Florida Statutes (the "Act") and are being loaned to the Borrower to finance and refinance the costs of the Project pursuant to the Act, including, particularly, Section 154.247 of the Act. The Bonds shall be payable solely from the revenues derived from (a) loan and other financing documents to be executed between the Authority and the Borrower prior to or contemporaneously with the issuance of the Bonds; such Bonds and the interest thereon shall not constitute an indebtedness, or pledge of the general credit or taxing power of Alachua County, the State of Florida, the City of Bonita Springs or any political subdivision or agency thereof; (b) the Bonds shall be subject to several conditions, including satisfactory documentation and other necessary approvals for the financing. The aforementioned meeting shall be a public meeting and all persons who may be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted prior to the hearing to the Alachua County Health/Facilities Authority, c/o Nancy Haswell, Esq., Chandler, Livingston & Cole, P.A., 726 N.E. First Street, P.O. Box 28679, Gainesville, Florida 32602-3679.

Comments made at the hearing are for the consideration of the Authority and will bind the Authority as to any action it may take.

SMALL PERSONS FOR OR AGAINST SAID APPROVAL CAN BE HEARD AT SAID TIME AND PLACE. IF A PERSON DECIDES TO MAKE ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO SUCH HEARINGS OR MEETINGS (SHE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF SUCH HEARING OR MEETING IS MADE WHICH RECORD INCLUDES THE TESTIMONY AND OPINION UPON WHICH THE APPEALS BASED.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the Alachua County Equal Opportunity Office at (850) 351-7575 or TDD Number (352) 374-5284.

By order of the Alachua County Health Facilities Authority.

ALACHUA COUNTY HEALTH FACILITIES AUTHORITY, ALACHUA COUNTY, FLORIDA

APR 25, 2011
#A000569474

EXHIBIT B
MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT FOR ISSUANCE OF HEALTH FACILITIES REVENUE BONDS

This Agreement between the Alachua County Health Facilities Authority, a public body corporate and politic (the "Authority"), and Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower").

WITNESSETH:

1. Preliminary Statement. Among the matters of mutual understanding and inducement which have resulted in the execution of this Agreement are the following:

(a) Whereas Chapter 154, Part III, Florida Statutes, and other applicable provisions of law (the "Act") provides that the Authority may issue revenue bonds and loan the proceeds thereof to one or more persons, firms or private corporations (including, without limitation, to health facilities located outside its jurisdiction under common control with a health facility located within its jurisdiction), or use such proceeds, to defray the cost of acquiring, by purchase or construction, certain qualifying health facilities including, without limitation, health facilities located outside of Alachua County, Florida in the manner and to the extent provided in Section 154.247 of the Act.

(b) The Borrower is considering financing or refinancing a portion of the costs of acquisition, construction and equipping of capital improvements to the senior care, housing and related facilities, or to be, owned and/or operated by the Borrower.

(c) The Authority intends this Agreement to constitute its preliminary approval, subject in all respects to the terms hereof, to issue its bonds (the "Bonds") in one or more series of tax-exempt and taxable fixed and/or variable rate revenue bonds pursuant to the Act in an amount to be agreed upon by the Authority and the Borrower and to loan the proceeds thereof to the Borrower, or to use such proceeds, to finance or refinance all or a portion of the costs of the Project, capitalize a portion of the interest on the Bonds, fund any necessary reserves and payment of all or a portion of the costs incurred in connection with the issuance of the Bonds by the Authority and the Borrower, up to an amount not to exceed \$165,000,000.

(d) The Authority considers the issuance and sale of the Bonds, for the purposes hereinabove set forth, consistent with the objectives of the Act. This Agreement constitutes the official preliminary action of the Authority toward the issuance of the Bonds as herein contemplated in accordance with the purposes of both the Act and the applicable United States Treasury Regulations.

2. Undertakings on the Part of the Authority. Subject to the terms hereof, the Authority agrees as follows:

(a) The Authority will cooperate with the Borrower and with the underwriters, placement agents or purchasers of the Bonds, Bond Counsel and counsel for the Authority with respect to the issuance and sale of the Bonds and will take such further action and authorize the execution of such documents as shall be mutually satisfactory to the Authority and the Borrower for the authorization, issuance and sale of such Bonds and the use of the proceeds thereof to finance or refinance a portion of the cost of constructing, acquiring and equipping the Project, capitalize a portion of the interest on the Bonds, fund any necessary reserves and pay all or a portion of the costs related to the issuance of the Bonds.

(b) The loan agreement(s), trust indenture, mortgage(s) and other financing documents (collectively, the "Financing Agreements") between the Authority and the Borrower shall, under terms agreed upon by the parties, provide for payments to be made by the Borrower in such sums as shall be necessary to pay the amounts required under the Act, including the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable.

(c) The Authority makes no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay all costs of acquiring, constructing, renovating and equipping the Project or that those facilities encompassed by the Project will be suitable for the purposes or needs of the Borrower.

(d) The Bonds shall specifically provide that they are payable solely from the revenues derived from the Financing Agreements between the Authority and the Borrower or other agreements approved by the Authority, except to the extent payable out of amounts attributable to Bond proceeds. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit of Alachua County, the City of Bonita Springs, Florida (the "City"), the State of Florida or any other political subdivision or agency thereof, and such fact shall be plainly stated on the face of the Bonds.

3. Undertakings on the Part of the Borrower. Subject to the terms hereof, the Borrower agrees as follows:

(a) Prior to the issuance of the Bonds in the principal amount not to exceed the amount stated above in one or more Series or issues from time to time as the Authority and the Borrower shall agree in writing, the Borrower will enter into the Financing Agreements with the Authority, the terms of which shall be mutually agreeable to the Authority and the Borrower, providing for the loan or use of the proceeds of the Bonds to finance or refinance a portion of the costs of the Project. Such Financing Agreements will provide that the Borrower will be obligated to pay the Authority (or the trustee for

holders of the Bonds on behalf of the Authority, as the case may be) sums sufficient in the aggregate to enable the Authority to pay the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable, and all other expenses related to the issuance and delivery of the Bonds.

(b) The Borrower shall, in addition to paying the amounts set forth in the Financing Agreements, pay, or cause to be paid, all applicable costs of operation, maintenance, taxes, governmental and other charges which may be assessed or levied against or with respect to the Project.

(c) To the extent not otherwise paid from Bond proceeds as part of the costs of the Project, the Borrower hereby agrees to pay all of the out of pocket expenses of officials and representatives of the Authority incurred in connection with the issuance of the Bonds and will pay all fees and expenses of the Authority, of counsel to the Authority and of Nabors, Giblin & Nickerson, P.A., Bond Counsel, whether or not the Bonds are issued.

(d) The Borrower will hold the Authority, Alachua County and the City free and harmless from any loss or damage and from any taxes or other charges levied or assessed by reason of any mortgaging or other disposition of the Project.

(e) The Borrower agrees to indemnify and defend the Authority, Alachua County and the City and hold the Authority, Alachua County and the City harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the Project or the issuance of the Bonds and the Borrower's undertaking thereof, or in any way growing out of or resulting from this Agreement including, without limitation, all costs and expenses of the Authority and reasonable attorneys' fees incurred in the enforcement of any agreement of the Borrower contained herein, but excluding any claims, losses, liabilities or damages resulting from the Authority's, Alachua County's or the City's gross negligence or willful misconduct. In the event that the Bonds are not issued and delivered, this indemnity shall survive the termination of this Agreement.

(f) The Borrower will take such further action as may be required to implement its aforesaid undertakings and as it may deem appropriate in pursuance thereof.

4. General Provisions. All commitments of the Authority under Section 2 hereof and of the Borrower under Section 3 hereof are subject to the conditions that all of the following events shall have occurred not later than December 31, 2011, or such later date as shall be mutually satisfactory to the Authority and the Borrower, but in no event after May 9, 2012.

(a) The Authority shall be lawfully entitled to issue the Bonds as herein contemplated.

(b) The Authority and the Borrower shall have agreed on mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of any trust instrument or instruments in respect thereto and any Financing Agreements or other agreements incidental to the financing or referred to in Sections 2 and 3 hereof.

(c) Such approvals, consents, certificates of compliance, opinions of counsel and other instruments and proceedings satisfactory to the Borrower and to the Authority as to such matters with respect to the Bonds, the Project, the Financing Agreements and any other trust instrument or instruments, as shall be specified by the Borrower or the Authority, shall have been obtained from such governmental, as well as non-governmental, agencies and entities as may have or assert competent jurisdiction over or interest in matters pertinent thereto and shall be in full force and effect at the time of issuance of the Bonds.

(d) Receipt by the Borrower of all licenses and necessary approvals from the any applicable governmental authorities.

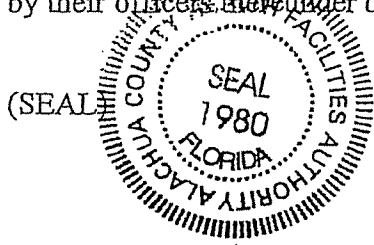
If the events set forth in this Section 4 do not take place within the time set forth or any extension thereof, the Borrower agrees that it will reimburse the Authority and the City for all the reasonable and necessary direct or indirect expenses which the Authority or the City may incur at the Borrower's request arising from the execution of this Agreement and the performance by the Authority of its obligations hereunder, including reasonable legal fees for counsel to the Authority and the City and the fees and expenses of Bond Counsel.

5. City is Third-Party Beneficiary. The parties hereto agree that the City shall be deemed a third-party beneficiary to the terms of this Agreement.

6. Binding Effect. All covenants and agreements herein contained by or on behalf of the Authority and the Borrower shall bind and inure to the benefit of the respective successors and assigns of the Authority and the Borrower whether so expressed or not.

[Signature Page follows]

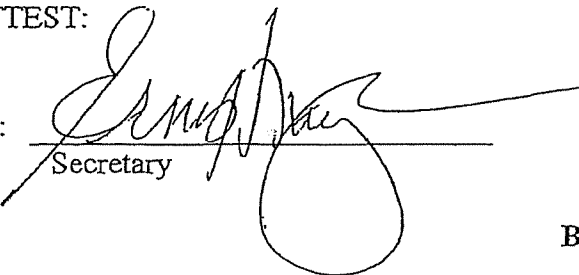
IN WITNESS WHEREOF, the parties hereto have entered into this Agreement by their officers. Have under duly authorized as of the 9th day of May, 2011.



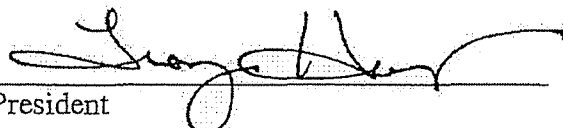
**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By: 
Chairman

ATTEST:

By: 
Secretary

**BONITA SPRINGS RETIREMENT
VILLAGE, INC.**


President

RESOLUTION NO. 2022-1

A RESOLUTION OF THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$100,000,000 AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF ALACHUA COUNTY HEALTH FACILITIES AUTHORITY HEALTH FACILITIES REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022 TO BE ISSUED IN ONE OR MORE SERIES OF TAX EXEMPT AND TAXABLE BONDS FOR THE PRINCIPAL PURPOSES OF LOANING THE PROCEEDS TO BONITA SPRINGS RETIREMENT VILLAGE, INC. FOR THE PRIMARY PURPOSES OF REFUNDING PRIOR DEBT ISSUED BY THE AUTHORITY ON BEHALF OF TO BONITA SPRINGS RETIREMENT VILLAGE, INC. AND FINANCING AND REFINANCING THE COST OF ACQUISITION, CONSTRUCTION, EQUIPPING, INSTALLATION AND RENOVATION OF CERTAIN CAPITAL IMPROVEMENTS TO OR FOR ITS SENIOR CARE FACILITIES AS DESCRIBED HEREIN, FUNDING ANY NECESSARY RESERVES AND PAYING ALL OR A PORTION OF THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS; AUTHORIZING A DELEGATED NEGOTIATED SALE OF SUCH BONDS; APPROVING THE USE OF A LIMITED OFFERING MEMORANDUM IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND TRUST INDENTURE, LOAN AGREEMENT AND PLACEMENT AGREEMENT AND OTHER DOCUMENTS IN CONNECTION WITH THE SALE OF THE BONDS; APPOINTING THE BOND TRUSTEE; PROVIDING FOR OTHER MATTERS AND GENERAL AUTHORIZATIONS IN CONNECTION WITH THE FOREGOING; PROVIDING A SEVERABILITY CLAUSE, A REPEALING CLAUSE AND EFFECTIVE DATE.

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of Chapter 154, Part III, Florida Statutes, and other applicable provisions of law (collectively, the "Act").

SECTION 2. FINDINGS. The Alachua County Health Facilities Authority (the "Issuer") hereby finds and determines as follows:

(A) The Issuer is a governmental entity duly created and existing as a local governmental body and duly constituted as a public instrumentality for the purposes of the development of "health facilities" (as defined in the Act) and is duly authorized and empowered by the provisions of the Act to provide for the issuance and sale of revenue bonds for the purposes of refinancing and financing all or any part of the "cost" of any "project," including any "health facility" (as such terms are defined in the Act), in order to promote and foster the economic growth and development of Alachua County, Florida and of the State of Florida (the "State"), to enhance and expand industry and other economic activity in Alachua County and the State, and to increase purchasing power and opportunities for gainful employment, to improve living conditions and to advance and improve the prosperity, health and the welfare of the State and its inhabitants, to foster the business development of Alachua County and the State, and to otherwise provide for and contribute to the health, safety and welfare of the people of Alachua County and the State including, without limitation, projects located outside Alachua County when the owner of such facility is under common control with a health facility located in Alachua County and cost savings accrue to the health facility located in Alachua County as a result of such financing.

(B) Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower") and an affiliate of SantaFe Senior Living, Inc., which is located in Alachua County, has previously requested the Issuer to assist the Borrower by providing funds to: (1) refund all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (2) finance the cost of (or reimburse itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (3) fund capitalized interest; (4) fund an operating reserve fund; (5) fund debt service reserve funds; and (6) pay costs and fund any other necessary reserves associated with the issuance of the new bonds, all through the issuance by the Issuer of not to exceed \$100,000,000 in original aggregate principal amount of its health facilities revenue refunding bonds to be issued in one or more series (the "Series 2022 Bonds").

(C) The Borrower has shown that the Project will help to alleviate unemployment in Alachua County and in the City of Bonita Springs, Florida (the "City"),

it will improve living conditions and health care and housing for seniors, it will foster the economic growth and development and the business development of Alachua County, the City and the State, and it will serve other predominantly public purposes as set forth in the Act. The Project is desirable and will further the public purposes of the Act, and it will most effectively serve the purposes of the Act, for the Issuer to finance the Project and to issue and sell the Series 2022 Bonds under the Bond Indenture (as hereinafter defined) for the principal purpose of providing funds to refinance the Refunded Bonds and refinance and finance, as appropriate, all or part of the cost of the Project, all as provided in the Loan Agreement (as hereinafter defined), which contains such provisions as are necessary or convenient to effectuate the purpose of the Act.

(D) The availability of tax-exempt and taxable revenue bond financing through the Issuer, as authorized by the Act, is an important inducement to the Borrower to proceed with the refinancing the Refunded Bonds and refinancing and financing of the Project.

(E) Based on representations of the Borrower, adequate provision has been made in the documents attached hereto for a loan by the Issuer to the Borrower to refinance the Refunded Bonds and finance and refinance the costs of the Project and thereafter for the operation, repair and maintenance of the Project at the expense of the Borrower and for the repayment by the Borrower of the loan in installments sufficient to pay the principal of and the interest on the Series 2022 Bonds and all costs and expenses relating thereto in the amounts and at the times required.

(F) The Issuer is not obligated to pay the Series 2022 Bonds except from the proceeds derived from the repayment of the loan to the Borrower, or from the other security pledged therefor and neither the faith and credit nor the taxing power of the Issuer, Alachua County, the City, the State or any political subdivision or agency thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Series 2022 Bonds. The Issuer has no taxing power.

(G) The Issuer, upon the conditions set forth in this Resolution having been met, and the Borrower will concurrently with the issuance of the Series 2022 Bonds execute the documentation required for the refinancing of the Refunded Bonds and financing and refinancing of the Project as contemplated hereby.

(H) The costs of the Project will be paid from the proceeds of the Series 2022 Bonds in accordance with the terms of the Loan Agreement and the Bond Indenture (each as hereinafter defined), and such costs constitute "costs" of a "project" within the meaning of the Act.

(I) On December 13, 2022, the Issuer held a public hearing in compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and adopted a resolution (the "Inducement Resolution") providing its preliminary approval to the issuance of the Series 2022 Bonds, the refinancing of the Refunded Bonds and the financing and refinancing of the Project. The provisions of the Inducement Resolution are hereby incorporated herein by reference thereto.

(J) On January 11, 2022, the Board of County Commissioners of Alachua County, Florida, the elected legislative body having jurisdiction over the Issuer approved the issuance of the Series 2022 Bonds and the nature and location of the Project in accordance with Section 147(f) of the Code.

(K) It is contemplated that on January 19, 2022, the City Council of the City, the elected legislative body having jurisdiction over the area in which the Community and the proposed Project are located, will hold a public hearing on the issuance of the Series 2022 Bonds by the Issuer and the location and nature of the Project and will consider its approval of approved the same in accordance with Section 147(f) of the Code. The approval of the Issuer herein is contingent upon the approval of the City.

SECTION 3. AUTHORIZATION OF THE SERIES 2022 BONDS. The Issuer hereby authorizes the issuance of a series of fixed rate health facilities revenue refunding bonds to be designated "Alachua County Health Facilities Authority Health Facilities Revenue Refunding Bonds (Terraces at Bonita Springs Project), Series 2022" in one or more series of tax-exempt or taxable bonds the aggregate principal amount of not exceeding \$100,000,000 for the principal purposes described in Section 2(B) above. In the event the Series 2022 Bonds are issued in more than one series, the designation of the Series 2022 Bonds may be modified to reflect the separate series as set forth in the Placement Agreement (hereinafter defined) and the Bond Indenture.

The Series 2022 Bonds shall be dated their date of issuance (or such other date as shall be deemed appropriate by the Original Purchasers, referred to below, at the time of sale of the Series 2022 Bonds); shall have such terms and shall bear interest at a fixed rate or rates not exceeding the maximum rate permitted by law; shall be payable in such manner and on such dates; shall be in the denominations of no less than \$100,000 each or integral multiples thereof; shall mature in such installments and amounts and in such periods as determined pursuant to Section 4 hereof; shall be subject to redemption prior to maturity; shall be payable in such place or places and may be issued in certificated form or book-entry-only form, all as provided by the Bond Indenture.

The Series 2022 Bonds shall be payable at the designated corporate trust office of UMB Bank, N.A. (the "Bond Trustee") under and pursuant to the terms of the Bond Indenture. The Series 2022 Bonds shall have such redemption provisions as provided in

Article VII of the Bond Indenture. The Bond Trustee shall initially act as the trustee, bond registrar and paying agent under the Bond Indenture unless and until a successor is appointed in the manner provided in such Bond Indenture.

SECTION 4. DELEGATED NEGOTIATED SALE OF THE SERIES 2022 BONDS. The Issuer hereby finds and determines that the sale of the Series 2022 Bonds to the Original Purchasers (as defined below) on the basis of a negotiated sale rather than a public sale by competitive bid, pursuant to the terms and provisions of a Placement Agreement to be approved in accordance with Section 8 hereof (the "Placement Agreement"), is in the best interest of the Issuer and the Borrower for the following reasons:

(A) Bonds issued by public bodies for the benefit of not-for-profit corporations providing senior healthcare and housing services ("Senior Living Bonds") generally involve specialized situations and transactions which need detailed analysis, structuring and explanation throughout the course of the issue by sophisticated financial advisors, underwriters, investment bankers, feasibility consultants and similar parties, and the underwriters named in the Placement Agreement (collectively, the "Original Purchasers"), experienced in the structuring of issues of Senior Living Bonds (hereinafter referred to collectively as "Senior Living Underwriters" and individually as a "Senior Living Underwriter"), much of which would not generally be available on a timely basis from the ultimate underwriter of Senior Living Bonds issued pursuant to a public competitive sale.

(B) Senior Living Bond issues generally involve a rather detailed and often complicated explanation to potential investors of the structure of the issue, the nature of the provider of senior care and housing services and the impact upon each of the foregoing of federal and state health care regulations, including Medicare and Medicaid practices and procedures. The assistance of a Senior Living Underwriter in preparing necessary offering memoranda, official statements and related information is extremely desirable from the standpoint of the provider involved in the issue and from the standpoint of the public body issuing the Senior Living Bonds in insuring full and accurate disclosure of all relevant information.

(C) For the foregoing and related reasons, most of the Senior Living Bonds heretofore issued throughout the United States of America have involved participation throughout the structuring and offering process of Senior Living Underwriters who have purchased or arranged for the purchase of the Senior Living Bonds through a negotiated sale rather than through a public sale by competitive bid; accordingly the market may well be more receptive to an issue of

Senior Living Bonds sold on a negotiated basis than to one sold by competitive public sale.

(D) Finally, the market for Senior Living Bonds such as the Series 2022 Bonds is currently in an extremely volatile state, making the presence of the Original Purchasers, who have participated throughout in structuring the issuance of the Series 2022 Bonds, extremely desirable in attempting to obtain the most attractive financing for the Issuer and the Borrower.

A direct placement of the Series 2022 Bonds to the Original Purchasers in accordance with the terms hereof and of the Placement Agreement is hereby in all respects authorized subject to: (i) an offer being tendered to the Issuer and the Borrower by the Original Purchasers within the following parameters: the final maturity of the Series 2022 Bonds shall not be later than November 15, 2061 and the principal amount shall not exceed \$100,000,000; and (ii) in accordance with Section 218.385, Florida Statutes, the Original Purchasers must submit to the Issuer a disclosure statement and truth-in-bonding statement setting for the information required by said Section 218.385, Florida Statutes, said statements to be attached to the Placement Agreement and incorporated herein by reference.

SECTION 5. APPOINTMENT OF BOND TRUSTEE; PAYMENT OF THE SERIES 2022 BONDS. The Series 2022 Bonds shall be payable as to principal and interest in lawful money of the United States of America at the designated corporate trust office of UMB Bank, N.A., as Bond Trustee under the Bond Trust Indenture to be dated as of the first day of the month in which the Series 2022 Bonds are issued (the "Bond Indenture"), between the Issuer and the Bond Trustee, and to be executed and delivered pursuant to Section 6 hereof.

SECTION 6. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE BOND INDENTURE. In order to provide for the security of the Series 2022 Bonds and to express the contract between the Issuer and the holders of the Series 2022 Bonds, there shall be executed on behalf of the Issuer with the Bond Trustee, the Bond Indenture. The Bond Indenture shall be dated as of the first day of the month in which the Series 2022 Bonds are issued and shall be substantially in the form attached hereto as EXHIBIT A, with such changes, corrections, insertions and deletions as may be approved by the Chairman or Vice-Chairman and the Secretary or Assistant Secretary of the Issuer, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized; provided, that prior to the execution thereof there shall be incorporated therein terms and provisions of the Series 2022 Bonds conforming to the terms and provisions set forth in the Placement Agreement delivered pursuant to Sections 4 and 8 hereof. The Chairman or Vice-Chairman of the Issuer is hereby authorized to date and execute and the Secretary or Assistant Secretary of the Issuer is hereby

authorized to attest, under the official seal of the Issuer, the Bond Indenture, and to deliver the Bond Indenture to the Bond Trustee, when finalized. All of the provisions of the Bond Indenture, when executed and delivered by the Bond Trustee, shall be deemed to be a part hereof as fully and to the same extent as if set forth verbatim herein and therein.

SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE LOAN AGREEMENT. In order to provide for the loan of the proceeds of the Series 2022 Bonds to the Borrower, the acquisition, construction and equipping of the Project, the refinancing of the Refunded Bonds and the obligation of the Borrower to pay the principal of, premium, if any, and interest on the Series 2022 Bonds as the same becomes due and payable, the Issuer shall enter into a Loan Agreement (the "Loan Agreement") with the Borrower. The Loan Agreement shall be dated as of the first day of the month in which the Series 2022 Bonds are issued and shall be substantially in the form attached hereto as EXHIBIT B, with such changes, corrections, insertions, and deletions as may be approved by the Chairman or Vice-Chairman of the Issuer, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized. The Chairman or Vice-Chairman of the Issuer is hereby authorized to date and execute and the Secretary or Assistant Secretary of the Issuer is hereby authorized to attest, under the official seal of the Issuer, the Loan Agreement, and to deliver the Loan Agreement, when finalized. All of the provisions of the Loan Agreement, when executed and delivered by the Issuer as authorized herein, and by the Borrower, shall be deemed to be a part hereof as fully and to the same extent as if set forth verbatim herein and therein.

SECTION 8. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE PLACEMENT AGREEMENT. In order to provide for the sale of the Series 2022 Bonds to the Original Purchasers, the Issuer shall enter into the Placement Agreement with the Original Purchasers. The Placement Agreement shall be dated the date of delivery of the Series 2022 Bonds and shall be substantially in the form attached hereto as EXHIBIT C, with such changes, corrections, insertions, and deletions as may be approved by the Chairman or Vice-Chairman of the Issuer, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized. Subject to the provisions of Section 4 hereof, the Chairman or Vice-Chairman of the Issuer is hereby authorized to date and execute and the Secretary or Assistant Secretary of the Issuer is hereby authorized to attest, under the official seal of the Issuer, the Placement Agreement and to deliver the Placement Agreement to the Original Purchasers, when finalized. All of the provisions of the Placement Agreement, when executed and delivered by the Issuer as authorized herein, and by the Borrower, shall be deemed to be a part hereof as fully and to the same extent as if set forth verbatim herein and therein.

SECTION 9. LIMITED OFFERING MEMORANDUM. The form, terms and provisions of the Limited Offering Memorandum relating to the Series 2022

Bonds to be substantially in the form of the Limited Offering Memorandum attached hereto as EXHIBIT D, with any changes, insertions and amendments which are necessary to reflect the terms of the Series 2022 Bonds set forth herein and in the Bond Indenture, is hereby approved as to form, terms and substance. The information contained therein is hereby authorized to be used in connection with the sale of the Series 2022 Bonds. Although the Issuer consents to and approves the Limited Offering Memorandum, the Issuer has not participated in its preparation and makes no representations as to its accuracy or completeness other than in respect to any information contained therein related to the Issuer under the captions "THE ISSUER" or "LITIGATION - The Issuer."

SECTION 10. SERIES 2022 BONDS ARE LIMITED AND SPECIAL OBLIGATIONS. The Series 2022 Bonds shall not be deemed to constitute a debt, liability or obligation of Alachua County, the City or of the State or of any political subdivision or agency thereof, or a pledge of the faith and credit of the Issuer, Alachua County, the City or of the State or of any political subdivision or agency thereof, but the Series 2022 Bonds shall be payable solely from the revenues provided therefor and the Issuer will not be obligated to pay the Series 2022 Bonds or the interest thereon except from the revenues and proceeds pledged therefor and neither the faith and credit nor the taxing power of Alachua County, the City or of the State or of any political subdivision or agency thereof, will be pledged to the payment of the principal of or the interest on the Series 2022 Bonds. The Issuer has no taxing power.

SECTION 11. GENERAL AUTHORIZATION. The several members, officials, attorneys or other employees or agents of the Issuer are hereby authorized and directed to do all the acts and things required of them by the provision of the Series 2022 Bonds, the Loan Agreement, the Bond Indenture and the Placement Agreement to the end that full and complete performance of all the terms, covenants and agreements of the Series 2022 Bonds and the Bond Indenture shall be effected. In furtherance of this directive, the officers, employees and agents of the Issuer are hereby authorized and directed to execute such documents, instruments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Series 2022 Bonds, the Bond Indenture, the Loan Agreement and the Placement Agreement authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution.

SECTION 12. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 2022 Bonds, the Loan Agreement, the Bond Indenture, the Placement Agreement or any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Series 2022 Bonds, shall be deemed to

be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any commissioner, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Series 2022 Bonds, the Loan Agreement, the Bond Indenture, the Placement Agreement or any certificate or other instrument to be executed in connection with the issuance of the Series 2022 Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 13. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein or in the Series 2022 Bonds, the Loan Agreement, the Bond Indenture or the Placement Agreement nothing in this Resolution, or in the Series 2022 Bonds, the Loan Agreement, the Bond Indenture or the Placement Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the Issuer, the Borrower, the Bond Trustee (and the owners from time to time of the Series 2022 Bonds) any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Series 2022 Bonds, the Loan Agreement, the Bond Indenture or the Placement Agreement, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower and the Bond Trustee (and the owners from time to time of the Series 2022 Bonds).

SECTION 14. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this Resolution, required by the Constitution or other laws of the State to happen, exist and be performed precedent to the passage hereof, exist, have happened, and have been performed as so required.

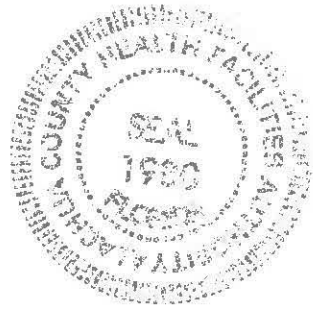
SECTION 15. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason 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 or of the Series 2022 Bonds.

SECTION 16. REPEALING CLAUSE. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 17. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 12th day of January, 2022.

(SEAL)



**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By: _____

Chairman

ATTEST:

By: _____

Secretary, Assistant

EXHIBIT A

FORM OF BOND TRUST INDENTURE

BOND TRUST INDENTURE

from

ALACHUA COUNTY HEALTH FACILITIES AUTHORITY

to

**UMB BANK, N.A.,
as Bond Trustee**

DATED AS OF JANUARY 1, 2022

Securing

**\$[PAR TOTAL]
ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT),
SERIES 2022**

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INDENTURE OF TRUST

This **BOND TRUST INDENTURE** (this "Bond Indenture") dated as of January 1, 2022, between the **ALACHUA COUNTY HEALTH FACILITIES AUTHORITY** (the "Issuer"), a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida, and **UMB BANK, N.A.**, as bond trustee (the "Bond Trustee"), a national banking association with trust powers in the State of Florida.

W I T N E S S E T H:

WHEREAS, the Issuer is a governmental entity duly created and existing as a local governmental body and duly constituted as a public instrumentality under Chapter 154, Part III, Florida Statutes, as amended and supplemented and such other provision or provisions of Florida law as the Issuer may determine advisable (the "Act"); and

WHEREAS, the Issuer has determined to undertake a financing for the benefit of Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower"); and

WHEREAS, the Issuer has determined to issue one or more series of its health care facilities revenue bonds in order to loan the proceeds thereof to the Borrower for the principal purposes of: (i) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (ii) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (iii) funding a portion of the interest on the bonds; (iv) funding an operating reserve fund; (v) funding debt service reserve funds; and (vi) paying costs and funding any other necessary reserves associated with the issuance of the bonds; and

WHEREAS, in order to finance, refinance and reimburse such expenditures, the Issuer will issue, in accordance with the provisions of this Bond Indenture, its Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022A (the "Series 2022A Bonds") in an aggregate principal amount of \$[PAR A], and its Taxable Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022B (the "Series 2022B Bonds" and together with the Series 2022A Bonds, the "Bonds"), in an aggregate principal amount of \$[PAR B]; and

WHEREAS, the Issuer will lend the proceeds of the Bonds to the Borrower, to be applied as described above, pursuant to a Loan Agreement (the "Loan Agreement"), dated as of January 1, 2022, between the Issuer and the Borrower, wherein the Borrower agrees to make loan payments to the Issuer at times and in amounts sufficient in the aggregate, among other things, to pay the principal or Redemption Price of, and interest on, the Bonds; and

WHEREAS, to evidence and secure its payment obligations under the Loan Agreement with respect to the Bonds, the Borrower will deliver to the Bond Trustee, as the assignee of the Issuer's rights under such Loan Agreement, (i) a promissory note securing the Series 2022A Bonds dated [CLOSING], 2022 (the "Series 2022A Master Note"), and (ii) a promissory note securing the Series 2022B Bonds dated [CLOSING], 2022 (the "Series 2022B Master Note" and together with the Series 2022A Master Note, the "Master Notes"), each issued under and pursuant to a Master Trust Indenture, dated as of January 1, 2022, as amended and supplemented (the "Master Indenture") between the Borrower, as the initial sole member of the obligated group described therein (the "Obligated Group"), and UMB Bank, N.A., as master trustee (the "Master Trustee"); and

WHEREAS, the Bonds are secured by payments from the Obligated Group on an obligation issued under the Master Indenture on a parity with other obligations issued thereunder by the Obligated Group from time to time; and

WHEREAS, pursuant to this Bond Indenture, as security for the obligations of the Issuer with respect to the Bonds, the Issuer will assign to the Bond Trustee, for the equal and ratable benefit of the Owners from time to time of the Bonds Outstanding hereunder, its right, title and interest in and to the Loan Agreement and the Master Notes, other than the Reserved Rights of the Issuer; and

WHEREAS, the Bonds will be issued as fully registered bonds in substantially the form of EXHIBIT A attached hereto; and

WHEREAS, the execution and delivery of the Bonds and of this Bond Indenture have in all respects been duly authorized and all things necessary to make the Bonds, when executed by the Issuer and authenticated by the Bond Trustee, the valid and binding legal obligations of the Issuer and to make this Bond Indenture a valid and binding agreement, have been done;

NOW, THEREFORE, THIS BOND INDENTURE WITNESSETH, that to secure all Bonds issued and Outstanding under this Bond Indenture, the payment of the principal or Redemption Price (as the case may be) thereof and interest thereon, the rights of the Owners of the Bonds, and the performance of the covenants contained in the Bonds and herein, the Issuer does hereby sell, assign, transfer, set over and pledge unto the Bond Trustee, its successors in trust and its assigns forever, all of the right, title and interest of

(but not the obligations) of the Issuer in and to the following (collectively, the "Trust Estate"), subject in each case, to the terms and provisions hereof:

(a) the Loan Agreement, including, but not limited to, the present and continuing right to make claim for, collect and receive all sums of money payable or receivable thereunder or hereunder, the exclusive right to bring action and proceeding thereunder or for the enforcement thereof, the exclusive right to grant consents, approvals and waivers and enter into amendments and to do any and all other things which the Issuer is or may become entitled to do thereunder; and

(b) the Pledged Revenues as hereinafter defined; and

(c) the Master Notes; and

(d) all moneys and investments in the funds and accounts created hereunder (including all income and receipts earned on the funds and accounts held by the Bond Trustee hereunder except as otherwise herein set forth), other than the Rebate Fund which shall be held in accordance with the provisions of Section 5.05 hereof, and subject to the provisions hereof authorizing the establishment of separate accounts in the Debt Service Reserve Fund as security solely for a particular series of Bonds, if applicable; and

(e) any and all other property rights and interests of any kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged or pledged to the Bond Trustee, or otherwise subject hereto, as and for additional security herewith, by the Borrower or any other Person on its behalf or with its written consent or by the Issuer or any other Person on its behalf or with its written consent, and the Bond Trustee is hereby authorized to receive any and all property at any and all times and to hold and apply the same subject to the terms hereof.

UNDER AND SUBJECT, however, to the Reserved Rights of the Issuer; provided, however, that, notwithstanding anything else herein to the contrary, the retention by the Issuer of the Reserved Rights shall not authorize the Issuer to accelerate the payment of amounts due under the Loan Agreement to collect payment of any amounts due under the Loan Agreement (except amounts due directly to the Issuer in respect of the payment of its fees, expenses and indemnification by the Borrower), or apply such payments to amounts due from the Borrower under the Loan Agreement in respect of the Bonds;

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by this Bond Indenture.

IN TRUST, NEVERTHELESS, first, for the equal and ratable benefit and security of all present and future Owners of the Bonds issued and to be issued under this Bond Indenture, without preference, priority or distinction as to lien or otherwise of any one Bond over any other Bond except as specifically provided herein.

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ARTICLE I DEFINITIONS

SECTION 1.01. TERMS DEFINED IN RECITALS. The following terms shall have the meanings set forth in the recitals hereto:

Act	Obligated Group
Bond Indenture	Project
Bond Trustee	Refunded Bonds
Bonds	Series 2022A Bonds
Borrower	Series 2022A Master Note
Community	Series 2022B Bonds
Issuer	Series 2022B Master Note
Loan Agreement	Trust Estate
Master Indenture	
Master Notes	
Master Trustee	

SECTION 1.02. OTHER DEFINED TERMS. The following terms used in this Bond Indenture and the Loan Agreement (including capitalized terms used but not defined in the recitals hereto) will have the following meanings unless the context clearly otherwise requires:

"Administrative Expenses" shall mean all expenses of the Issuer which are properly chargeable as administrative expenses, including, without limitation, the reasonable fees and expenses of the Issuer, including the Issuer's employees, if any, and any professional advisors to the Issuer reasonably necessary and fairly attributable, directly or indirectly, to the Project or the Bonds, and such other reasonable expenses as may be incurred by the Issuer for such items as maintenance, rent, overhead and the like or in respect of liabilities for which the Borrower is obligated to provide indemnification under the Loan Agreement.

"Authorized Denominations" shall mean \$100,000 and any integral multiple of \$5,000 above \$100,000, unless less than \$100,000 of such Bonds are outstanding, in which case the entire amount.

"Beneficial Owner" shall mean the owner of a beneficial ownership interest in the Book-Entry Bonds purchased through DTC participants and the Registered Owner with respect to Bonds that are not in Book-Entry Form.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A., or any other attorney or firm of attorneys, selected by the Issuer or, with the consent of the Issuer (which consent shall not be unreasonably withheld), the Borrower, having favorable skill and

reputation and who shall be nationally recognized as having expertise in tax-exempt and government financings, including financings by or on behalf of nonprofit corporations.

"Book-Entry Bonds" shall mean the Bonds if and while held by DTC as the registered owner thereof pursuant to Section 2.09 of this Bond Indenture.

"Book-Entry Form" or **"Book-Entry System"** shall mean, with respect to any Book-Entry Bonds, a form or system, as applicable, under which (a) the interests of Beneficial Owners may be transferred only through a book-entry and (b) physical bond certificates in fully registered form are registered only in the name of a Depository or its nominee as holder, with the physical bond certificates "immobilized" in the custody of the Depository or its nominee. The Book-Entry System maintained by and the responsibility of the Depository (and not maintained by or the responsibility of the Issuer or the Bond Trustee) is the record that identifies, and records the transfer of the interests of, the Beneficial Owners of book-entry interests in such Book-Entry Bonds.

"Business Day" shall mean any day on which the Bond Trustee is open for business.

"Certificate" shall mean a written statement signed by or on behalf of the Person charged with responsibility therefor.

"Certified Corporate Resolution" shall mean a copy of one or more resolutions of the Borrower, certified by the Borrower to have been duly adopted by the board or executive committee of the Borrower and to be in effect on the date of such certification.

"Certified Issuer Resolution" shall mean a copy of one or more resolutions certified by the Secretary or Assistant Secretary of the Issuer, to have been duly adopted by the Issuer Board and to be in effect on the date of such certification.

"City" shall mean the City of Bonita Springs, Florida.

"Closing Date" means the date of issuance and delivery of the Bonds.

"Closing Memorandum" shall mean the closing memorandum or similar instrument prepared by the Placement Agent, signed by the Borrower and delivered to the Bond Trustee on the date of issuance of the Bonds.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

"Costs of Issuance Fund" shall mean the fund created in Section 4.04 hereof.

"Costs of Issuance Requisition" shall mean a requisition related to the Costs of Issuance Fund signed by the Borrower and substantially in the form attached to the Loan Agreement as EXHIBIT B thereto.

"Counsel" shall mean an attorney-at-law or law firm (who may be Bond Counsel or counsel for the Borrower, the Bond Trustee or the Issuer).

"County" shall mean Alachua County, Florida.

"Debt Service Fund" shall mean the fund so designated and established pursuant to Section 5.03 hereof.

"Debt Service Reserve Fund" shall mean the Debt Service Reserve Fund established under Section 5.04 hereof.

"Defaulted Interest" shall have the meaning described in Section 2.06 hereof.

"Depository" shall mean any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of book-entry interests in bonds, and to effect transfers of book-entry interests in bonds in Book-Entry Form, and includes and means initially DTC.

"DTC" shall mean the Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Electronic Notice" shall mean notice through telecopy, telegraph, telex, facsimile, transmission, internet, e-mail or other electronic means of communication, capable of making a written record.

"Equity Contribution" means an equity contribution in the amount of \$1,000,000 to be delivered by Santa Fe Senior Living, Inc. on the date of issuance of the Bonds.

"Event of Default" shall have the meaning described in Section 9.01 hereof.

"Fiscal Year" shall mean the annual accounting year of the Borrower, which currently begins on the first day of January of each year.

"Fitch" shall mean Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower.

"Funded Interest Account" shall mean the Funded Interest Account of the Project Fund so designated and established pursuant to Section 4.01 hereof.

"Government Obligations" shall mean (1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or (2) evidences of ownership in direct obligations of, or obligations the principal of and interest on which is unconditionally guaranteed by, the United States of America, which obligations are held by a bank or trust company organized under the laws of the United States of America or any state thereof as custodian.

"Interest Payment Date" shall mean May 15 and November 15 of each year, commencing [May 15, 2022].

"Investment Securities" shall mean and include any of the following securities, if and to the extent the same are at the time legal for investment of Issuer funds:

- (1) Government Obligations;
- (2) debt obligations which are (a) issued by any state or political subdivision thereof or any agency or instrumentality of such state or political subdivision, and (b) at the time of purchase, rated in one of the two highest Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by any Rating Agency;
- (3) any bond, debenture, note, participation certificate or other similar obligation issued by a government sponsored agency (such as the Federal National Mortgage Association, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal Farm Credit Bank or the Student Loan Marketing Association) which is either (a) rated in the highest Rating Category by any Rating Agency, or (b) backed by the full faith and credit of the United States of America;
- (4) U.S. denominated deposit account, certificates of deposit and banker's acceptances of any bank, trust company, or savings and loan association, including the Master Trustee or its affiliates, which (i) have a rating on their short-term certificates of deposit on the date of purchase in one of the three highest short-term Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by any Rating Agency, and which mature not more than 360 days after the date of purchase, or (ii) are fully and continuously insured by the Federal Deposit Insurance Corporation;
- (5) commercial paper which is rated at the time of purchase in one of the three highest short-term Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by any Rating Agency, and which matures not more than 270 days after the date of purchase;

(6) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by a corporation which are, at the time of purchase, rated by any Rating Agency in any of the three highest Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise);

(7) investment agreements with banks that at the time such agreement is executed are rated in one of the three highest Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by any Rating Agency or investment agreements with non-bank financial institutions, provided that (a) all of the unsecured, direct long-term debt of either the non-bank financial institution or the related guarantor of such non-bank financial institution is rated by any Rating Agency at the time such agreement is executed in one of the three highest Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) for obligations of that nature; or (b) if such non-bank financial institution and any related guarantor have no outstanding long-term debt that is rated, all of the short-term debt of either the non-bank financial institution or the related guarantor of such non-bank financial institution is rated by any Rating Agency in the highest Rating Category (without regard to any refinement or gradation of the rating category by numerical modifier or otherwise) assigned to short term indebtedness by any Rating Agency; provided that if at any time after purchase the provider of the investment agreement drops below the two highest Rating Categories assigned by such Rating Agency, the investment agreement must, within 30 days, either (i) be assigned to a provider rated in one of the two highest Rating Categories, or (ii) be secured by the provider with collateral securities the fair market value of which, in relation to the amount of the investment agreement including principal and interest, is equal to at least 102%; investment agreements with banks or non-bank financial institutions shall not be permitted if no rating is available with respect to debt of the investment agreement provider or the related guarantor of such provider;

(8) repurchase agreements with respect to and secured by Government Obligations or by obligations described in clause (2) and (3) above, which agreements may be entered into with a bank (including without limitation the Bond Trustee or the Master Trustee), a trust company, financial services firm, insurance company or a broker dealer which is a member of the Securities Investors Protection Corporation, provided that (a) the Master Trustee or a custodial agent of the Master Trustee has possession of the collateral and that the collateral is, to the knowledge of the Master Trustee, free and clear of third-party claims, (b) a master repurchase agreement or specific written repurchase agreement governs the transaction, (c) the collateral securities are valued no less frequently than monthly, (d) the fair market value of the collateral securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%, and (e) such obligations must be held in custody of the Master Trustee or Master Trustee's agent;

(9) investments in a money market fund, which may be funds of the Bond Trustee or an affiliate of the Master Trustee, rated (at the time of purchase) in the highest Rating Category for this type of investment by any Rating Agency; and

(10) shares in any investment company, money market mutual fund, fixed income mutual fund, exchange traded fund or other collective investment fund registered under the federal Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, having assets of at least \$100,000,000 and having a rating AAAm or AAAm-G by a Rating Agency including money market mutual funds from which the Master Trustee, Bond Trustee or its affiliates derive a fee for investment advisory or other services to the fund.

The Bond Trustee shall not be responsible for inquiring as to whether an investment made in any of the foregoing clauses (1) through (10) above are at the time of such investment legal for investing Issuer funds and shall be fully protected in following investment directions of the Borrower.

"Issuer Board" shall mean the governing body of the Issuer.

"Moody's" shall mean Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower.

"Outstanding," in connection with any Bonds, shall mean, as of the time in question, all Bonds authenticated and delivered under this Bond Indenture except:

(1) Bonds theretofore cancelled or required to be cancelled under Section 2.07 hereof;

(2) Bonds for the payment, redemption, or purchase of which cash or non-callable Government Obligations, the principal of and interest on which, when due, will provide sufficient money to fully pay such Bonds or any portion thereof in accordance with the terms thereof, shall have been or shall be concurrently deposited with the Bond Trustee; provided that, if such Bonds are being redeemed the required notice of redemption shall have been given or provision satisfactory to the Bond Trustee or other appropriate party shall have been made therefor, and that if such Bonds are being purchased there shall be a firm commitment for the purchase and sale thereof; or

(3) in substitution for which other Bonds have been authenticated and delivered pursuant to Article II of this Bond Indenture.

"Owner" or "Owners" shall mean the Person or Persons in whose name or names a Bond is registered on the books of the Bond Registrar kept for that purpose in accordance with this Bond Indenture and the Bonds.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, an unincorporated organization, a governmental body, any other political subdivision, municipality or municipal authority or any other group or entity.

"Pledged Revenues" shall mean all amounts payable by the Borrower to the Issuer (except those representing the Administrative Expenses of the Issuer) or to the Bond Trustee, as the assignee of the Issuer's interests in the Loan Agreement and the Master Notes.

"Principal Office of the Trustee" shall mean UMB Bank, N.A., 120 South Sixth Street, Suite 1400, Minneapolis, Minnesota 55402, Attention: Corporate Trust Services.

"Project Facilities" shall mean any or all of the land, leasehold interests and buildings, and all fixtures, equipment, furnishings and other physical assets and facilities, of the Borrower financed or to be financed or refinanced with the proceeds of the Bonds.

"Project Fund" shall mean the fund created in Section 4.01 hereof.

"Project Requisition" shall mean a requisition related to the Project Fund signed by the Borrower and substantially in the form attached to the Loan Agreement as EXHIBIT A thereto.

"Rating Agency" shall mean at any time any rating agency including Moody's, S&P or Fitch, then rating the Bonds at the request of the Issuer or the Borrower.

"Rating Category" shall mean (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier and (ii) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

"Rebate Fund" shall mean the fund so designated established pursuant to Section 5.05 of this Bond Indenture.

"Redemption Price," where used with respect to a Bond, shall mean the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to this Bond Indenture.

"Registered Owners" means the Persons in whose names any of the Bonds are registered on the books kept and maintained by the Bond Trustee as bond registrar.

"Regular Record Date" shall mean the first (1st) day (whether or not a Business Day) of the month preceding each Interest Payment Date.

"Representation Letter" shall mean the Blanket Issuer Letter of Representations signed by the Issuer in the form prescribed by DTC.

"Reserve Requirement" shall mean: (1) with respect to the Series 2022A Bonds, an amount equal to \$[DSRF A]; and (2) with respect to the Series 2022B Bonds, \$[DSRF B].

"Reserved Rights" shall mean the rights of the Issuer (1) to receive payment of any Administrative Expenses, (2) to execute or grant any consent or approval expressly provided to be granted or approved by the Issuer under the Loan Agreement or the Master Indenture, and (3) the right to indemnification pursuant to Section 511 of the Loan Agreement.

"S&P" shall mean S&P Global Ratings, a division of S&P Global, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower.

"Sinking Fund Account" shall have the meaning described in Section 5.03(b) hereof.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Bond Trustee in accordance with the provisions of Section 2.06 of this Bond Indenture.

"State" shall mean the State of Florida.

"Supplemental Indenture" shall mean any supplement to this Bond Indenture authorized pursuant to Section 12.01 or 12.02 hereof.

"Tax Agreement" shall mean any agreement by or among the Borrower, the Issuer and the Bond Trustee, or any of them, executed in connection with the issuance of any series of Tax-Exempt Bonds, in form satisfactory to Bond Counsel, for the purpose of setting forth certain expectations of the Issuer and the Borrower with respect to the application of the proceeds of the Tax-Exempt Bonds and establishing procedures for the purpose of ensuring the continued exclusion from gross income for federal income tax purposes of the interest on such Tax-Exempt Bonds.

"Tax-Exempt Bonds" shall mean any Bonds issued hereunder as to which Bond Counsel has delivered an opinion (which has not been modified or withdrawn at the time in question) to the effect that, except for certain exceptions noted in said opinion, the

interest on such Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Code (or any successor provision thereto).

"Term Bonds" shall mean the Bonds which are subject to mandatory sinking fund redemption in accordance with the provisions of the Bonds and Section 5.03(b) hereof.

The words "hereof," "herein," "hereto," "hereby" and "hereunder" refer to this Bond Indenture.

Every "request," "requisition," "order," "demand," "application," "notice," "statement," "Certificate," "consent" or similar action hereunder by the Issuer shall, unless the form thereof is specifically provided, be in writing signed by an officer of the Issuer.

All words importing Persons include firms, associations and corporations, and all words importing the singular number include the plural number and vice versa. All Persons importing other goods shall be deemed "importers."

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ARTICLE II THE BONDS

SECTION 2.01. FORMS AND TERMS OF BONDS. (a) The Bonds shall be issued hereunder in the aggregate principal amount of \$[PAR] (\$[PAR A] for the Series 2022A Bonds and \$[PAR B] for the Series 2022B Bonds) and shall be in the form set forth in EXHIBIT A hereto, with appropriate variations, omissions and insertions as permitted or required by this Bond Indenture. The Bonds shall be initially dated [CLOSING], 2022, and shall mature on the following dates and bear interest at the following rates:

Series 2022A Bonds

Maturity (November 15)	Principal Amount	Interest Rate
2061	\$[PAR A]	5.00%

Series 2022B Bonds

Maturity (November 15)	Principal Amount	Interest Rate
2033	\$[PAR B]	6.50%

(b) All Bonds shall be issued by the Issuer and authenticated by the Bond Trustee only in Authorized Denominations. All Bonds shall provide that principal or Redemption Price and interest in respect thereof shall be payable only out of the Trust Estate but the Issuer, at its option and upon deposit with the Bond Trustee by the Borrower of the moneys required for such payment, may make other moneys available for that purpose. All payments of principal, interest and Redemption Price, if any, shall be made at the times and places and in the manner set forth in the form of the Bonds.

SECTION 2.02. EXECUTION. All Bonds shall be executed by the manual or facsimile signature of the Chairman or Vice Chairman of the Issuer and attested by the manual or facsimile signature of its Secretary or Assistant Secretary. Bonds executed as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Bond Trustee, notwithstanding that one or both of the officers signing any Bond shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds.

The principal of, premium, if any, and interest on the Bonds shall be special and limited obligations of the Issuer payable solely from payments or prepayments to be made on the Master Notes and other amounts payable under the Loan Agreement (except for Reserved Rights and except to the extent paid out of moneys attributable to Bond proceeds or the income from the temporary investment thereof and, under certain circumstances, proceeds from insurance and condemnation awards) and shall be a valid claim of the respective holders thereof only against the funds established under this Bond Indenture and

other moneys held by the Bond Trustee for the benefit of the Bonds and the payments due or to become due upon or under the Master Notes and the Loan Agreement (except for Reserved Rights) all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in this Bond Indenture.

The principal of, premium, if any, and interest on the Bonds do not constitute a general debt or liability of the Issuer, the State, the County, the City or of any agency or political subdivision thereof or a pledge of the faith and credit of the Issuer, the State, the County, the City or any agency or political subdivision thereof, but shall be payable solely from the funds pledged therefor in accordance with this Bond Indenture and the Master Notes. The issuance of the Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the State, the County, the City or any agency or political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for their payment and the Bonds and the interest payable thereon do not now and shall never constitute a debt of the Issuer, the State, the County, the City or any agency or political subdivision thereof within the meaning of the Constitution or the statutes of the State and do not now and shall never constitute a charge against the credit or taxing power of the State, the County, the City or any agency or political subdivision thereof. The Issuer has no taxing power. None of the State, the County, the City nor any political subdivision or agency thereof shall in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach by the Issuer of any such pledge, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State, the County, the City or any agency or political subdivision thereof or any charge upon its or their general credit or against its or their taxing power.

SECTION 2.03. AUTHENTICATION. No Bond shall be valid until the certificate of authentication shall have been duly executed by the Bond Trustee, and such authentication shall be proof that the Owner is entitled to the benefit of the trust hereby created.

SECTION 2.04. REGISTRATION, TRANSFER AND EXCHANGE. The Issuer shall cause to be kept at the designated corporate office of the Bond Trustee a register (herein sometimes referred to as the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Bonds and the transfer of Bonds. The Bond Trustee is hereby appointed Bond Registrar for the purpose of registering Bonds and transferring Bonds as herein provided.

Upon surrender for transfer of any Bond at the designated corporate trust office of the Bond Trustee, the Issuer shall execute, and the Bond Trustee, at the written direction of the Issuer, shall authenticate and deliver, in the name of the designated transferee or

transferees, one or more new Bonds of any Authorized Denominations, of a like aggregate principal amount.

At the option of the Owner, Bonds may be exchanged for other Bonds of any Authorized Denominations, of a like aggregate principal amount, upon surrender of the Bonds to be exchanged at such office. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Bond Trustee shall authenticate and deliver, the Bonds which the Owner making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Bond Indenture, as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed (with signatures guaranteed, if so requested by the Bond Trustee), or be accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Bond Trustee duly executed by the Owner thereof or his attorney duly authorized in writing.

No service charge shall be made for any transfer or exchange of Bonds, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of Bonds.

The Issuer and the Bond Trustee shall not be required (i) to issue, transfer or exchange any Bond during a period of 15 days before the day of the mailing of a notice of redemption of Bonds selected for redemption, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

The Issuer, the Bond Trustee and any paying agent may deem and treat the Person in whose name a Bond shall be registered as the absolute owner thereof, whether the Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of the Bond and all such payments so made to any such Person or upon his order shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. For all other purposes hereunder, the Bond Trustee shall be entitled to rely upon the registration books of the Bond Trustee as to the identity of each Owner of Bonds.

SECTION 2.05. MUTILATED, DESTROYED, LOST OR STOLEN BONDS. If any Bond shall become mutilated, the Issuer shall execute and the Bond Trustee shall thereupon authenticate and deliver a new Bond of like tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Bond Trustee of such mutilated Bond for cancellation, and the Issuer and the Bond Trustee may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or

destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the Issuer and the Bond Trustee and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the Issuer shall execute and thereupon the Bond Trustee shall authenticate and deliver, a new Bond of like tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Owner for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Issuer may, with the consent of the Bond Trustee, pay to the Owner the principal amount of such Bond upon the maturity thereof and the compliance with the aforesaid conditions by such Owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this Section 2.05 shall constitute an additional contractual obligation of the Issuer, whether or not the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Bond Indenture equally and ratably with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

SECTION 2.06. PLACE AND MANNER OF PAYMENT; PERSONS ENTITLED THERETO. (a) The principal or Redemption Price of each Bond shall be paid without being presented for payment if the Bonds are then registered in book-entry only form. In the case of any redemption of less than the entire principal amount of any Bond, the Bond Trustee shall authenticate and deliver to the Owners, without charge, a new Bond of the same series and maturity in a denomination equal to the unredeemed principal amount of such Bond.

(b) Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Owner of each Bond as of the close of business on the Regular Record Date for such interest. Any interest on any Bond which is payable but is not punctually paid or provided for on any Interest Payment Date (herein called "Defaulted Interest"), shall forthwith cease to be payable to the Owner on the relevant Regular Record Date, and such Defaulted Interest shall be paid to the Owner in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Bond Trustee, such date to be not less than 10 days (whether or not a business day) prior to the date of proposed payment. The Bond Trustee shall, at the expense of the Borrower, cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of

record five days before the mailing date, at his address as it appears in the bond register, not less than 10 days prior to such Special Record Date.

(c) Notwithstanding the provisions of subsections (a) and (b) above, interest on any Bonds and the Redemption Price of any Bonds redeemed by mandatory sinking fund redemption may be paid by wire transfer in immediately available funds to an account in any member bank of the Federal Reserve System designated in writing by the Owner of Bonds in an aggregate principal amount of \$1,000,000 or more not less than 15 days prior to the applicable Interest Payment Date or redemption date; provided, however, that the Bond Trustee's records with respect to the payment of the principal of any Bond in accordance with this subsection shall be conclusive and binding on the Owner of any Bond so paid and each successive Owner thereof. Any such notice provided by an Owner in accordance with the preceding sentence may provide that it shall be effective for any and all future payment dates until otherwise specified in writing.

SECTION 2.07. CANCELLATION OF SURRENDERED BONDS. All Bonds surrendered for payment, redemption, transfer, exchange or purchase, and all Bonds purchased with moneys available for that purpose in any fund established under this Bond Indenture, shall, at the time of such payment, redemption, transfer, exchange or purchase be cancelled by the Bond Trustee. If the Issuer shall acquire any of the Bonds, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Bonds unless and until the same are surrendered to the Bond Trustee for cancellation. The Bond Trustee shall make appropriate notations in its records in respect of all Bonds cancelled by it.

SECTION 2.08. PAYMENTS ON SATURDAYS, SUNDAYS, HOLIDAYS OR BANK HOLIDAYS. Whenever the due date for payment of interest, Redemption Price or principal of the Bonds or the date fixed for redemption of any Bond is not a Business Day, then payment of such interest, Redemption Price or principal need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date for payment of principal, interest or Redemption Price and no interest shall accrue thereon for any period beginning on such day and ending on the payment date.

SECTION 2.09. BOOK-ENTRY ONLY SYSTEM FOR THE BONDS. (a) The Bonds shall initially be issued in the form of one fully-registered Bond for the aggregate principal amount of the Bonds of each maturity, which Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The Bonds issued in the name of Cede & Co. in accordance with the provisions of this Section may be issued in typewritten form satisfactory to DTC, executed on behalf of the Issuer by the manual or facsimile signature of the Chairman or Vice Chairman of the Issuer and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Issuer; provided that no Bond shall be valid for any purpose unless authenticated by the manual signature of a duly authorized agent of the Bond Trustee. Except as provided in paragraph (g) below all of the Bonds shall

be registered in the Bond Register kept by the Bond Trustee in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Bond Trustee shall exchange all or any portion of the Bonds for an equal aggregate principal amount of the Bonds registered in the name of such nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the Issuer or the Bond Trustee either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books maintained by the Bond Trustee, in connection with discontinuing the book entry system as provided in paragraph (g) below or otherwise.

(b) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Bonds shall be made to DTC or its nominee in same-day funds or the equivalent on the dates provided for such payments under this Bond Indenture. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer, the Bond Trustee, and the Borrower with respect to the principal or Redemption Price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds Outstanding, the Bond Trustee shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that, in each case, the Bond Trustee shall request, and DTC shall deliver to the Bond Trustee, a written confirmation of such partial redemption and thereafter the records maintained by the Bond Trustee shall be conclusive as to the amount of the Bonds and maturity which have been redeemed.

(c) The Issuer and the Bond Trustee shall treat DTC (or its nominee) as the sole and exclusive Owner of the Bonds registered in its name for the purposes of payment of the principal or Redemption Price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of the Bonds under this Bond Indenture, registering the transfer of the Bonds, obtaining any consent or other action to be taken by Owners of the Bonds and for all other purposes whatsoever; and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. None of the Issuer, the Bond Trustee, and the Borrower shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Bond Register of the Bond Trustee as being an Owner, with respect to: (1) the Bonds; or (2) the accuracy of any records maintained by DTC or any such payment DTC or any such participant; (3) any notice required to be given to Owners of the Bonds under this Bond Indenture; (4) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds; or (5) any consent given or other action taken by DTC as the Owner of the Bonds.

(d) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Owners of the Bonds under this Bond Indenture shall be given to DTC as provided in the operational requirements of DTC as agreed in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Owners of the Bonds pursuant to this Bond Indenture by the Issuer or the Bond Trustee with respect to any consent or other action to be taken by Owners of the Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the Issuer or the Bond Trustee may establish a special record date for such consent or other action. The Issuer or the Bond Trustee shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(f) At or prior to the issuance of the Bonds, the Issuer shall execute and deliver to DTC the Representation Letter. Any successor Bond Trustee shall, in the written acceptance of its duties under this Bond Indenture, agree to take any actions necessary from time to time to comply with the requirements of DTC incorporated in the Representation Letter.

(g) The Book-Entry System for registration of the ownership of the Bonds may be discontinued at any time if: (1) after notice to the Issuer and the Bond Trustee, DTC determines to resign as Depository for the Bonds; or (2) the Borrower determines (and notifies the Issuer of its determination) that continuation of the system of book-entry transfers through DTC (or through a successor Depository) is (A) not in the best interests of the Beneficial Owners of the Bonds or (B) having an adverse impact on the operations of the Borrower or the Bond Trustee. In any such event, unless the Issuer appoints a successor Depository, the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated in writing by DTC, but without any liability on the part of the Issuer, the Borrower or the Bond Trustee for the accuracy of such designation. Whenever DTC requests the Issuer and the Bond Trustee to do so, the Issuer and the Bond Trustee shall cooperate with DTC in taking appropriate action after reasonable written notice to arrange for another Depository to maintain custody of certificates evidencing the Bonds. If a successor Depository is appointed, this Section 2.09 shall be amended as necessary to reflect such succession and to incorporate provisions required by the successor.

(h) In the event of any conflict or inconsistency between the provisions of this Section 2.09 and the provisions of the other Sections of this Bond Indenture as they relate to the Bonds, the provisions of this Section 2.09 shall control.

SECTION 2.10. RESTRICTIONS ON INITIAL OWNERSHIP AND SUBSEQUENT TRANSFER. Notwithstanding any other provision hereof, each initial Beneficial Owner of the Bonds shall be either (i) a "Qualified Institutional Buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended); or (ii) an "accredited investor" (as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended) that has provided an "Investor Letter" in the form of EXHIBIT B hereto, or such other form as may be approved by the Issuer and Placement Agent, to the Issuer, the Placement Agent and the Bond Trustee; thereafter, neither the Bonds nor any beneficial ownership interest therein may be transferred by the Beneficial Owner thereof except (A) in Authorized Denominations to (B) a Beneficial Owner that is a Qualified Institutional Buyer or an accredited investor. The Issuer may remove the foregoing restrictions without notice to or consent of any Beneficial Owner. The Bond Trustee shall not be responsible for determining that each Beneficial Owner meets the specifications set forth in this Section 2.13.

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ARTICLE III ISSUANCE OF BONDS

SECTION 3.01. ISSUANCE OF BONDS. The Issuer shall issue the Bonds upon execution of this Bond Indenture; and the Bond Trustee shall, at the Issuer's written request, authenticate such Bonds and deliver them as specified in such request.

Prior to the delivery by the Bond Trustee of any of the initial Bonds, there shall have been filed with or delivered to the Bond Trustee an investor letter regarding the Bonds in the form attached hereto as EXHIBIT B, or such other form as may be approved by the Issuer, acceptable to the Issuer and the Placement Agent and executed by each purchaser of the Bonds that is an "accredited investor" or a "Qualified Institutional Buyer" as defined in Section 2.10 hereof;

SECTION 3.02. RECEIPT AND APPLICATION OF PROCEEDS OF THE BONDS. The Bond Trustee shall apply the proceeds from the sale of the Bonds and the Equity Contribution received as set forth in the Closing Memorandum. The Bond Trustee is hereby directed to create such subaccounts as may be described in such Closing Memorandum. The subaccounts so created shall be used in accordance with the provisions herein.

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ARTICLE IV PROJECT FUND

SECTION 4.01. ESTABLISHMENT OF PROJECT FUND AND ACCOUNTS. There is hereby established a Project Fund from which the Bond Trustee shall pay Project costs in accordance with the terms hereof. Within the Project Fund, the Bond Trustee shall establish a "Project Account" for the payment of the costs of the Project and a "Funded Interest Account" for payment of interest on the Bonds during construction of the Project as necessary. All moneys in each Account of the Project Fund, until applied to pay the costs of the Project (including, without limitation, costs related to the issuance of Bonds and financing costs during the construction of a Project and for a reasonable period thereafter), shall be held for the security of all Bonds Outstanding hereunder. The Borrower may, from time to time, deposit moneys in any Account of the Project Fund for the purpose of paying the costs of the Project and may direct the Bond Trustee to establish other accounts within the Project Fund whenever, in the opinion of the Borrower, it is appropriate to maintain separate accounting of moneys therein.

SECTION 4.02. PAYMENTS FROM PROJECT FUND. The Bond Trustee shall make payments from the Project Account of the Project Fund only upon receipt of:

(a) a Project Requisition signed by the Borrower. The Borrower has agreed in the Loan Agreement that requests for disbursements from the Project Account by the Borrower to pay costs of the Project are to be made in accordance with the Loan Agreement.

(b) Whenever payments are made to reimburse the Borrower for advances or to discharge indebtedness of the Borrower, the Project Requisition shall relate to the underlying obligation for which the Borrower is being reimbursed or for the payment of which the indebtedness was incurred and shall contain the information with respect to such underlying obligation as required by Exhibit A to the Loan Agreement.

Upon receipt of each Project Requisition, the Bond Trustee shall pay disburse from moneys on deposit in the Project Account (including any subaccount therein as instructed in writing by the Borrower) as directed in writing such Project Requisition. In making such payments, the Bond Trustee may rely upon such Project Requisition and shall have no duty to make any investigation in connection therewith. The Bond Trustee shall furnish to the Issuer, upon its written request, copies of any or all Project Requisitions or summary statements thereof.

(c) Notwithstanding the above, amounts in the Funded Interest Account, if any, shall be transferred to the Debt Service Fund in order to provide sufficient moneys in the Debt Service Fund to pay the next interest payment due on Bonds and such moneys shall be taken into account in determining amounts due from the Borrower under the Loan Agreement. Moneys in the Funded Interest Account of the Project Fund may also be used

to pay investment management fees as set forth in a written request of the Borrower to the Bond Trustee.

SECTION 4.03. PROCEDURE UPON COMPLETION OF PROJECT.

Within 30 days of the completion of the Project, the Borrower shall furnish the Bond Trustee with a Certificate showing such completion and the date thereof and certifying that all construction has been completed in accordance with the approved plans and specifications and approved changes, if any, and that all costs of the Project have been paid or stating the amounts to be reserved for the payment of any unpaid costs and certifying that such amounts are sufficient to pay such costs. The Bond Trustee shall thereupon transfer the balance in the applicable Account of the Project Fund, other than amounts therein not reserved for the payment of unpaid costs of the Project, based upon the written direction of the Borrower and the Project Fund shall be closed; provided, however, that in the case of amounts in any Account of the Project Fund constituting proceeds of any series of Tax-Exempt Bonds, unless such amount is to be used solely for payment of principal or interest on the related Tax-Exempt Bonds, such direction shall be accompanied by an opinion of Bond Counsel to the effect that the application of such amounts in accordance with the written direction of the Borrower will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on such Tax-Exempt Bonds. To the extent all amounts in an Account of the Project Fund are requisitioned on the date of issuance of the Bonds then the Project Fund shall be closed and the remaining requirements of this Section 4.03 (including, but not limited to, the requirement for the Certificate as described above) shall not apply.

SECTION 4.04. ESTABLISHMENT OF COSTS OF ISSUANCE FUND.

There is hereby created, and the Bond Trustee shall so establish, a "Costs of Issuance Fund" which shall be expended in accordance with Section 4.05 hereof. The Bond Trustee shall keep and maintain adequate records pertaining to the Costs of Issuance Fund and all disbursements therefrom, including records of all Costs of Issuance Requisitions made pursuant to Section 4.05 hereof, and upon request of the Borrower, file an accounting thereof with the Issuer and the Borrower. At the end of the sixth-month period commencing with [CLOSING], 2022, or earlier upon the written direction of the Borrower, any amounts remaining in the Costs of Issuance Fund shall be used by the Bond Trustee for payment of interest on the Bonds as directed by the Borrower and the Costs of Issuance Fund shall be closed.

SECTION 4.05. PAYMENTS FROM COSTS OF ISSUANCE FUND.

Except as provided in Section 4.04 hereof, the Bond Trustee shall make payments from the Costs of Issuance Fund only upon receipt of and in accordance with a Costs of Issuance Requisition.

ARTICLE V
PLEDGED REVENUES OF THE ISSUER AND THE
APPLICATION THEREOF TO FUNDS

SECTION 5.01. LOAN PAYMENTS ETC., TO BE SUFFICIENT. The loan payments under the Loan Agreement and other fees and charges shall be fixed so that such payments in any Fiscal Year are sufficient:

(a) to pay the Administrative Expenses of the Issuer for said Fiscal Year (as defined in the Loan Agreement);

(b) to pay the principal or Redemption Price of, and interest on, the Bonds for said Fiscal Year (other than interest on any Bonds satisfied from moneys capitalized in the Debt Service Fund), if any;

(c) to provide for any required payments by the Issuer to the Rebate Fund pursuant to any Tax Agreement;

(d) to maintain the amount on deposit in the Debt Service Reserve Fund, equal to the Reserve Requirement; and

(e) to make up, when due, any deficiency in any other fund hereunder.

SECTION 5.02. PLEDGE OF TRUST ESTATE; PLEDGED REVENUES TO BE PAID OVER TO BOND TRUSTEE. Subject to the Reserved Rights of the Issuer, the Issuer hereby pledges to the Bond Trustee the Trust Estate as security for the performance of any obligation of the Issuer or the Borrower under this Bond Indenture. The pledge made by this Bond Indenture shall be valid and binding from the time such pledge is made and shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act. Pursuant to the assignment of the Issuer's rights under the Loan Agreement, the Pledged Revenues shall be paid directly to the Bond Trustee by the Borrower. Upon receipt of any Pledged Revenues or other payments hereunder, the Bond Trustee shall deposit the same in the Debt Service Fund and to the extent provided in Section 5.04 hereof, the Reserve Fund, or otherwise as provided herein or in the Loan Agreement. Except as otherwise provided herein, such Pledged Revenues shall be collected, held and applied for the equal and ratable benefit and security of the Owners of all Bonds.

SECTION 5.03. DEBT SERVICE FUND. (a) The Bond Trustee shall establish a Debt Service Fund which shall consist of the amounts deposited therein pursuant to Section 3.02, Section 5.02 and Section 6.02(c) hereof and other provisions hereof and of the Loan Agreement. The Debt Service Fund shall include the Sinking Fund Account as described below. The Bond Trustee, as the Issuer's paying agent, shall pay from the

Debt Service Fund the amount required to pay the principal of Bonds as they mature or become payable upon redemption thereof, and the interest on Bonds as it becomes payable. When Bonds are redeemed the amount, if any, in the Debt Service Fund representing the principal thereof and the interest thereon shall be applied to payment of the Redemption Price thereof and the accrued interest thereon, respectively.

(b) The Bond Trustee shall establish as a part of the Debt Service Fund a Term Bonds Sinking Fund Account (the "Sinking Fund Account") for the retirement of Term Bonds. Moneys deposited in the Sinking Fund Account shall be applied as hereinafter provided.

The Bond Trustee shall transfer moneys from the Debt Service Fund to the Sinking Fund Account on each date set forth below the amount required to retire Term Bonds in the following amounts and in the following years through mandatory redemption, in direct order of maturity and within a maturity chosen by lot or by such method as the Bond Trustee shall deem fair and appropriate, at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest, or through purchase as hereinafter provided.

The amounts and dates of sinking fund payments for the Series 2022A Bonds are as follows:

Year (November 15)	Amount	Year (November 15)	Amount
2033	\$	2048	\$
2034		2049	
2035		2050	
2036		2051	
2037		2052	
2038		2053	
2039		2054	
2040		2055	
2041		2056	
2042		2057	
2043		2058	
2044		2059	
2045		2060	
2046		2061*	
2047			

*Maturity.

The amounts and dates of sinking fund payments for the Series 2022B Bonds are as follows:

<u>Year</u> <u>(November 15)</u>	<u>Amount</u>
2027	\$
2028	
2029	
2030	
2031	
2032	
<u>2033*</u>	
*Maturity.	

Not less than 45 days prior to each redemption date as set forth above, the Bond Trustee, at the written direction of the Borrower, may purchase from moneys deposited in the applicable Sinking Fund Account as many Term Bonds as can be purchased, at prices agreed to by the Borrower which are not greater than the principal amount thereof specified in such written direction, pursuant to offers made at the time by the Owners thereof, together with accrued interest to the date of purchase (which accrued interest shall be paid from moneys in the Debt Service Fund). Prior to the first day of the month preceding each redemption date set forth above on such date as will permit the Bond Trustee to mail the notice of redemption required under Section 7.03 hereof, the Bond Trustee shall draw by lot, for redemption, on each redemption date set forth above a principal amount of Term Bonds as shall represent the difference between the principal amount of such Term Bonds fixed for redemption on such date as described above and the principal amount thereof which the Bond Trustee shall have purchased or agreed to purchase during the immediately preceding period, as above provided, or which have been delivered to the Bond Trustee by the Borrower in accordance with Section 401 of the Loan Agreement.

[Upon selection by lot of the particular Term Bonds to be redeemed, as above provided, the Bond Trustee shall send a notice to the Owners of such Term Bonds so drawn for redemption in the manner provided in Article VII hereof, and, by the Owners thereof,] the Bond Trustee shall pay the principal amount thereof out of moneys in the applicable Sinking Fund Account and shall pay accrued interest due from moneys available therefor in the Debt Service Fund.

If at any time all the Term Bonds shall have been purchased, redeemed or paid, the Bond Trustee shall make no further transfers to the Sinking Fund Account and shall transfer any balance in such account to the Debt Service Fund. Whenever Term Bonds are to be purchased out of the Sinking Fund Account, if the Borrower shall notify the Bond Trustee that the Borrower wishes to arrange for such purchase, the Bond Trustee shall comply with the Borrower's arrangements provided they conform to this Bond Indenture.

SECTION 5.04. DEBT SERVICE RESERVE FUND. There is hereby established and created a Debt Service Reserve Fund. for the benefit of the owners of the Bonds which shall consist of the amounts deposited therein pursuant to the provisions of Section 3.02 hereof and of the Loan Agreement. Within the Debt Service Reserve Fund there are hereby created and established two separate Reserve Accounts: (i) the Series 2022A Reserve Account; and (ii) the Series 2022B Reserve Account.

Moneys on deposit in the Debt Service Reserve Fund shall be used to provide a reserve for the payment of the principal of and interest on the Bonds. Moneys on deposit in the Series 2022A Reserve Account shall be used solely to provide a reserve for the payment of the principal of and interest on the Series 2022A Bonds. Moneys on deposit in the Series 2022B Reserve Account shall be used solely to provide a reserve for the payment of the principal of and interest on the Series 2022B Bonds.

In the event that monies set forth in the Funded Interest Account of the Project Fund, Sections 5.02 and 5.03 hereof are insufficient on any date to pay the interest, principal, premium or purchase price of the Bonds, the Bond Trustee shall withdraw from the Debt Service Reserve Fund the monies necessary to make up the deficiency. Any such withdrawal shall constitute an Event of Default hereunder.

If the amount on deposit in any account of the Debt Service Reserve Fund is less than the applicable Reserve Requirement, whether as a result of a withdrawal or a decline in market value (as determined on each valuation date required pursuant to Section 6.03 hereof), the Bond Trustee shall notify the Borrower of such deficiency and the Borrower shall be required pursuant to Section 401(c) of the Loan Agreement to fund such deficiency with the Bond Trustee.

SECTION 5.05. REBATE FUND. There is hereby created a Rebate Fund, which shall be held and applied by the Bond Trustee in accordance with this Section for the benefit of the Holders of such Bonds. Moneys deposited in the Rebate Fund shall not be part of the Trust Estate and shall not be subject to the lien of this Bond Indenture or otherwise be available for the payment of the Bonds. Separate accounts may be established within the Rebate Fund as provided in the Tax Agreement entered into in connection with the issuance of any series of Tax-Exempt Bonds.

If required pursuant to the terms of any Tax Agreement, the Bond Trustee upon written direction of the Borrower shall transfer from the applicable Funds established under this Bond Indenture, or from moneys provided for such purpose by the Borrower, to each applicable account of the Rebate Fund, such amounts as shall be necessary to cause the aggregate amounts transferred to such accounts to equal the respective amounts required by any Tax Agreement provided in connection with the Bonds of any series.

All amounts in the Rebate Fund, including income earned from investment of moneys held in the Rebate Fund, shall be held by the Bond Trustee solely for the purposes

specified in this Section, free and clear of the lien of this Bond Indenture and the Bond Trustee, at the written direction of the Borrower (or of the Issuer in the absence of such direction), shall pay said amounts over to the United States of America as required by any Tax Agreement.

The provisions of this Section are qualified in all respects by the provisions of any Tax Agreement and may be deleted from this Bond Indenture or otherwise amended upon receipt by the Bond Trustee and the Issuer of an opinion of Bond Counsel that such deletion or amendment will not adversely affect the exemption of interest on any series of Tax-Exempt Bonds from federal income tax. Any moneys then on deposit in the Rebate Fund shall be applied by the Bond Trustee as required or permitted by any such opinion.

SECTION 5.06. PROCEDURE WHEN FUNDS ARE SUFFICIENT TO PAY ALL BONDS. If in accordance with Section 6.03 hereof, the amounts held by the Bond Trustee in the funds established under this Article V are sufficient to pay principal or Redemption Price of and interest on all Bonds then Outstanding to maturity or prior redemption, together with any amounts due or made available by the Borrower to the Issuer or the Bond Trustee, the Bond Trustee shall so notify the Issuer and the Borrower and, upon the request of the Borrower, approved by the Issuer, shall apply the amounts in the funds and any such additional funds made available to the Bond Trustee by the Borrower to the payment of the aforesaid obligations, and the Issuer and the Borrower shall not be required to pay over any further revenues unless and until it shall appear that there is a deficiency in the Funds held by the Bond Trustee.

SECTION 5.07. MONEYS TO BE HELD FOR ALL BONDHOLDERS, WITH CERTAIN EXCEPTIONS. Until applied as herein provided, the moneys and investments held in all Funds and accounts established hereunder and the proceeds of any remedies exercised under Article IX hereof shall be held in trust for the benefit of the holders of all Outstanding Bonds, except that: (a) on and after the date on which the interest on or principal or Redemption Price of any particular Bond or Bonds is due and payable from the Debt Service Fund, the unexpended balance of the amount deposited or reserved in the Debt Service Fund for the making of such payments shall, to the extent necessary therefor, be held for the benefit of the Bondholder or Bondholders entitled thereto; and (b) the rights of any Bondholders with respect to principal or interest payments extended beyond their due dates pursuant to Section 9.03 hereof shall be subordinate to the rights of Bondholders with respect to payments not so extended.

SECTION 5.08. ADDITIONAL ACCOUNTS AND SUBACCOUNTS. At the written request of the Borrower, the Bond Trustee shall establish and maintain additional accounts and subaccounts within the funds held by the Bond Trustee hereunder; provided that (a) in each case, the written request of the Borrower shall set forth in reasonable detail the sources of deposits into and disbursements from the account or subaccount to be established, (b) in each case, the sources of deposits into and disbursements from the account or subaccount to be established shall be limited to the

sources of deposits permitted or required to be made into and the disbursements permitted or required to be made from the fund or account within which it is to be established, and (c) except as otherwise provided in Sections 5.05 and 5.07 hereof, each additional account or subaccount established hereunder shall be held in trust for the benefit of the Owners of all Outstanding Bonds.

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ARTICLE VI
SECURITY FOR AND INVESTMENT OR DEPOSIT
OF FUNDS

SECTION 6.01. DEPOSITS AND SECURITY THEREFOR. Except for amounts deposited in the Rebate Fund, all moneys received by the Bond Trustee under this Bond Indenture for deposit in any fund established hereunder shall be considered trust funds, shall not be subject to lien or attachment, except for the lien of this Bond Indenture, and shall, except as hereinafter provided, be deposited with the Bond Trustee, until or unless invested or deposited as provided in Section 6.02 hereof. Subject to the foregoing requirements as to security, if at any time the commercial department of the Bond Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Bond Trustee may deposit such moneys with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation.

SECTION 6.02. INVESTMENT OR DEPOSIT OF FUNDS. Moneys on deposit in the funds established pursuant to Articles IV and V hereof shall be invested and reinvested by the Bond Trustee as follows:

(a) All investments shall constitute Investment Securities and shall mature, or be subject to repurchase, withdrawal without penalty or redemption at the option of the Bond Trustee, on or before the dates on which the amounts invested are reasonably expected to be needed for the purposes hereof; provided, however, that Investment Securities held in the Debt Service Reserve Fund shall not have a term longer than, or shall be subject to redemption or tender for purchase by the obligor at the direction of the Bond Trustee at a price of not less than par within a term shorter than, five (5) years.

(b) All investments shall be made at the direction of the Borrower (given in writing). In the absence of any direction from the Borrower as to the investment of any moneys held hereunder, the Bond Trustee shall cause such moneys to be held uninvested. The Bond Trustee shall not make any representation as to the accuracy of any quotation of market price of any security or investment (or the accrued interest thereon) in any fund or account, and the Borrower shall further be obligated to indemnify and hold harmless the Bond Trustee, its officers and employees, from and against any and all liabilities, claims and charges, etc. in connection with or resulting from the Bond Trustee's valuation of the investments in any funds or accounts as provided in this Bond Indenture other than the Bond Trustee's gross negligence or willful misconduct.

(c) All interest, income and gains received in respect of amounts on deposit in any fund shall be applied as follows: (1) during the period of construction of the Project, all interest, income and profits received in respect of Investment Securities held in any Account of the Project Fund or upon the sale or disposition thereof, shall (after deduction of any expenses) be credited to the Funded Interest Account of the Project Fund until such Funded Interest Account expires, and after the receipt of the Certificate of the Borrower

confirming completion of the Project, to the Debt Service Fund, (2) all interest, income and gains received in respect of Investment Securities in the Debt Service Reserve Fund shall be retained therein to the extent required to maintain the Reserve Requirement and otherwise shall be transferred to and deposited in the Debt Service Fund, as received, and credited against subsequent deposit requirements as provided in Section 5.03 hereof, (3) all interest, income and gains received in respect of Investment Securities in any account of the Costs of Issuance Fund shall be retained therein until such time as all the amounts therein are transferred to the Debt Service Fund pursuant to Section 4.04 hereof, and (4) all interest, income and gains received in respect of Investment Securities in the Debt Service Fund shall be retained therein and credited against subsequent deposit requirements as provided in Section 5.03 hereof. Whenever any other transfer or payment is required to be made from any particular fund, such transfer or payment shall be made from such combination of maturing principal, redemption or repurchase prices, liquidation proceeds and withdrawals of principal as the Bond Trustee deems appropriate for such purpose.

(d) Neither the Issuer nor the Bond Trustee (to the extent the Bond Trustee has followed the written investment instructions provided to the Bond Trustee by the Borrower) shall be accountable for any depreciation in the value of any Investment Securities or any losses incurred upon any authorized disposition thereof.

(e) The Bond Trustee may make any and all such investments through its own bond or investment department or the bond or investment department of any bank or trust company under common control with the Bond Trustee. All such investments shall at all times be a part of the fund or account from which the moneys used to acquire such investments shall have come and all income and profits on such investments shall be credited to, and losses thereon shall be charged against, such fund or account. All investments hereunder shall be registered in the name of the Bond Trustee, as Bond Trustee under this Bond Indenture. All investments hereunder shall be held by or under the control of the Bond Trustee. The Bond Trustee shall sell and reduce to cash a sufficient amount of investments of funds in any account of the Debt Service Fund whenever the cash balance in such account of the Debt Service Fund is insufficient, together with any other funds available therefor, to pay the principal of, premium, if any, and interest on the Bonds when due. The Bond Trustee shall not be responsible for any reduction of the value of any investments made in accordance with the directions of the Borrower or any losses incurred in the sale of such investments.

SECTION 6.03. VALUATION OF FUNDS. The Bond Trustee shall determine the value of the assets in each of the funds established hereunder as of each Interest Payment Date. As soon as practicable after each such valuation date, the Bond Trustee shall furnish to the Borrower a report of the status of each fund as of such date. The Bond Trustee shall also advise the Borrower at such time of the amounts then available in the Debt Service Fund as a credit against future deposits prior to the next valuation date in direct order of the due dates of such deposits. In computing the value of assets in any

fund or account, investments shall be valued at the market value thereof, except the Investment Securities of the types described in clauses (5) and (10) of the definition thereof shall be valued at cost, and all investments (valued as aforesaid) and accrued interest thereon shall be deemed a part of such funds and accounts. Values shall be determined in accordance with the price provided by pricing services and sources relied upon by the Bond Trustee and the Bond Trustee does not have any duty to independently value any asset or an obligation other than the price provided by pricing services and sources relied upon by the Bond Trustee.

SECTION 6.04. REPORTS OF BOND TRUSTEE. The Bond Trustee shall deliver to the Borrower a monthly statement no later than the 15th day of the month next following the month in which this Bond Indenture is executed, and no later than the same day of each month thereafter, describing the investment or deposit of funds made pursuant to Section 6.02 hereof, the investment income thereon, as applicable, and the transfers to or charges against the various funds established hereunder as directed under Section 6.02 hereof. The Issuer shall be entitled to receive copies of any such statements upon its written request. The Issuer and the Borrower acknowledge that regulations of the Comptroller of the Currency grant the Issuer and (by execution of the Loan Agreement) the Borrower the right to receive brokerage confirmations of security transactions as they occur. The Issuer and the Borrower specifically waive such right to notification to the extent permitted by law and acknowledge that they will receive periodic transaction statements that will detail all investment transactions made by the Bond Trustee hereunder.

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ARTICLE VII REDEMPTION OF BONDS

SECTION 7.01. BONDS SUBJECT TO REDEMPTION; SELECTION OF BONDS TO BE CALLED FOR REDEMPTION. The Bonds shall be subject to redemption prior to maturity as provided in the form of Bond authorized pursuant to this Bond Indenture. Redemption of Bonds otherwise shall be in the manner provided in this Article VII.

SECTION 7.02. SELECTION BY BOND TRUSTEE OF BONDS TO BE REDEEMED. If less than all the Bonds of a series are to be redeemed, the particular Bonds of a series to be redeemed shall be selected by the Bond Trustee in Authorized Denominations from the Outstanding Bonds of such series not previously called for redemption, in order of maturities directed by the Borrower (except for sinking fund redemptions which shall be made in direct order of maturity) and within any maturity by lot and which direction may provide for the selection for redemption of portions of the principal of Bonds of such series of a denomination larger than the minimum Authorized Denomination for such Bonds.

The Bond Trustee shall promptly notify the Issuer in writing of the Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Bond Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

SECTION 7.03. NOTICE OF REDEMPTIONS. (a) When required to redeem Bonds under any provision of this Bond Indenture or directed to do so by the Borrower on behalf of the Issuer, the Bond Trustee shall cause notice of the redemption to be given by Electronic Notice or first-class mail to the Owners of all Bonds to be redeemed at the addresses appearing in the Bond Register not less than 20 nor more than 60 days prior to the date set for redemption. Such notice shall be given by the Bond Trustee in the name of the Issuer, shall identify the Bonds (and, in the case of partial redemption, the respective principal amounts thereof) to be redeemed by reference to their designation and numbers, shall specify the redemption date and the Redemption Price, shall state that on the redemption date the Bonds (or portions thereof) called for redemption will be payable at the designated corporate trust office of the Bond Trustee and from that date interest thereon will cease to accrue, and shall include the CUSIP numbers assigned to such Bonds and shall also state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or printed on the Bonds. No defect, whether in the notice of redemption or in the mailing thereof (including failure to mail the notice) with respect to the redemption of any Bond shall affect the validity of the redemption proceedings. Such

notice may also state any condition to such redemption and that such notice may be rescinded by the Borrower prior to the date of redemption.

(b) In addition to the foregoing notice, not more than 60 days following the applicable redemption date, a further notice shall be mailed as provided in (a) above, to the Owner of any Bonds called for redemption and not presented for payment on the redemption date, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of any redemption of Bonds:

(c) Upon the payment of the Redemption Price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear a description of the issue and maturity of the Bonds being redeemed including the CUSIP number of such Bonds, with the proceeds of such check or other transfer.

SECTION 7.04. PAYMENT OF REDEMPTION PRICE. If (a) unconditional notice of redemption has been duly given or duly waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so given or waived and the redemption moneys have been duly deposited with the Bond Trustee, then in either case the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date, and from and after the date fixed for redemption interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable. Payment of the Redemption Price together with accrued interest shall be made by the Bond Trustee to or upon the order of the Owners of the Bonds called for redemption. The Redemption Price, including accrued interest, the expenses of giving notice and any other expenses of redemption, shall be paid out of the funds provided under this Bond Indenture or from moneys provided by the Borrower, except that the accrued interest shall be paid out of the Debt Service Fund, as and to the extent provided in Section 5.03 hereof.

SECTION 7.05. BONDS REDEEMED IN PART. Any Bond which is to be redeemed only in part shall be presented by the Owner thereof to the Bond Trustee at the designated corporate trust office of the Bond Trustee (with due endorsement by, or a written instrument of transfer in form satisfactory to the Bond Trustee duly executed by, the Owner or his attorney duly authorized in writing) and the Issuer shall execute and the Bond Trustee shall authenticate and deliver to the Owner of such Bond without service charge, a new Bond or Bonds, of any Authorized Denomination(s) as requested by such Owner in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

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ARTICLE VIII CERTAIN COVENANTS

SECTION 8.01. PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS. The Issuer shall be required to make the payments of principal of and interest on the Bonds only out of the Trust Estate. The Issuer shall appoint one or more paying agents for such purpose, and a registrar to keep books of registration with respect to the Owners from time to time of the Bonds, each such paying agent or registrar to be a bank and trust company or a trust company or a national banking association having trust powers. The Issuer hereby appoints the Bond Trustee to act as paying agent and has appointed the Bond Trustee as registrar as provided in Section 2.04 hereof, such appointment to remain in effect until notice of change is filed with the Bond Trustee.

SECTION 8.02. CORPORATE EXISTENCE; NO TRANSFER OF TRUST ESTATE. Except as such interest may be otherwise granted in or to another qualifying governmental authority, the Issuer shall maintain its existence as a public body corporate and politic under the Act and shall not sell, lease, encumber or otherwise transfer any of its interest in and to the Trust Estate other than as provided in this Bond Indenture.

SECTION 8.03. FINANCING STATEMENTS AND OTHER ACTION TO PROTECT SECURITY INTERESTS. The Bond Trustee shall file Uniform Commercial Code continuation statements and, upon request shall furnish, or cause to be furnished, satisfactory evidence to the Owners of filing of such UCC continuation instruments. The Bond Trustee shall execute or join in the execution of any such further or additional instrument presented to it by the Borrower at such time or times and in such place or places as an Opinion of Counsel delivered to it by the Borrower advises is necessary to preserve the lien of this Bond Indenture upon the Trust Estate or any part thereof until the aforesaid principal and interest shall have been paid. All reasonable costs and expenses of the Bond Trustee incurred in connection with the duties set forth in this Section shall be paid by the Borrower. The Bond Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto) or for the filing of any continuation statements, the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such filings, and unless the Bond Trustee shall have been notified by the Borrower that any such initial filing or description of collateral was or has become defective, the Bond Trustee shall be fully protected in relying on such initial filing and descriptions in filing any financing or continuation statement(s) pursuant to this Section.

SECTION 8.04. FURTHER ASSURANCES; ADDITIONAL REVENUES. The Issuer shall not enter into any contract or take any action by which the rights of the Bond Trustee or the Owners of the Bonds may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Bond Indenture. If at any time the Issuer receives any income or payment from or in respect of the Trust Estate or the Bonds which is not

assigned to the Bond Trustee or otherwise reserved by the Issuer, it shall promptly pay the same to the Bond Trustee for deposit in the Debt Service Fund (or other appropriate fund) and, at the request of the Bond Trustee, shall execute and deliver an assignment of its right, title and interest in and to future income or payments of the same type to the Bond Trustee to be held as part of Pledged Revenues and file or record such assignment as may be appropriate to perfect the security interest created thereby.

SECTION 8.05. INVESTMENTS TO COMPLY WITH INTERNAL REVENUE CODE. The Issuer covenants to the Owners of any Tax-Exempt Bonds that it will not knowingly make any investment or other use of the proceeds of such Tax-Exempt Bonds which would cause any Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of the Code, and that it will comply with the requirements of the Code throughout the term of all Tax-Exempt Bonds and that it will not knowingly take or omit to take any action over which it has control which action or inaction, as the case may be, would adversely affect the exclusion from gross income for federal income tax purposes of the interest on such Tax-Exempt Bonds. Notwithstanding the foregoing, the Issuer shall not be liable for any investment decisions made by the Borrower with respect to the investment of the proceeds of Tax-Exempt Bonds and shall not be deemed to have approved such investment decisions by reason of it being a party to this Bond Indenture.

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ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

SECTION 9.01. EVENTS OF DEFAULT DEFINED. Each of the following shall be an "Event of Default" hereunder:

- (a) if payment of any installment of interest on any Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Bond is not made when it becomes due and payable at maturity or upon call for redemption or otherwise; or
- (c) if the Issuer defaults in the due and punctual performance of any other covenant in the Bonds or this Bond Indenture or in the Loan Agreement (other than as specified in (a) or (b) above); or
- (d) if the Issuer fails to comply with any provision of the Act or for any reason is rendered incapable of fulfilling its obligations hereunder or thereunder; or
- (e) if an Event of Default occurs under the Loan Agreement or any amendment or supplement thereto; or
- (f) if the Bond Trustee receives notice from the Master Trustee that the principal of, and accrued interest on any Obligation thereunder is immediately due and payable; or
- (g) if the Bond Trustee makes any withdrawal of moneys on deposit in the Debt Service Reserve Fund in accordance with Section 5.04 hereunder or otherwise.

SECTION 9.02. NOTICE OF DEFAULT; OPPORTUNITY TO CURE. No Event of Default shall occur under Section 9.01(c) or (d) above unless such Event of Default continues for 90 days after written notice requiring the same to be remedied shall have been given to the Issuer and the Borrower by the Bond Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Owners of not less than 25% in principal amount of Bonds then Outstanding; provided, however, that if such performance requires work to be done, actions to be taken or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 90-day period no Event of Default shall be deemed to have occurred or to exist if, and so long as, the Issuer or the Borrower shall commence such performance within such 90-day period, and the Issuer or the Borrower shall diligently and continuously prosecute the same to completion.

SECTION 9.03. ACCELERATION AND ANNULMENT THEREOF. If any Event of Default has occurred and is continuing, the Bond Trustee may, and upon written request of the Owners of 25% in principal amount of the Bonds then Outstanding and affected thereby shall, by notice in writing to the Issuer, declare the principal of all

Bonds then Outstanding to be immediately due and payable, and upon such declaration said principal, together with interest accrued thereon, shall become due and payable immediately at the place of payment provided therein, anything in this Bond Indenture or in the Bonds to the contrary notwithstanding, unless the Borrower cures such Event of Default prior to the date of the declaration.

If after the principal of the Bonds has been so declared to be due and payable, all arrearages of interest upon the Bonds and the principal of all Bonds then Outstanding which have matured, except the principal of any Bonds due solely because of such declaration, and the interest accrued on the Bonds since the last interest payment date are paid by the Issuer, and the Issuer also performs all other things in respect to which it may have been in default hereunder and pays the reasonable charges of the Bond Trustee, the Owners of Bonds, and any other bond trustee or receiver appointed hereunder, including reasonable attorney's fees, then, and in every such case, the Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the Issuer and to the Bond Trustee, may annul such declaration and its consequences and such annulment shall be binding upon the Bond Trustee and upon all Owners of Bonds issued hereunder; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

SECTION 9.04. REMEDIES OR DEFAULT. If any Event of Default has occurred and is continuing, the Bond Trustee in its own discretion may, and upon the written direction of the Owners of not less than 25% in principal amount of the Bonds then Outstanding and upon receipt of indemnity satisfactory to it shall, in its own name, take whatever action at law or in equity is necessary or desirable to enforce collection of payments due under the Loan Agreement, or to enforce the performance, observation or compliance by the Issuer, or the Borrower, under this Bond Indenture or the Loan Agreement, or proceed in any other manner to protect and enforce its rights and the rights of the Owners of Bonds then Outstanding by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant, condition or agreement contained herein, or in the Loan Agreement or in aid or execution of any power granted herein or in the Loan Agreement for the enforcement of any proper legal remedy as the Bond Trustee shall deem most effective to protect and enforce such rights.

SECTION 9.05. DISCONTINUANCE OF PROCEEDINGS BY BOND TRUSTEE. If any proceeding taken by the Bond Trustee on account of any default is discontinued or is determined adversely to the Bond Trustee, the Issuer, the Bond Trustee and the Owners of Bonds shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 9.06. OWNERS OF BONDS MAY DIRECT PROCEEDINGS. The Owners of a majority in principal amount of the Bonds then Outstanding hereunder shall have the right to direct the method and place of conducting all remedial proceedings by the Bond Trustee hereunder, provided such directions shall not be otherwise than in

accordance with law and the provisions of this Bond Indenture, and that the Bond Trustee shall have the right to decline to follow any such direction which in the opinion of the Bond Trustee would be unjustly prejudicial to Owners of Bonds not parties to such direction.

SECTION 9.07. LIMITATIONS ON ACTIONS BY OWNERS OF BONDS. No Owners of Bonds shall have any right to pursue any remedy hereunder unless (a) the Bond Trustee shall have been given written notice of an Event of Default, (b) the Owners of at least 25% in principal amount of the Bonds then Outstanding shall have requested the Bond Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Bond Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Bond Trustee shall have failed to comply with such request within a reasonable time.

SECTION 9.08. BOND TRUSTEE MAY ENFORCE RIGHTS WITHOUT POSSESSION OF BONDS. All rights under this Bond Indenture and the Bonds may be enforced by the Bond Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Bond Trustee shall be brought in its name for the ratable benefit of the Owners of the Bonds.

SECTION 9.09. REMEDIES NOT EXCLUSIVE. Except as limited under Sections 14.01 and 14.02 of this Bond Indenture, no remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 9.10. DELAYS AND OMISSIONS NOT TO IMPAIR RIGHTS. No delay or omission in respect of exercising any right or power accruing upon any default shall impair such right or power or be a waiver of such default, and every remedy given by this Article IX may be exercised from time to time and as often may be deemed expedient.

SECTION 9.11. APPLICATION OF MONEYS IN EVENT OF DEFAULT. Any moneys received by the Bond Trustee under this Article IX shall be applied:

FIRST: to the payment of the reasonable costs of the Bond Trustee, including reasonable Counsel fees, any disbursements of the Bond Trustee with interest thereon and its reasonable compensation; and

SECOND: to the payment of principal or Redemption Price (as the case may be) of and interest then owing on the Bonds and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or Redemption Price and interest ratably, without preference or priority of one Bond over another or of any installment of interest over any other installment of interest.

The surplus, if any, shall be paid to the Issuer or the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

SECTION 9.12. BOND TRUSTEE'S RIGHT TO RECEIVER; COMPLIANCE WITH ACT. The Bond Trustee shall be entitled as of right to the appointment of a receiver; and the Bond Trustee, the Owners of Bonds and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act.

SECTION 9.13. BOND TRUSTEE AND OWNERS OF BONDS ENTITLED TO ALL REMEDIES UNDER ACT. It is the purpose of this Article to provide such remedies to the Bond Trustee and Owners of Bonds as may be lawfully granted under the provisions of the Act; but should any remedy herein granted be held unlawful, the Bond Trustee and the Owners of Bonds shall nevertheless be entitled to every other remedy provided by the Act. It is further intended that, insofar as lawfully possible, the provisions of this Article shall apply to and be binding upon the Bond Trustee or receiver appointed under the Act.

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ARTICLE X THE BOND TRUSTEE

SECTION 10.01. ACCEPTANCE OF TRUST. The Bond Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Owners of Bonds agree.

Except during the continuance of an Event of Default, the Bond Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture and no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee. The Bond Trustee shall have no duty to review any financial statements provided by the Borrower, nor shall the Bond Trustee be considered to have notice of the content of such statements or a default based on such content. The Bond Trustee shall have no duty to verify the accuracy of such financial statements.

In case any Event of Default has occurred of which the Bond Trustee has received notice or is deemed to have received notice in accordance with Section 10.05 hereof and is continuing, the Bond Trustee shall exercise such of the rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a reasonably prudent person would exercise or use under the circumstances in the conduct of their own affairs.

SECTION 10.02. NO RESPONSIBILITY FOR RECITALS, ETC. The recitals, statements and representations in this Bond Indenture or in the Bonds, save only the Bond Trustee's Certificate upon the Bonds, have been made by the Issuer and not by the Bond Trustee; and the Bond Trustee shall be under no responsibility for the correctness thereof. The Bond Trustee makes no representations as to the validity or sufficiency of this Bond Indenture or of the Bonds. The Bond Trustee shall not be accountable for the use or application by the Borrower of any of the proceeds of the Bonds.

SECTION 10.03. BOND TRUSTEE MAY ACT THROUGH AGENTS; ANSWERABLE ONLY FOR WILLFUL MISCONDUCT OR GROSS NEGLIGENCE. The Bond Trustee may execute any powers hereunder and perform any duties required of it through attorneys or agents, and shall be entitled to advice of Counsel concerning all questions hereunder; and the Bond Trustee shall not be answerable for the default or misconduct of any attorney or agent selected by it with reasonable care. The Bond Trustee shall not be answerable for the exercise of any discretion or power under this Bond Indenture nor for anything whatever in connection with the trust hereunder, except only its own willful misconduct or gross negligence.

The Bond shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in principal amount of the Bonds then Outstanding.

Except for damages arising out of the Bond Trustee's gross negligence or willful misconduct, the Bond Trustee shall not be responsible or liable for punitive, special, indirect, or consequential loss or damage of any kind whatsoever irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of actions.

SECTION 10.04. COMPENSATION. The Issuer shall use its best efforts to cause the Borrower to pay the Bond Trustee compensation for its services hereunder, and also all its reasonable expenses and disbursements, all as may be agreed upon by the Bond Trustee and the Borrower. All such payments shall be the responsibility of the Borrower, and the Issuer shall have no responsibility therefor. The obligation of the Borrower to pay and reimburse the Bond Trustee for such fees and expenses shall constitute additional indebtedness secured hereunder and the Bond Trustee shall have a first lien, with right of payment prior to payment on account of interest on, or principal of, any Bonds, upon the Trust Estate for the foregoing fees, indemnities and expenses.

SECTION 10.05. NOTICE OF DEFAULT; RIGHT TO INVESTIGATE. The Bond Trustee shall, within 90 days of knowledge of the occurrence of any Event of Default, give written notice thereof by first-class mail to Owners of Bonds, unless such defaults have been remedied (the term "defaults" for purposes of this Section and Section 10.07 hereof being defined to include the events specified in clauses (a) through (f) of Section 9.01 hereof, not including any notice or periods of grace provided for therein); provided that, except in the case of a default in payment of principal or interest or premium or sinking fund requirements, the Bond Trustee may withhold such notice so long as it in good faith determines that such withholding is not detrimental to the interest of the Owners. The Bond Trustee shall not be deemed to have knowledge of the occurrence of any default or Event of Default hereunder unless the Bond Trustee shall have been notified of such default or Event of Default by the Borrower or by the Owners of 25% or more in principal amount of the Bonds Outstanding or shall otherwise have actual knowledge thereof, and, in the absence of such notice or knowledge, the Bond Trustee may conclusively presume the absence of any default or Event of Default; provided, however, that the Bond Trustee shall be deemed to have notice of any Event of Default arising under Section 9.01(a) or (b) hereof or by reason of any Event of Default described in Section 701(a) of the Loan Agreement. The Bond Trustee may, however, at any time require of Borrower full information relating to any default or potential default satisfactory to it, and if the same is not forthcoming, the Bond Trustee may make or cause to be made, at the expense of the Borrower, an investigation into the affairs of the Borrower related to this Bond Indenture and the Project Facilities.

SECTION 10.06. OBLIGATIONS TO ACT ON DEFAULTS OR EXERCISE RIGHTS. The Bond Trustee shall be under no obligation to take any action in respect of any Event of Default or otherwise or exercise any right provided to it unless

it is requested in writing to do so by the Owners of at least 25% in principal amount of the Bonds then Outstanding and, unless it is also furnished with indemnity satisfactory to it.

SECTION 10.07. RELIANCE ON REQUISITIONS, ETC. The Bond Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond or other paper or document which it in good faith believes to be genuine and to have been passed or signed by the proper Persons or to have been prepared and furnished pursuant to any of the provisions of this Bond Indenture and the Bond Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement in the absence of actual notice to the contrary. As to the existence of any facts or circumstances relevant hereunder, the Bond Trustee may, in the absence of bad faith on its part, conclusively rely upon a Certificate of the Borrower (or other relevant Person) as to such facts or circumstances. Whenever required to take any action or refrain from taking any action hereunder (including, without limitation, the execution of any Supplemental Indenture), the Bond Trustee shall be entitled to request an opinion of Counsel to the effect that such action (or inaction) complies with, or is permitted by, the terms of this Bond Indenture and all applicable law (which opinion may be given in reliance upon the facts and circumstances set forth in any Certificate described in the preceding sentence).

SECTION 10.08. BOND TRUSTEE MAY DEAL IN BONDS; OTHER RELATIONSHIPS. The Bond Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Owners of Bonds may be entitled to take with like effect as if the Bond Trustee were not a party to this Bond Indenture. The Bond Trustee may also engage in or be interested in any financial or other transaction with the Borrower or the Issuer, whether in connection with transactions relating to any Bonds issued hereunder or otherwise, provided that if the Bond Trustee determines that any such relation is in conflict with its duties under this Bond Indenture, it shall eliminate the conflict or resign as Bond Trustee.

SECTION 10.09. CONSTRUCTION OF AMBIGUOUS PROVISIONS. The Bond Trustee may construe any ambiguous or inconsistent provisions of this Bond Indenture, and any construction by the Bond Trustee shall be binding upon the Owners of Bonds. The Bond Trustee shall give prompt notice to the Issuer of any intention to make such construction.

SECTION 10.10. CO-BOND TRUSTEE. The Bond Trustee, with the approval of the Issuer and the Borrower, may appoint an additional individual or institution as a separate or co-bond trustee. If the Bond Trustee appoints a separate or co-bond trustee, each power or right vested in the Bond Trustee hereunder shall be exercisable by and vest in such separate or co-bond trustee to the extent necessary or desirable to enable the co-bond trustee to exercise such powers or rights, and every covenant and obligation necessary

to the exercise thereof by such separate or co-bond trustee shall run to and be enforceable by either of them.

SECTION 10.11. RESIGNATION OF BOND TRUSTEE. The Bond Trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer, the Borrower and each Owner of Bonds then Outstanding. Any such resignation shall take effect upon the later of (a) the date specified by the Bond Trustee in the foregoing notice (which shall be not less than 30 days after the giving of such notice), or (b) the appointment of a successor Bond Trustee (i) by the Borrower (as set forth in a Certificate of the Borrower), unless an Event of Default has occurred under the Loan Agreement or an event has occurred which, with the passage of time or the giving of notice, would constitute such an Event of Default (a "Potential Default"), or (ii) if no such Event of Default or Potential Event of Default shall have occurred and then be continuing, by the holders of at least 25 percent in aggregate principal amount of Outstanding Bonds.

SECTION 10.12. REMOVAL OF BOND TRUSTEE. Any Bond Trustee hereunder may be removed at any time upon 30 days written notice by an instrument appointing a successor to the Bond Trustee so removed, executed by an officer of the Borrower, unless an Event of Default or Potential Default (as defined in Section 10.11 above) has occurred, or if any Event of Default or Potential Default shall have occurred and then be continuing, by the Owners of a majority in principal amount of the Bonds then Outstanding. Such notice shall be given to the Bond Trustee to be removed, to the Issuer and (if given by the Owners) to the Borrower and shall be effective immediately, if the removal is for a breach of the Bond Trustee's duties hereunder, or on a specified date not less than 30 days after the giving of the notice, in all other cases. The successor Bond Trustee shall notify all Owners of such removal and appointment.

SECTION 10.13. APPOINTMENT OF SUCCESSOR BOND TRUSTEE. In the event that a successor Bond Trustee is not appointed pursuant to the provisions of Section 10.11 or 10.12 hereof, the Issuer shall appoint a successor and shall promptly mail, or cause such successor Bond Trustee to mail on its behalf, a notice by first class mail to the Owners of the Bonds outstanding. If the Issuer fails to make such appointment within 30 days, the Owners of at least 25 percent in aggregate principal amount of the Bonds then Outstanding may do so. Promptly thereafter, the retiring Bond Trustee shall transfer all property held by it as Bond Trustee to the successor Bond Trustee, the resignation or removal of the retiring Bond Trustee shall then (but only then) become effective, and the successor Bond Trustee shall have the rights, powers and duties of the Bond Trustee under this Bond Indenture.

SECTION 10.14. QUALIFICATION OF SUCCESSOR. The Bond Trustee and any successor Bond Trustee shall be a corporation organized and doing business under the laws of the United States of America or any state or the District of Columbia, is authorized under such laws to exercise corporate trust powers, is subject to supervision or examination by the United States of America, any state or the District of Columbia and has

a combined capital and surplus of at least \$50,000,000 set forth in its most recent published annual report of condition.

SECTION 10.15. COURT APPOINTMENT OF SUCCESSOR BOND TRUSTEE. In case at any time the Bond Trustee shall resign and no appointment of a successor Bond Trustee shall be made pursuant to the foregoing provisions of this Article X prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the resigning Bond Trustee or any Owner may forthwith apply to a court of competent jurisdiction for the appointment of a successor Bond Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribed, appoint a successor Bond Trustee.

SECTION 10.16. INSTRUMENTS OF SUCCESSION. Any successor bond trustee shall execute, acknowledge and deliver to the Issuer and the Borrower an instrument accepting such appointment hereunder; and thereupon such successor bond trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Bond Trustee herein. The Bond Trustee ceasing to act hereunder shall pay over to the successor bond trustee all moneys held by it hereunder; and, upon request of the successor bond trustee, the Bond Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to the successor bond trustee all the estate, properties, rights, powers and trusts hereunder of the Bond Trustee ceasing to act.

SECTION 10.17. BOND TRUSTEE'S RIGHTS AND OBLIGATIONS UNDER MASTER INDENTURE. The Bond Trustee, in its capacity as Master Trustee and as holder of the Master Notes, shall be entitled to exercise all rights and remedies available to the holders of obligations under the Master Indenture. Subject only to the rights of the Owners under Articles IX and XII hereof, the Bond Trustee shall be the exclusive agent of the Owners for such purpose and shall not be required to obtain any consents or approvals of the Owners in connection therewith. Notwithstanding the foregoing, in the event any provision of the Master Indenture requires the approval, consent, or action by the Bond Trustee as holder of the Master Notes, the Bond Trustee must undertake to grant or deny such approval or consent, or perform such action, only subject to and as directed by the terms of the Bond Indenture, and may require direction of the Holders of a majority in aggregate principal amount of the Bonds then Outstanding prior to undertaking any such approval, consent, or action.

SECTION 10.18. FORCE MAJEURE. The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Bond Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer

(hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

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ARTICLE XI
ACTS OF OWNERS; EVIDENCE OF OWNERSHIP OF
BONDS

SECTION 11.01. ACTS OF OWNERS OF BONDS: EVIDENCE OF OWNERSHIP. Any action to be taken by Owners of Bonds may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Owners of Bonds in Person or by agent appointed in writing. The fact and date of the execution by any Person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered by the Issuer or the Bond Trustee in pursuance thereof. Except where expressly provided otherwise (as with respect to the provisions hereof with respect to the transfer or exchange of any Bond or the right to receive payment in respect of any Bond), any consent, request, direction, approval, objection or other instrument or action required or permitted by this Bond Indenture to be executed or taken by any Owner shall be fully effective if executed or taken by the Owner.

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ARTICLE XII AMENDMENTS AND SUPPLEMENTS

SECTION 12.01. AMENDMENTS AND SUPPLEMENTS WITHOUT CONSENT OF OWNERS OF BONDS. This Bond Indenture may be amended or supplemented at any time and from time to time, without the consent of the Owners of Bonds, by a Supplemental Indenture authorized by a Certified Issuer Resolution filed with the Bond Trustee, for one or more of the following purposes:

(a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;

(b) to make appropriate provision for the issuance of Bonds in bearer form with coupons should such issuance be available without causing the interest on any Tax-Exempt Bonds to become taxable for federal income tax purposes;

(c) to comply with any provision of the Code affecting the tax-exempt status of interest on any Bonds; and

(d) to make conforming changes in connection with any changes to any Loan Agreement otherwise permitted hereunder;

(e) obtain or maintain any credit rating or ratings on any series of Bonds;

(f) to cure any ambiguity or to cure, correct or supplement any defective (whether because of any inconsistency with any other provisions hereof or otherwise) provision of this Bond Indenture in such manner as shall not be inconsistent with this Bond Indenture (which cured, corrected or supplemented provision shall supersede any actions taken by the Bond Trustee under Section 10.10 hereof) and shall not impair the security hereof or adversely affect the Owners of Bonds; and

(g) to effect any other change herein which, in the judgment of the Bond Trustee, does not materially adversely affect the rights of the Bond Trustee or the Owners of Bonds. In exercising such judgment, the Bond Trustee shall be entitled to receive and rely upon an opinion of counsel.

In the event a Rating Agency has assigned a rating to any of the Bonds, such Rating Agency or Agencies shall receive prior written notice from the Bond Trustee of the proposed amendment but such notice shall not be a condition of the effectiveness of such amendment and the failure to so provide shall not be default hereunder.

Notwithstanding the forgoing, no amendment to this Bond Indenture shall be made which affects the rights or liabilities of the Bond Trustee hereunder without its written consent.

SECTION 12.02. AMENDMENTS WITH CONSENT OF OWNERS OF BONDS. This Bond Indenture may be amended from time to time, except with respect to (a) the interest payable upon any Bond, (b) the dates of maturity, sinking fund and redemption provisions of any Bonds, (c) this Article XII, and (d) the security provisions hereunder, by a Supplemental Indenture approved by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding and affected thereby; provided, that no amendment shall be made which adversely affects the rights of some but less than all series of Bonds without the consent of the Owners of at least a majority of the then Outstanding Bonds of each series so affected, and no amendment shall be made which affects the rights of some but less than all the Bonds of any one series without the consent of the Owners of a majority of the Bonds so affected. Amendments with respect to matters described in clauses (a), (b), (c) or (d) of the first sentence of this Section 12.02 shall be effected only with the consent of Owners of all Bonds then Outstanding and affected by such amendments.

SECTION 12.03. BOND TRUSTEE AUTHORIZED TO JOIN IN AMENDMENTS AND SUPPLEMENTS; RELIANCE ON COUNSEL. The Bond Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article XII and in so doing shall be fully protected by an opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

SECTION 12.04. AMENDMENTS TO THE LOAN AGREEMENT WITHOUT CONSENT OF BONDHOLDERS. Any Loan Agreement may be amended without the consent of the Owners (a) to add additional covenants of the Borrower or to surrender any right or power conferred upon the Borrower, (b) in connection with any merger or consolidation of a Borrower, provided such merger or consolidation would not materially adversely affect the Owners, (c) to make conforming changes in connection with any amendment of this Bond Indenture otherwise permitted hereunder, (d) to obtain or maintain any credit rating (or ratings) on any series of Bonds, or (e) to cure any ambiguity, inconsistency or formal defect or omission in any Loan Agreement or to make any other change in a Loan Agreement which, in the judgment of the Bond Trustee (which judgment may be made in reliance upon an opinion of Counsel), does not materially adversely affect the rights of the holders of any Bonds. No prior notice to the Bondholders of any proposed changes pursuant to this Section shall be required.

SECTION 12.05. AMENDMENTS TO MASTER INDENTURE. In the case of any amendment, change or modification to, a waiver of any requirement of, the Master Indenture, which, in accordance with the Master Indenture requires the consent of the holder of the Master Notes, , the Bond Trustee shall consent thereto (solely in its capacity as the holder of the Master Notes) only after notice to the Owners of the Bonds then Outstanding and the approval thereof by the Owners of not less than a majority in aggregate

principal amount of the Bonds then Outstanding (or 100% in aggregate principal amount thereof in the case of any amendment, change or modification to any provision of, or waiver of any requirement of, the Master Indenture which requires the consent of the holders of 100% of the Obligations outstanding thereunder and affected thereby)..

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ARTICLE XIII DEFEASANCE

SECTION 13.01. DEFEASANCE. (a) When the interest on, and principal or Redemption Price (as the case may be) of, any Bonds issued hereunder have been paid, or there shall have been deposited with the Bond Trustee an amount, evidenced by cash or non-callable Government Obligations the principal of and interest on which, when due, will provide sufficient moneys to fully pay such Bonds, as well as all other sums payable hereunder by the Issuer, then with respect to such Bonds, all right, title and interest of the Bond Trustee shall thereupon cease and the Bond Trustee, on demand of the Issuer, shall release this Bond Indenture and shall execute such documents to evidence such release as may be reasonably required by the Issuer and shall turn over to the Issuer or to such Person, body or authority as may be entitled to receive the same all balances remaining in any funds hereunder.

(b) Provision for the payment of any Bonds shall be deemed to have been made when the Bond Trustee holds in the Debt Service Fund or other fund established for such purpose (i) cash in an amount sufficient to make all payments (including the principal or Redemption Price of and interest on such Bonds) specified in subsection (a) above with respect to such Bonds, and/or (ii) noncallable Government Obligations maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient without reinvestment to make all such payments provided that (A) the Bond Trustee shall have received an opinion of Bond Counsel to the effect that a deposit of obligations described in clause (ii) or (iii) above will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any of the Tax-Exempt Bonds or cause any of the Tax-Exempt Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code, and (B) provision for payment of such Bonds shall be deemed to be made only if the Bond Trustee holds in the Debt Service Fund or other fund established for such purpose cash and/or such obligations for payment of such Bonds in amounts sufficient to make all payments specified above with respect to such Bonds, as verified by an accountant's certification in form acceptable to the Bond Trustee.

(c) Neither the moneys nor the obligations deposited with the Bond Trustee pursuant to this Article shall be withdrawn or used for any purpose other than, and such obligations and moneys shall be segregated and held in trust for, the payment of the principal or Redemption Price and interest on, a series of Bonds (or portions thereof).

(d) Whenever moneys or obligations shall be deposited with the Bond Trustee for the payment or redemption of any Bonds more than 60 days prior to the date that such Bonds are to mature or be redeemed, the Bond Trustee shall mail a notice to the Owners of such Bonds for the payment of which such moneys or obligations are being held at their registered addresses stating that such moneys or obligations have been deposited. Such notice shall also be sent by the Bond Trustee to the Rating Agencies, if any, then rating

such Bonds. Notwithstanding the foregoing, no delivery to the Bond Trustee under this Section shall be deemed a payment of any Bonds which it has been determined at the time of delivery to the Bond Trustee are to be redeemed prior to their stated maturity until such Bonds shall have been irrevocably called or designated for redemption on a date thereafter on which such Bonds may be redeemed in accordance with the provisions of this Bond Indenture and proper notice of such redemption shall have been given in accordance with Article VII hereof or the Issuer shall have given the Bond Trustee, in form satisfactory to the Bond Trustee, irrevocable instructions to give, in the manner and at the times prescribed by Article VII hereof, notice of redemption.

SECTION 13.02. DEPOSIT OF FUNDS FOR PAYMENT OF BONDS. If the Issuer deposits with the Bond Trustee moneys sufficient to pay the principal or Redemption Price of any Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, interest on such Bonds shall cease to accrue on the due date and all liability of the Issuer with respect to such Bonds shall likewise cease, except as hereinafter provided. Thereafter, such Bonds shall be deemed not to be Outstanding hereunder and the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Bond Trustee shall hold such funds in trust for such Owners.

SECTION 13.03. UNCLAIMED FUNDS. Moneys so deposited with the Bond Trustee which remain unclaimed four (4) years after the date payment thereof becomes due shall, if the Borrower is not at the time, to the knowledge of the Bond Trustee, in default with respect to any covenant in this Bond Indenture or the Bonds and if the Borrower is not at the time, to the knowledge of the Bond Trustee, in default with respect to any covenant contained in the Loan Agreement, be paid to the Borrower; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Borrower; provided, however, that the Bond Trustee, before making payment to the Borrower, shall, at the expense of the Borrower, cause a notice to be mailed to the Owners thereof stating that the moneys remaining unclaimed will be returned to the Borrower after a specified date. The Bond Trustee shall be protected in all events when acting in accordance with the provisions of this Section.

[Remainder of page intentionally left blank]

ARTICLE XIV MISCELLANEOUS PROVISIONS

SECTION 14.01. NO PERSONAL RECOURSE; LIMITED OBLIGATIONS OF ISSUER. No personal recourse shall be had for any claim based on this Bond Indenture or the Bonds against any member, officer or employee, past, present or future, of the Issuer or of any successor body as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

The Bonds are payable solely from the Trust Estate, and any other moneys held by the Bond Trustee hereunder for such purpose. There shall be no other recourse under the Bonds, this Bond Indenture, the Loan Agreement or otherwise against the Issuer or any other property now or hereafter owned by it. The Issuer shall be conclusively deemed to have complied with all of its covenants and other obligations hereunder, upon requiring the Borrower in the Loan Agreement to agree to perform such Issuer covenants and other obligations (excepting only any approvals or consents permitted or required to be given by the Issuer hereunder, and any exceptions to the performance by the Borrower of the Issuer's covenants and other obligations hereunder, as provided herein or in the Loan Agreement). However, nothing contained in any such agreement or in the Loan Agreement shall prevent the Issuer from time to time, in its discretion from performing any such covenants or other obligations. The Issuer shall have no liability for any failure to fulfill, or breach by the Borrower of, obligations under or with respect to the Bonds, this Bond Indenture, the Loan Agreement, the Master Indenture or otherwise, including without limitation the Borrower's obligation to fulfill the Issuer's covenants and other obligations under this Bond Indenture.

The Issuer shall not be required to perform any undertaking or to execute any instrument pursuant to the provisions hereof until it shall have been requested to do so by the Borrower or the Bond Trustee, or shall have received the instrument to be executed and, at the option of the Issuer, shall have received from the party requesting such performance or execution assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its reasonable expenses incurred or to be incurred in connection with such performance or execution.

SECTION 14.02. NO RECOURSE AGAINST THE STATE, THE COUNTY, THE CITY OR OTHER POLITICAL SUBDIVISION. No recourse shall be had for the payment of the principal of, the interest on, or the premium (if any) payable upon the redemption of, any Bond or for any claim based thereon or on this Bond Indenture or any Supplemental Indenture hereto, against the State or any political subdivision thereof, including the County or the City, it being expressly agreed and understood that this Bond Indenture and any Supplemental Indenture hereto and the Bonds are solely limited obligations of the Issuer payable out of the Trust Estate and from such moneys as may be made available for the purpose and do not pledge the credit or taxing power of the State or of any political subdivision thereof including the County or the City.

SECTION 14.03. NO RIGHTS CONFERRED ON OTHERS. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owners of the Bonds.

SECTION 14.04. ILLEGAL, ETC. PROVISIONS DISREGARDED. If any term or provision of this Bond Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held to be invalid or unenforceable, the remaining provisions or the application of such term or provision to Persons other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision hereof and thereof shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14.05. NOTICES TO BOND TRUSTEE AND ISSUER. Any notice to or demand upon the Bond Trustee may be served, presented or made at the Principal Office of the Bond Trustee. Any notice to or demand upon the Issuer shall be deemed to have been sufficiently given or served by the Bond Trustee for all purposes by being sent by registered United States mail to Alachua County Health Facilities Authority, 12 SE 1st Street, Gainesville, Florida 32601, Attention: Chairman, or at such other address as may be filed by the Issuer with the Bond Trustee.

SECTION 14.06. GOVERNING LAW. The laws of the State shall govern the construction and interpretation of this Bond Indenture.

SECTION 14.07. SUCCESSORS AND ASSIGNS. All the covenants, promises and agreements in this Bond Indenture contained by or on behalf of the Issuer or by or on behalf of the Bond Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 14.08. HEADINGS FOR CONVENIENCE ONLY. The table of contents and descriptive headings in this Bond Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 14.09. COUNTERPARTS. This Bond Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 14.10. IMMUNITY OF OFFICERS, EMPLOYEES AND MEMBERS OF ISSUER. No recourse shall be had for the payment of the principal of or premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Bond Indenture contained against any past, present or future officer, director, member, employee or agent of the Issuer or any incorporator, officer, director, member, trustee, employee or agent of any successor corporation or body politic or of the State or any agency or political subdivision thereof, as such, either directly or through the Issuer or any successor corporation or body politic

or of the State or any agency or political subdivision thereof, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officers, directors, trustees, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Bond Indenture and the issuance of such Bonds.

[SIGNATURE PAGE FOLLOWS]

[ISSUER SIGNATURE PAGE TO BOND TRUST INDENTURE]

IN WITNESS WHEREOF, ALACHUA COUNTY HEALTH FACILITIES AUTHORITY has caused this Bond Indenture to be executed by its Chairman, attested by its Secretary.

**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

ATTEST:

By: _____
Chairman

By: _____
Secretary

[BOND TRUSTEE SIGNATURE PAGE TO BOND INDENTURE]

IN WITNESS WHEREOF, UMB BANK, N.A. has caused this Bond Indenture to be executed by one of its Authorized Officers, all as of the day and year first above written.

UMB BANK, N.A., as Bond Trustee

By: _____
Vice President

**EXHIBIT A
FORM OF BOND**

THIS BOND IS ISSUED PURSUANT TO THE PROVISIONS OF CHAPTER 154, PART III, FLORIDA STATUTES AS AMENDED, AND IS EXEMPT FROM FLORIDA DOCUMENTARY STAMP TAX AND FLORIDA INTANGIBLE PROPERTY TAX AS PROVIDED IN SECTION 154.2331, FLORIDA STATUTES, AS AMENDED.

THIS BOND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON WHO IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED UNDER RULE 144A PROMULGATED BY THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR AN "ACCREDITED INVESTOR" UNDER REGULATION D PROMULGATED PURSUANT TO THE SECURITIES ACT. EXCEPT AS PROVIDED IN THE INDENTURE HEREIN DESCRIBED, EACH INITIAL AND SUBSEQUENT PURCHASER OF THIS BOND, BY ITS PURCHASE HEREOF, SHALL BE DEEMED TO HAVE CERTIFIED TO THE BOND TRUSTEE AND ACKNOWLEDGED, REPRESENTED TO AND AGREED WITH THE BORROWER AND THE ISSUER THAT SUCH TRANSFEREE IS ACQUIRING THIS BOND FOR ITS OWN ACCOUNT AND IT IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED UNDER RULE 144A PROMULGATED BY THE SECURITIES ACT, OR AN "ACCREDITED INVESTOR" UNDER REGULATION D PROMULGATED PURSUANT TO THE SECURITIES ACT.

No. R[A]/[B]-

\$[PAR A]/[PAR B].00

**ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
[TAXABLE] HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT),
SERIES 2022[A]/[B]**

SERIES ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
[CLOSING], 2022	[5.00]/[6.50]%	November 15, 20[61]/[31]__	__

OWNER: CEDE & CO.

PRINCIPAL SUM: _____ AND NO/100 DOLLARS

ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (the "Issuer"), a governmental entity duly created and existing as a local governmental body and duly constituted as a public instrumentality under Chapter 154, Part III, Florida Statutes, as

amended and supplemented and such other provision or provisions of Florida law as the Issuer may determine advisable (the "Act"), for value received, promises to pay (but only out of the Trust Estate described in the Bond Indenture hereinafter defined) to the Owner hereof specified above or registered assigns, on the Maturity Date specified above, the Principal Sum hereof unless this Bond shall have been previously called for redemption and payment of the Redemption Price shall have been duly made or provided for, and to pay to the Owner hereof (but only out of said Trust Estate) interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date (hereinafter defined) to which interest has been paid or provided next preceding the date of authentication hereof, unless the date of authentication (i) is a date after a Regular Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event this Bond shall bear interest from the next succeeding Interest Payment Date, or (ii) is an Interest Payment Date to which interest has been paid, in which event this Bond shall bear interest from the date of authentication hereof, in which event this Bond shall bear interest from [CLOSING], 2022, until payment of said Principal Sum has been made or provided for, unless this Bond has been called for redemption as described herein, at the Interest Rate shown above.

The interest on this Bond is payable on May 15 and November 15 of each year commencing [May 15, 2022] (each an "Interest Payment Date"), to the Owner hereof by check or draft drawn on the Bond Trustee (hereinafter defined) and mailed to the Owner at his address as it appears on the bond register maintained by or on behalf of the Issuer at the close of business on the first (1st) day (whether or not a business day) of the month preceding each Interest Payment Date (the "Regular Record Date"), irrespective of any transfer or exchange of this Bond subsequent to such Regular Record Date and prior to such Interest Payment Date, unless the Issuer shall default in the payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest will be payable to the Person in whose name such Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest established by notice mailed by the Bond Trustee on behalf of the Issuer to the Owners of the Bonds not less than ten (10) days preceding the proposed payment date. Such notice of Special Record Date will be mailed to the Persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing. All payments with respect to this Bond shall be made in any coin or currency of the United States which at the time of payment is legal tender for the payment of public and private debts.

Notwithstanding the foregoing, interest on any Bond and the Redemption Price of any Bond redeemed by mandatory sinking fund redemption as herein described may be paid by wire transfer in immediately available funds to an account in any member bank of the Federal Reserve System designated in writing by the Owner of Bonds in an aggregate principal amount of \$1,000,000 or more not less than fifteen (15) days prior to the applicable Interest Payment Date or redemption date; provided, however, that the Bond Trustee's records with respect to the payment of the principal of any Bond in accordance

with this subsection shall be conclusive and binding on the Owner of any Bond so paid and each successive Owner thereof. Any such notice provided by an Owner in accordance with the preceding sentence may provide that it shall be effective for any and all future payment dates until otherwise specified in writing.

If the date for payment of the principal or redemption price of, or interest on this Bond, or a date fixed for redemption of this Bond, shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the State or in any jurisdiction in which the designated corporate trust office of the Bond Trustee is located are authorized or required by law or executive order to close, then the date for such payment shall be the next day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close and payment on such date shall have the same force and effect as if made on the nominal date of payment.

THIS BOND AND SUCH OTHER BONDS OF THE SERIES OF WHICH IT FORMS A PART, AND THE INTEREST PAYABLE HEREON, DO NOT CONSTITUTE A GENERAL DEBT OR LIABILITY OF THE ISSUER, THE STATE OF FLORIDA (THE "STATE"), ALACHUA COUNTY, FLORIDA (THE "COUNTY"), THE CITY OF BONITA SPRINGS, FLORIDA (THE "CITY") OR OF ANY POLITICAL SUBDIVISION OR AGENCY THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OF THE ISSUER, THE STATE, THE COUNTY, THE CITY OR ANY POLITICAL SUBDIVISION THEREOF BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PLEDGED THEREFOR IN ACCORDANCE WITH THE BOND INDENTURE. THE ISSUANCE OF THE BONDS UNDER THE PROVISIONS OF THE ACT DOES NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE STATE, THE COUNTY, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF TO LEVY ANY FORM OF TAXATION FOR THE PAYMENT THEREOF OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT AND THE BONDS AND THE INTEREST PAYABLE THEREON DO NOT NOW AND SHALL NEVER CONSTITUTE A DEBT OF THE ISSUER, THE STATE, THE COUNTY OR THE CITY WITHIN THE MEANING OF THE CONSTITUTION OR THE STATUTES OF THE STATE AND DO NOT NOW AND SHALL NEVER CONSTITUTE A CHARGE AGAINST THE CREDIT OR TAXING POWER OF THE STATE, THE COUNTY, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF. THE ISSUER HAS NO TAXING POWER. NONE OF THE STATE, THE COUNTY, THE CITY NOR ANY POLITICAL SUBDIVISION OF THE STATE SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WHICH MAY BE UNDERTAKEN BY THE ISSUER.

This Bond is one of a series limited to \$[PAR A]/[PAR B] in maximum aggregate principal amount, designated "Alachua County Health Facilities Authority [Taxable]

Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022[A]/[B] (the "Bonds"), issued in denominations of \$100,000 each or any integral multiple thereof, in fully registered form, without coupons, all of like tenor, and all issued under, and secured by a Bond Trust Indenture dated as of January 1, 2022, (the "Bond Indenture") between the Issuer and UMB Bank, N.A., as bond trustee (the "Bond Trustee"), for the purpose of providing funds for the benefit of Bonita Springs Retirement Village, Inc. (the "Borrower").

In connection with the issuance of the Bonds, the Issuer has loaned the proceeds of the Bonds to the Borrower, pursuant to a loan agreement dated as of January 1, 2022 (the "Loan Agreement") between the Borrower and the Issuer under which the Borrower has agreed to make payments to the Issuer in amounts and at times sufficient in the aggregate to enable the Issuer to pay the principal of and interest on the Bonds. To evidence and secure its payment obligations related to the Bonds under the Loan Agreement, the Borrower has delivered to the Bond Trustee, as the assignee of the Issuer's rights under the Loan Agreement, a promissory note dated [CLOSING], 2022 (the "Master Note") issued under and pursuant to an Master Trust Indenture dated as of January 1, 2022, as amended and supplemented (the "Master Indenture") between the Borrower, as representative of the obligated group described therein, and UMB Bank, N.A., as master trustee. The interests of the Issuer in and to the Loan Agreement (except for its right to receive payment of its Administrative Expenses) and the Master Note have been assigned to the Bond Trustee for the benefit of the Owners of all Bonds issued under the Bond Indenture.

Additional reference is made to the Bond Indenture, which is hereby incorporated by reference, for a statement of the purposes for which the Bonds are issued; a description of the Trust Estate assigned and pledged for the security of the Bonds, which shall include the Issuer's right, title and interest in and to payments under the Loan Agreement, as well as the moneys and securities held from time to time under the Bond Indenture; a description of the duties and rights of the Issuer and of the Bond Trustee; the provisions under which the lien of the Bond Indenture may be defeased and the extent and manner of enforcement of the rights of the Owners of the Bonds.

MANDATORY SINKING FUND REDEMPTION

The Bonds shall be subject to mandatory redemption prior to maturity, in part, in direct order of maturity, and within a maturity as chosen by the Bond Trustee by lot, on the dates and in the amounts set forth on the table below but only from moneys required to be deposited therefor in the Sinking Fund Account of the Debt Service Fund established under the Bond Indenture, at a redemption price equal to the principal amount thereof, plus interest accrued thereon to the date of redemption:

[INSERT FOR SERIES 2022A BONDS]

Year (November 15)	Amount	Year (November 15)	Amount
2033	\$	2048	\$
2034		2049	
2035		2050	
2036		2051	
2037		2052	
2038		2053	
2039		2054	
2040		2055	
2041		2056	
2042		2057	
2043		2058	
2044		2059	
2045		2060	
2046		2061*	
2047			

*Maturity.

[INSERT FOR SERIES 2022B BONDS]

Year (November 15)	Amount
2027	\$
2028	
2029	
2030	
2031	
2032	
2033*	

*Maturity.

As described in the Bond Indenture, the principal amount of the Bonds otherwise required to be redeemed by mandatory sinking fund redemption may be reduced by the principal amount of such Bonds theretofore delivered to the Bond Trustee in lieu of cash under the Loan Agreement or purchased by the Bond Trustee out of moneys in the Sinking Fund Account of the Debt Service Fund established under the Bond Indenture and which have not been applied as a credit against any sinking fund installment. In addition, as described under "Optional Redemption" below, the principal amount of Bonds otherwise required to be redeemed may also be reduced by the application to such redemption obligation of a partial optional redemption of such Bonds in the manner designated by the Issuer, at the direction of the Borrower.

OPTIONAL REDEMPTION

[INSERT FOR SERIES 2022A BONDS]

The Bonds are subject to optional redemption prior to maturity by the Issuer, at the written direction of the Borrower, on or after November 15, 2029, at any time as a whole or in part by lot (subject to the requirements of the Bond Indenture with respect to partial redemptions), at the following redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date:

<u>Redemption Period</u> <u>(Dates Inclusive)</u>	<u>Redemption Price</u>
November 15, 2029 through November 14, 2030	103%
November 15, 2030 through November 14, 2031	102
November 15, 2031 through November 14, 2032	101
November 15, 2032 and thereafter	100

[INSERT FOR SERIES 2022B BONDS]

The Bonds are subject to optional redemption prior to maturity at any time as a whole or in part by lot (subject to the requirements of the Bond Indenture with respect to partial redemptions) at a Make-Whole Redemption Price which is equal to the greater of:

- (i) 100% of the principal amount of the Bonds to be redeemed; or
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed (exclusive of interest accrued to the date fixed for redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points, plus accrued and unpaid interest on the Series 2022A Bonds being redeemed to the date fixed for redemption.

"Treasury Rate" means, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the [Par Call Date]; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States

Treasury securities adjusted to a constant maturity of one year will be used. [DEFINE PAR CALL DATE]

In the case of the optional or extraordinary redemption of the Bonds subject to mandatory sinking fund redemption prior to maturity, the Issuer at the direction of the Borrower shall be entitled to designate whether such payments shall be credited against principal amounts due at maturity or against particular mandatory redemption obligations with respect to the Bonds.

EXTRAORDINARY OPTIONAL REDEMPTION

The Bonds will be subject to redemption prior to maturity at the option of the Issuer at the direction of the Borrower, in whole or in part at any time, upon payment of a redemption price equal to one hundred percent (100%) of their principal amount, plus accrued interest to the date of redemption, but only in the event that all or a portion of the Project Facilities is damaged, destroyed, condemned or sold under threat of condemnation and it is determined by the Borrower that repair or reconstruction is not desirable, practical or financially feasible, from and to the extent of insurance proceeds or condemnation awards or proceeds of any sale under threat of condemnation received by the Bond Trustee, as a result of such damage, destruction, condemnation or sale under threat of condemnation.

In the case of any optional or extraordinary optional redemption of the Bonds in part, the Bonds shall be redeemed in any order of maturities and any amount within each maturity as shall be directed by the Borrower, and the Borrower shall be entitled (but shall not be obligated) to select the Bonds or portions thereof within any maturity to be redeemed, but in the absence of such selection, the Bonds of any maturity to be redeemed shall be selected by the Bond Trustee by lot.

In the event the Issuer shall exercise its option required to redeem any or all of the Bonds, notice of such redemption shall be mailed by Electronic Notice or first-class mail, postage paid, to the Owners of any of the Bonds or portions of the Bonds to be redeemed not less than 20 days nor more than 60 days prior to the redemption date in the manner set forth in this Bond Indenture; provided, however, that no defect in the mailed notice or the mailing thereof (including the failure to mail any notice) shall affect the validity of the redemption of other Bonds for which proper notice of redemption has been given. Notice of redemption having been given as aforesaid, the Bonds or portions thereof so called for redemption shall become due and payable at the applicable redemption price herein provided, and from and after the date so fixed for redemption, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable; provided, however, that such notice may be conditioned upon certain events or may be rescinded and, in cases where such events do not occur or the notice is rescinded, such notice shall be of no effect and such Bonds shall remain Outstanding and interest thereon

shall continue to accrue. If less than all the Bonds of a maturity are to be redeemed, the Bond Trustee shall select the Bonds to be redeemed by lot.

Certain modifications and alterations of the Bond Indenture not adversely affecting rights of Owners of the Bonds Outstanding thereunder may be made without the consent of the Owners of the Bonds in the manner and upon the terms and conditions provided in the Bond Indenture. Any other modification or alteration of the Bond Indenture and of rights and obligations of the Issuer and of Owners of the bonds outstanding thereunder may be made in the manner and upon terms and conditions provided in the Bond Indenture. Any consent by the Owner of this Bond when required by the Bond Indenture (unless revoked as provided in the Bond Indenture), shall be conclusive and binding upon such owner and all future Owners of this Bond, irrespective of whether any notation of such consent is made upon this Bond.

Executed counterparts of this Bond Indenture, the Loan Agreement, the Master Note and the Master Indenture are on file at the designated corporate trust office of the Bond Trustee in Jacksonville, Florida, and are available for inspection. All descriptions of the provisions of such documents contained herein are amplified and qualified in all respects by the exact provisions of such documents, and the definitions contained therein shall apply to like terms contained in this Bond. The acceptance of the terms and conditions of all of the above documents is an explicit and material part of the consideration for the issuance of this Bond, and the acceptance of this Bond shall bind the Owner to the terms and conditions of all of the above documents.

In case an Event of Default, as defined in the Bond Indenture, shall have occurred, the principal of the Bonds and all other bonds then outstanding under the Bond Indenture may become due and payable before their maturity dates.

No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Bond Indenture contained, against any past, present or future officer, director, member, employee or agent of the Issuer, or any incorporator, officer, director, member, trustee, employee or agent of any successor corporation or body politic, as such, either directly or through the Issuer or any successor corporation or body politic, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officers, directors, trustees, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Bond Indenture and the issuance of the Bonds.

This Bond is transferable, as provided in the Bond Indenture, by the Owner hereof or his duly authorized attorney at the designated corporate trust office of the Bond Trustee, upon surrender of this Bond, accompanied by a duly executed instrument of transfer (with signatures guaranteed if so requested by the Bond Trustee), in form satisfactory to the Bond

Trustee, and upon payment by the Owner hereof of any taxes, fees or other governmental charges incident to such transfer. Upon such transfer, one or more new fully registered Bonds without coupons of the same series and in the same aggregate principal amount, or in any Authorized Denomination, will be issued to the transferee. The Issuer and the Bond Trustee may treat the Owner of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Bond Trustee shall not be required to transfer or exchange any Bond during the 15 days preceding the date of the mailing of notice calling such Bond or any portion thereof for redemption as provided in this Bond Indenture or any of the Bonds thereafter selected for redemption.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Owner hereof, Cede & Co., has an interest herein.

This Bond is not valid unless the Bond Trustee's Authentication Certificate endorsed hereon is duly executed.

Capitalized terms not defined herein shall be given the meaning ascribed thereto in the Bond Indenture.

[Signature page follows]

[SIGNATURE PAGE TO BOND]

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by its Chair and attested by its Secretary or Assistant Secretary.

**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

ATTEST:

By: _____
Chairman

By: _____
Secretary

BOND TRUSTEE'S AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds, of the Series designated herein, described in the within mentioned Bond Indenture.

Date of Authentication:

UMB BANK, N.A., as Bond Trustee

[CLOSING], 2022

By: _____
Vice President

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____, as attorney to register the transfer of the within named Bond Trustee, with full power of substitution in the premises.

Dated: _____

Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

EXHIBIT B
FORM OF INVESTOR LETTER

Alachua County Health Facilities Authority
Winter Springs, Florida

UMB Bank, N.A., as Bond Trustee
Minneapolis, Minnesota

Re: \$[PAR A] Alachua County Health Facilities Authority Health
 Facilities Refunding Revenue Bonds (Terraces at Bonita Springs
 Project), Series 2022A; and

 \$[PAR B] Alachua County Health Facilities Authority Taxable Health
 Facilities Refunding Revenue Bonds (Terraces at Bonita Springs
 Project), Series 2022B (collectively, the "Bonds")

Ladies and Gentlemen:

The undersigned, _____[, not on its own behalf but in its capacity
as investment advisor to the funds identified opposite its signature page hereto,]
("Investor") is the purchaser of ____% of the above-captioned Bonds, issued by the Alachua
County Health Facilities Authority (the "Issuer") pursuant to that certain Indenture of Trust,
dated as of January 1, 2022 (the "Indenture"), between the Issuer and UMB Bank, N.A., as
Bond Trustee (the "Trustee").

Capitalized terms not defined herein shall be given the meaning ascribed thereto in
the Limited Offering Memorandum relating to the Bonds, dated [SALE], 2022 (the
"Limited Offering Memorandum").

Investor has been informed that the Issuer will not sell or permit any Bonds to be
sold to Investor unless Investor makes the representations, warranties and covenants herein
and authorizes the Issuer and the Trustee to rely thereon and such representations,
warranties and covenants are made by the Investor AS AN INDUCEMENT to the sale of
the Bonds to Investor.

In connection with the sale of the Bonds to Investor, Investor hereby makes the
following covenants and representations upon which you may rely:

1. Investor has received and read copies of the Preliminary Limited Offering
Memorandum and has been given access to copies of the Indenture (including the form of
Bond) and such other documents, agreements, certificates and instruments referenced

therein or pertaining thereto or to the Bonds which Investor is a party or deems necessary and appropriate in its evaluation of the Bonds.

2. Investor has sufficient knowledge and experience in financial and investment matters to be able to evaluate the risks and merits of an investment in the Bonds.

3. Investor is acquiring the Bonds solely for its own account for investment purposes, and does not presently intend to make a public distribution of, or to resell or transfer, all or any part of the Bonds, except in connection with a transfer on the date hereof to a trust or custodial arrangement each of the beneficial owners of which is an "accredited investor" or a "Qualified Institutional Buyer" (each as described herein), provided however, Investor reserves the right to sell or transfer the Bonds in the future in accordance with the transfer restrictions set forth in paragraph 7 below. Investor has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds and Investor has not agreed with the Issuer pursuant to a written agreement to sell the Bonds to persons other than Investor or a related party to Investor.

4. Investor understands that it may be required to bear the risks of this investment in the Bonds for an indefinite time, since any sale prior to maturity may not be possible.

5. The Bonds are a financially suitable investment for Investor consistent with Investor's investment needs and objectives.

6. Investor is (i) an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "1933 Act") or (ii) a "Qualified Institutional Buyer" as defined in Rule 144A under the 1933 Act; Investor understands that the Bonds are not registered under the 1933 Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating service, and (d) will be delivered in a form which may not be readily marketable.

7. Investor acknowledges that the Bonds are not transferable except to another (i) "accredited investor" or (ii) "Qualified Institutional Buyer," and Investor agrees to abide by the transfer restrictions contained in the Indenture. Investor shall be solely and exclusively responsible for compliance with such transfer restrictions.

8. Investor acknowledges that it has either been supplied with or been given access to information (including, without limitation, financial statements and other financial information and copies of the Indenture, the Loan Agreement, and the Tax Agreement), to which an investor would attach significance in making investment decisions, and Investor has had the opportunity to ask questions and receive answers from

knowledgeable individuals concerning the Borrower, the Bonds, and the security therefor so that, as a reasonable Investor, the Investor has been able to make its decision to purchase the Bonds. Investor acknowledges that it has not relied upon the Issuer for any information in connection with the Investor's purchase of the Bonds.

9. INVESTOR ACKNOWLEDGES THAT THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE, AND THE ISSUER SHALL NOT BE DIRECTLY OR INDIRECTLY OR CONTINGENTLY OR MORALLY OBLIGATED TO USE ANY OTHER MONEYS OR ASSETS OF THE ISSUER FOR ALL OR ANY PORTION OF THE PRINCIPAL OF AND INTEREST ON THE BONDS.

10. Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor (including, without limitation, a credit evaluation of the Borrower and any guarantors, obligors or lessees of the Facilities, to the extent Investor deemed it necessary or appropriate), and other material factors affecting the security and payment of the Bonds. Investor is aware that the business of the Borrower involves certain economic variables and risks that could adversely affect the security for the Bonds.

Investor: _____,
not on its own behalf but in its
capacity as investment advisor
to _____]

By: _____
Name: _____
Title: _____

EXHIBIT B

FORM OF LOAN AGREEMENT

LOAN AGREEMENT

between

ALACHUA COUNTY HEALTH FACILITIES AUTHORITY

and

BONITA SPRINGS RETIREMENT VILLAGE, INC.

DATED AS OF JANUARY 1, 2022

The interest of the ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (the "Issuer") in this Loan Agreement has been assigned (except for "Reserved Rights" defined in this Loan Agreement) pursuant to the Bond Trust Indenture dated as of the date hereof from the Issuer to UMB BANK, N.A., as bond trustee (in such capacity, the "Bond Trustee"), and is subject to the security interest of the Bond Trustee thereunder.

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EXHIBIT A	FORM OF PROJECT REQUISITION
EXHIBIT B	FORM OF COSTS OF ISSUANCE REQUISITION

LOAN AGREEMENT

This **LOAN AGREEMENT** ("Loan Agreement") dated as of January 1, 2022, between **ALACHUA COUNTY HEALTH FACILITIES AUTHORITY** (the "Issuer"), a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida and **BONITA SPRINGS RETIREMENT VILLAGE, INC.**, a Florida not-for-profit corporation (the "Borrower").

W I T N E S S E T H:

WHEREAS, the Issuer is a governmental entity duly created and existing as a local governmental body and duly constituted as a public instrumentality under Chapter 154, Part III, Florida Statutes, as amended and supplemented and such other provision or provisions of Florida law as the Issuer may determine advisable (the "Act"); and

WHEREAS, the Issuer has determined to undertake a financing for the benefit of the Borrower; and

WHEREAS, the Issuer has determined to issue one or more series of its health care facilities revenue bonds in order to loan the proceeds thereof to the Borrower for the principal purposes of: (i) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (ii) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (iii) funding a portion of the interest on the bonds; (iv) funding an operating reserve fund; (v) funding debt service reserve funds; and (vi) paying costs and funding any other necessary reserves associated with the issuance of the bonds; and

WHEREAS, in order to finance, refinance and reimburse such expenditures, the Issuer will issue, in accordance with the provisions of the Bond Trust Indenture, dated as of January 1, 2022 (the "Bond Indenture"), between the Issuer and UMB Bank, N.A., as bond trustee ("Bond Trustee"), its Health Care Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022A (the "Series 2022A Bonds") in an aggregate principal amount of \$[PAR A] and its Taxable Health Care Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022B (the "Series 2022B Bonds" and together with the Series 2022A Bonds, the "Bonds"), in an aggregate principal amount of \$[PAR B]; and

WHEREAS, the Issuer will lend the proceeds of the Bonds to the Borrower, to be applied as described above, pursuant to this Loan Agreement providing for, among other things, the repayment of such loan; and

WHEREAS, to evidence and secure its payment obligations under the Loan Agreement with respect to the Bonds, the Borrower will deliver to the Bond Trustee, as the assignee of the Issuer's rights under such Loan Agreement, (i) a promissory note securing the Series 2022A Bonds dated [CLOSING], 2022 (the "Series 2022A Master Note") and (ii) a promissory note securing the Series 2022B Bonds dated [CLOSING], 2022 (the "Series 2022B Master Note" and together with the Series 2022A Master Note, the "Master Notes"), each issued under and pursuant to a Master Trust Indenture, dated as of January 1, 2022, as amended and supplemented (the "Master Indenture") between the Borrower, as the initial sole member of the obligated group described therein (the "Obligated Group"), and UMB Bank, N.A., as master trustee (the "Master Trustee"); and

WHEREAS, the Bonds are secured by payments from the Obligated Group on obligations issued under the Master Indenture on a parity with other obligations issued thereunder by the Obligated Group from time to time; and

WHEREAS, the execution and delivery of this Loan Agreement has been in all respects duly and validly authorized by the Issuer and the Borrower;

NOW, THEREFORE, in consideration of the mutual agreements hereinafter contained, the parties hereto intending to be legally bound, agree as follows:

[Remainder of page intentionally left blank]

ARTICLE I

DEFINITIONS

SECTION 101. TERMS DEFINED IN RECITALS. The following terms shall have the meanings set forth in the recitals hereto:

Act	Master Trustee
Issuer	Obligated Group
Bond Indenture	Project
Bond Trustee	Refunded Bonds
Bonds	Series 2022A Bonds
Borrower	Series 2022A Master Note
Community	Series 2022B Bonds
Loan Agreement	Series 2022B Master Note
Master Indenture	
Master Notes	

SECTION 102. OTHER DEFINED TERMS. Unless otherwise defined herein, all words and terms defined in the recitals hereto, in Article I of the Bond Indenture and in the Master Indenture shall have the meanings set forth therein. In addition, the following terms shall have the following meanings unless the context otherwise requires:

"Bond Trustee Fees" means the reasonable fees and expenses, including, but not limited to, reasonable attorney fees, of the Bond Trustee with respect to its duties under the Bond Indenture, including services performed after the occurrence of a default hereunder or under the Bond Indenture as set forth in the fee letter of the Bond Trustee and as otherwise shall be agreed upon in writing from time to time by the Bond Trustee and the Borrower.

"Completion Certificate" shall have the meaning set forth in Section 604 hereof.

"Event of Default" shall mean any of the events described as an event of default in Section 701 hereof.

"Facilities" shall mean the land, buildings, fixtures, equipment, furnishings and other physical assets and facilities of the Borrower, the revenues from the operation of which are pledged to the payment of debt service on the Bonds or the Obligations (as defined in the Master Indenture).

"Fiscal Year" shall mean the annual accounting year of the Borrower, which currently begins on the first day of January of each year.

"Insurance Consultant" shall have the meaning set forth in the Master Indenture.

"Regulatory Body" shall mean any federal, state or local government, department, agency, authority or instrumentality and any other public or private organization, including accrediting bodies, having regulatory jurisdiction and authority over the Obligated Group or the Facilities or operations of the Obligated Group.

[Remainder of page intentionally left blank]

ARTICLE II

REPRESENTATIONS AND WARRANTIES

SECTION 201. REPRESENTATIONS AND WARRANTIES BY THE ISSUER. The Issuer represents that:

(a) The Issuer is a governmental entity duly created and existing as a local governmental body and duly constituted as a public instrumentality under the Act with the power to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder and has duly authorized the execution and delivery of this Loan Agreement, the Bonds and the Bond Indenture; and

(b) The issuance and sale of the Bonds, the execution and delivery of this Loan Agreement and the Bond Indenture and the performance of all covenants and agreements of the Issuer contained in this Loan Agreement and of all other acts and things required under the Constitution and laws of the State of Florida to make this Loan Agreement a valid and binding obligation of the Issuer in accordance with its terms, are authorized by the Act and have been duly authorized by proceedings of the Issuer adopted or passed at meetings thereof duly called and held in accordance with the provisions of the Act.

SECTION 202. REPRESENTATIONS AND WARRANTIES BY THE BORROWER. The Borrower represents that:

(a) The Borrower is a Florida not-for-profit corporation with full power and authority to execute, deliver and perform obligations under this Loan Agreement and to enter into and carry out the transactions contemplated hereby. The Borrower has been determined to be an organization described in Section 501(c)(3) of the Code (or corresponding provisions of prior law), and exempt from federal income taxes under Section 501(a) of the Code, and is not a private foundation under 509(a) of the Code, and such exempt status has not been adversely modified, limited or revoked, and the facts and circumstances which form the basis of such determination as represented to the Internal Revenue Service continue to exist.

(b) The execution, delivery and performance of this Loan Agreement does not, and will not, violate any provision of law applicable to the Borrower or the Borrower's Articles of Incorporation or Bylaws. This Loan Agreement has, by proper action, been duly authorized, executed and delivered by the Borrower, and all steps necessary have been taken to constitute this Loan Agreement a valid and binding obligation of the Borrower.

(c) Neither the execution and delivery of this Loan Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any corporate restriction or any

agreement or instrument to which the Borrower is now a party or by which it is bound, or constitute a default under any of the foregoing (except to the extent such conflict, breach or default has been waived or consented to by the parties thereto), or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the Facilities of the Borrower under the terms of any instrument or agreement other than as contemplated by this Loan Agreement.

(d) The Borrower shall operate the Facilities as part of a not-for-profit senior living and health care facility for the elderly and shall until the date on which the Bonds have been fully paid, and knows of no reason why the Facilities will not be so operated. If, in the future, there is a cessation of that operation, it will use its best efforts to resume that operation or accomplish an alternate use by the Borrower or others which will be consistent with the Act and the Code.

(e) The Facilities will create additional jobs, preserve existing employment and serve the health care needs of the community.

(f) The Facilities will continue to be operated and maintained in such manner as to conform with all applicable zoning, planning, building, environmental and other applicable governmental regulations and as to be consistent with the Act.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Borrower or any of its officers, nor to the best knowledge of the Borrower is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions completed by this Loan Agreement or which would adversely affect, in any way, the validity or enforceability of the Bonds, the Bond Indenture or this Loan Agreement, or any agreement or instrument to which the Borrower is a party, used or contemplated for use in the consummation of the transactions contemplated hereby.

(h) The Borrower has reviewed and is familiar with the terms and provisions of the Bond Indenture and will fully and faithfully perform all the duties and obligations which the Issuer has covenanted and agreed in the Bond Indenture to cause the Borrower to perform and any duties and obligations which the Borrower is required in the Bond Indenture to perform. The foregoing shall not apply to any duty or undertaking of the Issuer which by its nature cannot be delegated or assigned.

(i) The Borrower is an organization described in Section 501(c)(3) of the Code and has received a determination letter from the Internal Revenue Service to the foregoing effect which letter is still in full force and effect; the Borrower has not declared or has not been determined to have any "unrelated business taxable income" as defined in Section 512 of the Code, in an amount which could have a material adverse effect on the Borrower's status as a tax-exempt organization, or which, if such income were subject to federal

income taxation, would have a material adverse effect on the condition, financial or otherwise of the Borrower.

[Remainder of page intentionally left blank]

ARTICLE III

THE LOAN

SECTION 301. LOAN OF BOND PROCEEDS. Upon the issuance of the Bonds, the Issuer shall lend the proceeds thereof to the Borrower for application towards the costs of the Project, to refund the Refunded Bonds, to fund necessary reserves and capitalized interest, and to pay costs of issuance of the Bonds. The Issuer and the Borrower hereby agree that the aforesaid loan of the proceeds of the Bonds shall be made and applied by depositing the same with the Bond Trustee in the manner and for the purposes set forth in the Bond Indenture and the Closing Memorandum.

[Remainder of page intentionally left blank]

ARTICLE IV

PAYMENTS UNDER LOAN AGREEMENT

SECTION 401. PAYMENTS UNDER THE LOAN AGREEMENT. The Borrower shall pay to the Bond Trustee, as the assignee of the Issuer, the following aggregate sums:

(a) On or before the first Business Day of each month, an amount equal to one-sixth of the installment of interest on the Bonds becoming due on the immediately succeeding Interest Payment Date, subject to credit for other available funds in the manner provided in the Bond Indenture, plus any deficiencies for any previous month's deposit on a pro rata basis based on the required amounts until the balance in said account is equal to said aggregate amount of interest; provided, that from the date of delivery of the Bonds until the first Interest Payment Date with respect to the Bonds (if less than six months), transfers to the Interest Account shall be sufficient on a monthly pro rata basis to pay the interest becoming due and payable on said Interest Payment Date.

(b) On or before the first Business Day of each month, commencing November 1, 2032 (with respect to the Series 2022A Bonds), and commencing November 1, 2026 (with respect to the Series 2022B Bonds), an amount equal to one-twelfth of the principal of Bonds becoming due, whether at maturity or by mandatory sinking fund redemption, on the immediately succeeding November 15, subject to credit for other available funds in the manner provided in the Bond Indenture.

(c) Commencing on the first Business Day of the seventh month following notice from the Bond Trustee pursuant to Section 5.04 of the Bond Indenture that the amounts on deposit in the Debt Service Reserve Fund are less than the Reserve Requirement, and on the first Business Day of each month thereafter for twelve consecutive months, an amount equal to one-twelfth of such deficiency.

Payments received under the Master Note shall be credited against the foregoing. In addition, in lieu of a portion of the payments described above, the Borrower, or, at its direction, the Issuer or the Bond Trustee, may purchase for cancellation Bonds of the maturity next becoming due at maturity or upon mandatory redemption, subject to the applicable requirements set forth in Section 5.03 of the Bond Indenture.

SECTION 402. PREPAYMENTS AND REDEMPTION. The Borrower shall have the option to prepay its obligations hereunder at the times and in the amounts as necessary to exercise its option to cause the Bonds to be redeemed or defeased as set forth in the Bond Indenture and in the Bonds. The Issuer, at the request of the Borrower, shall forthwith take all steps (other than the payment of the money required for such redemption) necessary under the applicable redemption provisions of the Bond Indenture to effect

redemption of all or part of the Outstanding Bonds, as may be specified by the Borrower, on the date established for such redemption.

SECTION 403. OTHER PAYMENTS BY THE BORROWER. The Borrower shall pay the following amounts when due:

(a) Contemporaneously with the execution and delivery hereof, the Issuer's bond financing fee and the fees and expenses of Bond Counsel and Counsel to the Issuer; and

(b) All Administrative Expenses incurred from time to time by the Issuer and the Bond Trustee Fees as and when the same shall be due and payable.

SECTION 404. ASSIGNMENT OF LOAN AGREEMENT. The Issuer hereby notifies the Borrower, and the Borrower acknowledges, that all the Issuer's right, title and interest in this Loan Agreement including its rights to receive the above payments (except for the Issuer's right to receive all Administrative Expenses, its rights to indemnification as provided in Section 511 hereof and its right to receive notices, reports and similar matters hereunder and under the Bond Indenture) and the Master Note shall be irrevocably pledged by the Issuer as security for the Bonds as provided in the Bond Indenture, and in furtherance of said pledge the Issuer hereby unconditionally assigns all payments by the Borrower hereunder (except as aforesaid) to the Bond Trustee for deposit or application in accordance with this Loan Agreement and the Bond Indenture. The Issuer consents to the payment by the Borrower of, and directs the Borrower to pay, all such assigned amounts directly to the Bond Trustee.

SECTION 405. EXCESS FUNDS. After all of the Bonds have been retired or provided for and all interest and applicable premiums, if any, due thereon have been paid or provision for such retirement and payment has been made in accordance with the Bond Indenture and all other amounts due the Bond Trustee and the Issuer have been paid in full, excess moneys in each of the Funds and Accounts established under the Bond Indenture from whatever source derived will be applied or transferred in accordance with the Bond Indenture. This Section shall survive the termination of this Loan Agreement.

SECTION 406. NO ABATEMENT OR SET-OFF. The Borrower shall pay loan payments and additional sums required hereunder without suspension or abatement of any nature, notwithstanding that all or any part of the Facilities shall have been wholly or partially destroyed, damaged or injured and shall not have been repaired, replaced or rebuilt. So long as any of the Bonds remain Outstanding under the Bond Indenture, the obligations of the Borrower to pay loan payments hereunder shall be absolute and unconditional and shall not be suspended, abated, reduced, abrogated, waived, diminished or otherwise modified in any manner or to any extent whatsoever, regardless of any rights of setoff, recoupment or counterclaim that the Borrower might otherwise have against the Issuer or any other party or parties and regardless of any contingency, act of God, event or

cause whatsoever and notwithstanding any circumstances or occurrence that may arise or take place after the date hereof.

Except to the extent provided in and subject to this Section 406, nothing contained herein shall be construed to prevent or restrict the Borrower from asserting any rights which it may have under this Loan Agreement or any provision of law against the Issuer, other than by means of any right of setoff, recoupment or counterclaim.

[Remainder of page intentionally left blank]

ARTICLE V

FURTHER AGREEMENTS OF THE BORROWER

SECTION 501. NATURE OF OBLIGATIONS; SECURITY THEREFOR.

The obligations of the Borrower hereunder are general obligations of the Borrower secured by the Trust Estate to the extent and in the manner described in the Master Indenture. The Borrower's payment obligations in respect of the Bonds are evidenced hereby and further secured by the Master Note issued in favor of the Bond Trustee, pursuant to the Master Indenture.

SECTION 502. CORPORATE EXISTENCE. The Borrower covenants that it will preserve and maintain its existence as a limited liability company under the laws of the State of Florida. The Borrower covenants that during the term of this Loan Agreement it will not initiate any proceedings or take any action whatsoever to dissolve or liquidate or to terminate its existence as a corporation or otherwise dispose of all or substantially all of its assets, either in a single transaction or in a series of related transactions except as provided below. The Borrower covenants that during the term of this Loan Agreement it will not consolidate with, transfer all or substantially all of its assets to, or merge into any other corporation, unless the following conditions shall be met:

(a) the successor corporation formed by such consolidation or merger shall be a limited liability company or non-profit corporation organized under the laws of the United States or any state, district or territory thereof, which is an organization described in Section 501(c)(3) of the Code, exempt from federal income taxes under Section 501(a) of the Code;

(b) the successor corporation shall expressly assume in writing the full and faithful performance of the Borrower's duties and obligations hereunder to the same extent as if such successor corporation had been the original borrower under this Loan Agreement;

(c) immediately after such consolidation or merger, the Borrower, or such successor corporation, shall not be in default in the performance or observance of any duties, obligations or covenants of the Borrower under this Loan Agreement; and

(d) the Issuer and Bond Trustee shall have received an opinion of Counsel satisfactory to the Issuer that the exclusion from gross income for federal income tax purposes of the interest on the Bonds will not be affected by the merger, transfer or consolidation.

Notwithstanding the foregoing, the restrictions above with respect to any merger or consolidation shall not apply to any merger or consolidation of the Borrower with another Obligated Issuer, provided, however, that notice of any such merger or consolidation shall be provided to the Bond Trustee, the Master Trustee and the Issuer.

SECTION 503. MAINTENANCE, REPAIR AND REPLACEMENT OF FACILITIES. The Borrower covenants that it will, at its own expense, keep and maintain its Facilities in good order, repair and operating condition; that it will, without cost to the Issuer, pay all costs and charges both ordinary and extraordinary, necessary for such maintenance and repair; and that it will maintain, repair, renew, replace and/or improve, as necessary, all furnishings, equipment and other property forming part of its Facilities, so as to operate continuously the Facilities, except in the case of damage, destruction or condemnation. The provisions of this section shall not apply, however, to any Facilities to the extent that, in the opinion of the Borrower, such Facilities become obsolete, unsuitable, undesirable or unnecessary.

SECTION 504. PAYMENT OF TAXES AND IMPOSITIONS. The Borrower shall pay or cause to be paid to the public officers charged with the collection thereof, promptly as the same become due, all taxes (or contributions or payments in lieu thereof), including but not limited to income, profits or property taxes, which may now or hereafter be lawfully imposed by the United States of America, any state or municipality or any political subdivision or subdivisions thereof, and all assessments for public improvements or other assessments, levies, license fees, charges for publicly supplied water or sewer services, excises, franchises, imposts and charges, general and special, ordinary and extraordinary (including interest, penalties and all costs resulting from delayed payment of any of the foregoing) of whatever name, nature and kind and whether or not now within the contemplation of the parties hereto, which are now or may hereafter be lawfully levied, assessed, charged or imposed on or against the Facilities or other assets of the Borrower; provided, however, that the Borrower shall not be required to pay or discharge or cause to be paid or discharged any tax, assessment, lien or other matter hereunder so long as the validity thereof is being contested by the Borrower in good faith and by appropriate legal proceedings diligently pursued and no Facilities of the Borrower nor any rent or income therefrom would be in immediate danger of being sold, forfeited, attached or lost. The Borrower will, upon written request, provide the Issuer or the Bond Trustee with copies of any tax returns (federal, state, local or otherwise) and receipts for payments of taxes.

SECTION 505. INSURANCE. The Borrower covenants to provide and maintain continuously insurance covering such risks, in such amounts and with such deductibles as shall be required by the terms and provisions of the Master Indenture.

SECTION 506. TAX-EXEMPT BONDS AND THE BORROWER. The Borrower agrees that throughout the term hereof:

(a) It will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action or circumstances would cause the interest paid by the Issuer on the Tax-Exempt Bonds to be included in the gross income of the holders for federal income tax purposes;

(b) (i) It will take whatever actions are necessary to continue to be organized and operated in a manner which will preserve and maintain its status as an organization which is described in Section 501(c)(3) of the Code, exempt from federal income taxes under Section 501(a) of the Code; and (ii) the Borrower shall not perform any acts nor enter into any agreements which shall cause any revocation or adverse modification of such federal income tax status. The Borrower agrees that it will not take any action or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of issue of the Tax-Exempt Bonds, would cause the interest paid on the Tax-Exempt Bonds to be subject to federal income tax in the hands of the holders thereof;

(c) No more than five percent (5%) of the net proceeds of the Tax-Exempt Bonds (less Tax-Exempt Bond proceeds used to finance costs of issuance) will be used (i) in unrelated trades or businesses (within the meaning of Section 512(a) of the Code) of an organization described in Section 501(c)(3) of the Code, or (ii) in the trade or business of a person other than an organization described in Section 501(c)(3) of the Code or a governmental entity;

(d) The facilities financed or refinanced with proceeds of the Tax-Exempt Bonds will be owned by the Borrower, or another organization exempt from federal income taxes under Section 501(a) of the Code and described in Section 501(c)(3) of the Code, or a governmental entity;

(e) The Borrower will not purchase, nor will it permit any related person (as defined in the Code) to purchase, Tax-Exempt Bonds of the Issuer pursuant to any formal or informal arrangement in an amount related to the total amount payable under and secured by this Loan Agreement;

(f) The average maturity of the Tax-Exempt Bonds, as determined pursuant to Section 147(b) of the Code, will not exceed 120% of the average reasonably expected economic life of the facilities financed and refinanced with the proceeds of the Tax-Exempt Bonds;

(g) As required by Section 513 hereof, the Borrower will pay to or for the account of the Issuer all amounts needed to comply with the requirements of Section 148 of the Code, with respect to the Tax-Exempt Bonds, including Section 148(f) which requires generally a rebate payment to the United States of arbitrage profit from investment of the proceeds of the Tax-Exempt Bonds in obligations other than tax-exempt obligations. The obligation of the Borrower to make such payments is unconditional and is not limited to funds representing the proceeds of the Tax-Exempt Bonds or income from the investment thereof or any other particular source.

SECTION 507. COMPLIANCE WITH LAWS. The Borrower shall, at no expense to the Issuer, promptly comply in all material respects or cause compliance in all

material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities which may be applicable to the Borrower or to its Facilities and operations.

SECTION 508. RIGHT OF ISSUER OR BOND TRUSTEE TO PERFORM THE BORROWER'S COVENANTS; ADVANCES. In the event that the Borrower shall fail to make any payment or perform any other act required to be performed hereunder, then and in each such case the Issuer or the Bond Trustee may (but shall not be obligated to) remedy such default for the account of the Borrower and make advances for that purpose. No such performance or advance shall operate to release the Borrower from any such default and any sums so advanced by the Issuer or the Bond Trustee shall be repayable by the Borrower on demand and shall bear interest at the Bond Trustee's prime rate of interest from the date of the advance until repaid.

SECTION 509. INVESTMENTS. The Borrower and the Issuer agree that all moneys in any Fund established by the Bond Indenture may be invested in such Investment Securities as the Borrower may direct in writing; provided, however, that any such directions shall conform to the requirements of the Bond Indenture.

SECTION 510. THE BORROWER TO PERFORM CERTAIN COVENANTS UNDER BOND INDENTURE. The Borrower acknowledges that it has received an executed copy of the Bond Indenture, and that it is familiar with its provisions, and agrees to be bound to the fullest extent permitted by law to all provisions thereof directly or indirectly relating to it, and that, in consideration of the loan made hereunder, it will take all such actions as are required of it under the Bond Indenture to preserve and protect the rights of the Bond Trustee and of the Bondholders thereunder and that it will not take or effect any action which would cause a default thereunder or jeopardize such rights. The Borrower hereby assumes and agrees to perform all of the covenants and other obligations of the Issuer under the Bond Indenture, excepting only any approval or consents permitted or required to be given by the Issuer thereunder, and those covenants contained in the Bond Indenture which are not within the control of the Borrower. However, nothing contained herein shall prevent the Issuer from choosing from time to time, in its discretion, to perform any of the covenants or other obligations hereby assumed by the Borrower.

SECTION 511. NO PERSONAL RECOURSE AGAINST ISSUER, INDEMNIFICATION. (a) In the exercise of the power of the Issuer and its members, officers, employees and agents under this Loan Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, neither the Issuer nor its members, officers, employees or agents shall be accountable to the Borrower for any action taken or omitted by it or them. The Issuer and such other persons shall be protected in its or their acting upon any paper or document believed by it or them to be genuine, and it or they may conclusively rely upon the advice of Counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the Borrower for any claims based on this Loan Agreement or on the Bond Indenture

against any member, officer, employee or agent of the Issuer alleging personal liability on the part of such person.

(b) The Borrower will indemnify and hold harmless the Issuer and each member, officer and employee of the Issuer against any and all claims, losses, damages or liabilities, joint and several, to which the Issuer or such other persons may become subject, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any alleged act or omission by the Issuer in connection with or as a result of:

(i) any injury to or death of any person or damage to property in or upon the Project or resulting from or connected with the use, non-use, condition or occupancy of the Project or any part thereof;

(ii) the violation of any agreement or condition of this Loan Agreement or the Tax Agreement, except by the Issuer or the Bond Trustee;

(iii) the violation of any contract, agreement or restriction by the Borrower relating to their respective property;

(iv) the violation of any law, ordinance or regulation arising out of the ownership, occupancy or use of the property of the Borrower or any part thereof;

(v) the construction, acquisition, equipping, installation and improvement of the Project or the failure to construct, acquire, equip, install or improve the Project;

(vi) the issuance and sale of the Bonds or the execution, delivery and performance of the Loan Agreement, Tax Agreement, the Master Indenture, the Master Notes, the Mortgage (as defined in the Master Indenture) or the Bond Indenture;

(vii) any act of the Borrower or any of its agents, contractors or licensees;
and

(viii) any statement or information concerning the Borrower, its officers and members or the property of the Borrower contained in the limited offering memorandum for the Bonds or any other final official statement or prospectus furnished to purchasers of any securities that is untrue or incorrect in any material respect and any omission from any official statement or prospectus of any statement or information which should be contained in it for the purpose for which it is to be used or which is necessary to make the statements in it concerning the Borrower, its officers and members or the property of the Borrower not misleading in any material respect, if such other limited offering memorandum, final official statement or prospectus is approved in writing by the Borrower.

In the event any such claim is made or action brought against the Issuer, or any member, officer or employee of the Issuer, the Issuer may direct the Borrower, to assume the defense of the claim and any action brought thereon and pay all reasonable expenses incurred therein or the Issuer may assume the defense of any such claim or action, the reasonable costs of which shall be paid by the Borrower; provided, however, that counsel selected by the Issuer to conduct such defense shall be approved by the Borrower, which approval shall not be unreasonably withheld, and further provided that the Borrower may engage its own counsel to participate in the defense of any such action. The defense of any such claim shall include the taking of all actions necessary or appropriate thereto. Notwithstanding the foregoing, the Borrower shall not be obligated to indemnify and hold harmless the Issuer, or any member, officer or employee of the Issuer, against any costs, losses, damages or liabilities of the Issuer pursuant to the terms of any settlement of claims for which the Issuer is entitled to indemnification hereunder entered into without the consent of the Borrower. The obligations of the Borrower under this Section shall survive the termination of this Loan Agreement.

SECTION 512. INDEMNIFICATION OF THE BOND TRUSTEE. The Borrower shall at all times indemnify the Bond Trustee, its officers, directors, employees and agents from all liabilities, claims, causes of action and reasonable costs and expenses (including, without limitation, reasonable attorney's fees and expenses) imposed upon or asserted against the Bond Trustee, including its officers, directors, employees and agents, except as is adjudicated to have resulted from its gross negligence or willful misconduct, on account of any actions taken or omitted to be taken by the Bond Trustee relating to or arising out of this Loan Agreement, the Bond Indenture or the Bonds. The obligations of the Borrower under this Section shall survive the termination of this Loan Agreement and the resignation or removal of the Bond Trustee.

SECTION 513. BONDS NOT TO BECOME ARBITRAGE BONDS. (a) As provided in the Bond Indenture, the Bond Trustee will invest moneys held by the Bond Trustee as directed in writing by the Borrower. The Issuer and the Borrower hereby covenant with each other and with the holders of the Bonds that, notwithstanding any other provision of this Loan Agreement or any other instrument, they will neither make nor instruct the Bond Trustee to make any investment or other use of the proceeds of the Bonds, or take or omit to take any other action which would cause the Bonds to be arbitrage bonds under Section 148 of the Code and the regulations thereunder, and that they will comply with the requirements of the Code and regulations throughout the terms of the Bonds.

(b) Not later than 45 days after each "computation date" (as defined in the Code) for the Bonds, the Borrower shall provide to the Bond Trustee and the Issuer a written statement, with appropriate supporting schedules, of the amount, if any, determined as of such computation date to be payable to the United States government with respect to the Tax-Exempt Bonds pursuant to Section 148 of the Code, which written statement and supporting schedules may be prepared by the Borrower or by an accounting, consulting or

financial advisory firm retained by it for such purpose. If any such statement indicates that a payment is required to be made under Section 148(f) of the Code, the Borrower shall make such payment or direct the Bond Trustee to disburse funds from the Rebate Fund directly to the United States government and the Borrower shall file such related documentation as may be required to be filed with such payment. Evidence of such payment shall be provided to the Issuer, and to the Bond Trustee. The Borrower shall retain records of all determinations made pursuant to the foregoing with regard to the Tax-Exempt Bonds until six years after the retirement of the last Tax-Exempt Bond.

SECTION 514. PERFORMANCE REPORT. The Borrower covenants and agrees that beginning on January 1, 2023, and on each January 1 thereafter through and including January 1, 2030, it shall furnish to the Issuer a report setting forth the Borrower's annual performance against the projections, job creation, economic development data and other financial information set forth in the bond financing application submitted by the Borrower to the Issuer (the "Performance Report"). The Performance Report will be solely for the use of the Issuer.

[Remainder of page intentionally left blank]

ARTICLE VI

PROJECT AND COSTS OF ISSUANCE

SECTION 601. COSTS OF THE PROJECT; COSTS OF ISSUANCE.

(a) The Borrower will pay the costs of the Project from the proceeds of the Bonds, and other available moneys. The Borrower shall direct payment of the costs of the Project out of amounts deposited in the Project Account of the Project Fund by submitting Project Requisitions to the Bond Trustee in compliance with the provisions of Section 4.02 of the Bond Indenture and EXHIBIT A attached hereto. Provided that no Event of Default has occurred and is continuing, the Borrower shall have the right to direct payments from such Project Account of the Project Fund upon compliance with the procedures set forth in the Bond Indenture.

(b) The Borrower shall direct payment of the costs of issuance related to the Bonds out of amounts deposited in the Costs of Issuance Fund by submitting Costs of Issuance Requisitions to the Bond Trustee in compliance with the provisions of Section 4.04 of the Bond Indenture and EXHIBIT B attached hereto. Provided that no Event of Default has occurred and is continuing, the Borrower shall have the right to direct payments from such Costs of Issuance Fund upon compliance with the procedures set forth in the Bond Indenture.

SECTION 602. GOVERNMENTAL APPROVALS. The Borrower covenants that it will obtain or cause to be obtained all necessary approvals from any and all Regulatory Bodies requisite to the undertaking and completion of the Project. The Borrower further covenants that the Project will be acquired and operated in compliance with all federal, state and local laws, ordinances and regulations applicable thereto. The Borrower will obtain or cause to be obtained all required occupancy permits and licenses from appropriate authorities authorizing the occupancy and use of the Facilities for the purposes contemplated by the Borrower.

SECTION 603. BORROWER TO PAY BALANCE OF COSTS OF PROJECT. If any funds deposited in the Project Fund available for payment of the costs of any Project are not sufficient to undertake and complete the Project in question and to pay all costs of the Project in full, the Borrower agrees to pay all such excess costs. No warranty, either express or implied, is made by the Issuer or the Bond Trustee that the proceeds of any Bonds available for payment of the costs of the Project will be sufficient to pay all such costs.

SECTION 604. COMPLETION OF THE PROJECT. Only to the extent required by Section 4.03 of the Bond Indenture, the Borrower shall cause the Project to be acquired, constructed, completed, furnished and equipped with reasonable dispatch and provide a Certificate in accordance with such Section 4.03 of the Bond Indenture (the "Completion Certificate") signed by the Borrower stating:

- (a) the date on which the Project was substantially completed;
- (b) that all other facilities necessary in connection with the Project have been acquired, constructed, installed, equipped and improved;
- (c) that the Project and those other facilities conform with all applicable zoning, planning, building, environmental and other similar governmental regulations;
- (d) that all Project costs then or theretofore due and payable have been paid; and
- (e) the amounts which the Bond Trustee shall retain in the Project Account of the Project Fund for the payment of costs of the Project not yet due or for liabilities which the Borrower is contesting or which otherwise should be retained and the reasons such amounts should be retained.

Such Completion Certificate shall be accompanied by copies of the certificates of occupancy for the Project and a certificate of the Borrower that insurance has been obtained meeting the requirements of the Master Indenture.

[Remainder of page intentionally left blank]

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

SECTION 701. EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default:

(a) If the Borrower fails to make any payment to the Bond Trustee when due pursuant to Section 401(a) or (b) of this Loan Agreement; or

(b) If the Borrower fails to make any other payment or to perform any other covenant, condition or agreement herein on its part to be performed after the cure period specified in Section 702 below; or

(c) If the Borrower proposes or makes an assignment for the benefit of creditors or a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Borrower or any of its assets or revenue, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Borrower and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(d) If the Bond Trustee, as the holder of the Master Note, receives notice from the Master Trustee that an Event of Default under the Master Indenture has occurred and is continuing.

SECTION 702. NOTICE OF DEFAULTS; OPPORTUNITY TO CURE SUCH DEFAULTS. (a) No default under 701(a) hereof shall constitute an Event of Default if the Borrower's failure to make any payment due under this Loan Agreement is cured within 10 days after the due date of the payment; provided, however, that in no event shall such cure period extend beyond the date the payment is due to the Bondholders.

(b) No default under Section 701(b) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Borrower by the Issuer or the Bond Trustee and the Borrower shall have had 90 days after receipt of such notice to correct the default and shall not have corrected it; provided, however, if the default cannot be corrected within such 90-day period, it shall not constitute an Event of Default if corrective action is instituted by the Borrower within the period and diligently pursued until the default is corrected.

(c) The provisions of paragraphs (b) and (d) of Section 701 hereof are subject to the following limitations: If by reason of acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, orders of any kind of the government of the United States or of the State of Florida, or any department, agency, political subdivision or official

thereof, or any civil or military authority, insurrections, riots, infection, epidemics (or escalations thereof), landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accident to machinery, partial or entire failure of utilities, or any other cause or event not reasonably within the control of the Borrower, the Borrower is unable in whole or in part to carry out its agreements referred to in paragraphs (b) or (d) of Section 701, the Borrower shall not be deemed in default during the continuance of such inability. The Borrower shall use its best efforts to remedy with all reasonable dispatch the cause preventing it from carrying out its agreements, provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Borrower, and the Borrower shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party when such course is, in the judgment of the Borrower, unfavorable to the Borrower. An event of default under the Continuing Disclosure Agreement shall not be deemed to be an Event of Default hereunder or under the Bond Indenture.

SECTION 703. REMEDIES. If any Event of Default shall occur and be continuing, the Issuer (or the Bond Trustee as assignee of the Issuer) may at its option exercise any one or more of the following remedies:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Issuer, and require the Borrower to carry out any agreements with or for the benefit of the Owners of the Bonds and to perform its duties under the Act or this Loan Agreement; or

(b) by action or suit in equity require the Borrower to account as if it was the trustee of an express trust for the Issuer; or

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer; or

(d) upon the filing of a suit or other commencement of judicial proceeding to enforce the rights of the Bond Trustee and the Bondholders, have appointed a receiver or receivers with respect to the Borrower and its Facilities, with such powers as the court making such appointment shall confer; or

(e) upon notice to the Borrower, accelerate the due dates of all sums due or to become due hereunder, if and to the extent that the Bonds have been accelerated under the Bond Indenture and such acceleration has not been annulled; or

(f) enforce all rights and remedies as the holder of the Master Note under the Master Indenture.

SECTION 704. NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Bond Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

SECTION 705. NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER. In the event the breach of any agreement contained in this Loan Agreement should be waived by either party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

[Remainder of page intentionally left blank]

ARTICLE VIII

MISCELLANEOUS

SECTION 801. NOTICES. Except as otherwise permitted herein and in the Bond Indenture, all communications hereunder shall be in writing and, unless otherwise required under this Loan Agreement, shall be sufficiently given or made if (i) delivered personally to the person who is to receive the same, or (ii) mailed to such person by certified mail, return receipt requested, or (iii) by electronic mail or similar communications confirmed promptly in writing, addressed as follows:

(a) If to the Issuer:

Alachua County Health Facilities Authority
12 SE 1st Street
Gainesville, Florida 32601
Attention: Chairman
Email: _____

(b) If to the Borrower:

Bonita Springs Retirement Village, Inc.
4300 N.W. 89th Boulevard South
Gainesville, Florida 32606
Attention: President
Email: _____

(c) If to the Bond Trustee:

UMB Bank, N.A.
120 South Sixth Street, Suite 1400
Minneapolis, Minnesota 55402
Attention: Corporate Trust Services

The Issuer (upon written notice to the Borrower) and the Borrower (upon written notice to the Issuer) may designate different addresses from time to time for the purpose of receiving notices hereunder. A duplicate copy of each communication given by either party to the other shall also be given to the Bond Trustee at the address set forth above.

SECTION 802. SEVERABILITY. If any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 803. REDEMPTION OF BONDS. If the Borrower is not in default in the payment of any sum or sums due hereunder, the Issuer at the request of the Borrower, at any time the Bonds are then redeemable under the provisions of the Bond Indenture, shall forthwith take all steps that may be necessary under the applicable provisions of the Bond Indenture to effect redemption of all or as many of the then Outstanding Bonds on such redemption date as may be specified by the Borrower.

SECTION 804. COUNTERPARTS. This Loan Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Loan Agreement

SECTION 805. BENEFIT OF LOAN AGREEMENT. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower and their respective successors and assigns. In addition, the agreements and representations of the Borrower and the Issuer herein contained shall inure to, but only to, the Bond Trustee for the benefit of the holders from time to time of all Bonds issued and Outstanding under the Bond Indenture.

SECTION 806. TERMINATION. This Loan Agreement shall terminate on such date as the principal or Redemption Price of and interest on all Bonds and all other expenses payable by the Borrower hereunder shall have been paid (or provision for such payment shall have been made as provided in the Bond Indenture) and all other conditions of this Loan Agreement and the Bond Indenture shall have been fully satisfied. Notwithstanding the foregoing, the Borrower's obligations under Sections 511, 512 and 513 hereof shall survive any such termination.

SECTION 807. GOVERNING LAW. This Loan Agreement shall be governed by the laws of the State of Florida.

SECTION 808. ENTIRE LOAN AGREEMENT. This Loan Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Issuer and the Borrower with respect to the subject matter hereof.

SECTION 809. AMENDMENTS. This Loan Agreement may be amended by the parties hereto subject to the provisions of Article XII of the Bond Indenture.

[SIGNATURE PAGE FOLLOWS]

[ISSUER SIGNATURE PAGE TO LOAN AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Loan Agreement, all as of the day and year first above mentioned.

**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

ATTEST:

By: _____
Chairman

By: _____
Secretary

[BORROWER SIGNATURE PAGE TO LOAN AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Loan Agreement, all as of the day and year first above mentioned.

**BONITA SPRINGS RETIREMENT
VILLAGE, INC.**

By: _____
President

**EXHIBIT A
FORM OF
PROJECT REQUISITION
REQUISITION NO. ____**

To: UMB Bank, N.A., as bond trustee (the "Bond Trustee") under the Bond Trust Indenture with the Alachua County Health Facilities Authority (the "Issuer"), dated as of January 1, 2022 (the "Bond Indenture")

Amount Requested: \$ _____

Total Disbursements to Date: \$ _____

This Disbursement Request is made pursuant to Section 4.02 of the Bond Indenture and Section 601 of the Loan Agreement, dated as of January 1, 2022 (the "Loan Agreement"), between the Issuer and Bonita Springs Retirement Village, Inc. (the "Borrower"). Terms used in this Disbursement Request shall have the meanings specified for them in the Bond Indenture.

The Bond Trustee is hereby authorized and directed to make payment from the Project Account of the Project Fund as specified in SCHEDULE A attached hereto. The undersigned authorized representative of the Borrower hereby certifies to you in connection with the amount for which payment is requested by this Disbursement Request, as follows:

Each obligation for which a disbursement is hereby requested is described in reasonable detail in Exhibit A hereto together with the name and address of the person, firm or corporation to whom payment is due.

2. The bills, invoices or statements of account for each obligation referenced in Schedule A are on file with the Borrower.

3. the Borrower hereby certifies that:

(a) each obligation mentioned in SCHEDULE A has been properly incurred, is a proper charge against the Project Account of the Project Fund and has not been the basis of any previous disbursement;

(b) no part of the disbursement requested hereby will be used to pay for materials not yet incorporated into the Project or for services not yet performed in connection therewith;

(c) no Event of Default under the Bond Indenture or Loan Agreement has occurred and is continuing and there exists no event or condition which, with the

giving of notice or the passage of time would constitute an Event of Default under the Bond Indenture or Loan Agreement; and

(d) no item in Schedule A represents any portion of an obligation which the Borrower is, as of the date hereof, entitled to retain under any retained percentage agreement;

(e) all sums previously advanced by the Bond Trustee have been used solely for purposes permitted by the Bond Indenture and the specific items which are the subject of this requisition will be so used;

(f) there has not been served upon the Borrower any lien, notice of any lien, right to lien or attachment upon or claim affecting the right to receive payment of, any moneys payable to any of the persons or firms named in this requisition, which has not been released or will not be released simultaneously with the payment of such obligation;

(g) after payment of such disbursement, sufficient amounts will remain in the Project Account of the Project Fund, taking into account investment earnings thereon, to pay all remaining unpaid costs of the Project; and

(h) it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate and agrees it will not seek recourse from UMB Bank, N.A., as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

[Signature page follows]

[SIGNATURE PAGE TO PROJECT REQUISITION]

Dated: _____

**BONITA SPRINGS RETIREMENT
VILLAGE, INC.**

By: _____

Title: Authorized Signatory

SCHEDULE A

DISBURSEMENT SCHEDULE

TO PROJECT REQUISITION NO. __ REQUESTING AND AUTHORIZING
DISBURSEMENT OF FUNDS FROM THE PROJECT FUND.

**EXHIBIT B
FORM OF
COSTS OF ISSUANCE
REQUISITION NO. ____**

To: UMB Bank, N.A., as bond trustee (the "Bond Trustee") under the Bond Trust Indenture with the Alachua County Health Facilities Authority (the "Issuer"), dated as of January 1, 2022 (the "Bond Indenture")

This Disbursement Request is made pursuant to Section 4.05 of the Bond Indenture and Section 601 of the Loan Agreement, dated as of January 1, 2022 (the "Loan Agreement"), between the Issuer and Bonita Springs Retirement Village, Inc. (the "Borrower"). Terms used in this Disbursement Request shall have the meanings specified for them in the Bond Indenture.

The Bond Trustee is hereby authorized and directed to make payment from the Costs of Issuance Fund as specified in SCHEDULE A attached hereto. The undersigned authorized representative of the Borrower hereby certifies to you in connection with the amount for which payment is requested by this Disbursement Request, as follows:

1. The obligations as set forth on this Disbursement Request were incurred in connection with the issuance of the Bonds.
2. All previous disbursements, if any, made pursuant to Section 4.04 of the Bond Indenture have been expended for Costs of Issuance described in prior Disbursement Requests, if any, submitted by the Authorized the Borrower Representative.
3. This Disbursement Request is for costs that were properly incurred and are proper charges against the Costs of Issuance Fund.
4. The expenditures of the amount requested under this Disbursement Request, when added to all disbursements under previous Disbursement Requests, will result in no more than two percent (2%) of the aggregate face amount of the Tax-Exempt Bonds being used for payment of costs of issuance related to the Bonds.
5. Nothing has come to the attention of the Borrower that would cause it to conclude that the representations and warranties contained in the Loan Agreement are not true and correct as of the date hereof.
6. No event has occurred and is continuing which constitutes an Event of Default under the Bond Indenture or the Loan Agreement.

7. The Borrower has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate and agrees it will not seek recourse from UMB Bank, N.A., as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

[Signature page follows]

[SIGNATURE PAGE TO COSTS OF ISSUANCE REQUISITION]

Dated: _____

**BONITA SPRINGS RETIREMENT
VILLAGE, INC.**

By: _____
Title: Authorized Signatory

SCHEDULE A

DISBURSEMENT SCHEDULE

TO COSTS OF ISSUANCE REQUISITION NO. ____ REQUESTING AND
AUTHORIZING DISBURSEMENT OF FUNDS FROM THE COSTS OF ISSUANCE
FUND.

EXHIBIT C

FORM OF PLACEMENT AGREEMENT

PLACEMENT AGREEMENT

\$90,600,000

**ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022**

consisting of:

**\$83,600,000
Series 2022A
Tax-Exempt
Fixed Rate Bonds**

**\$7,000,000
Series 2022B
Taxable
Fixed Rate Bonds**

January __, 2022

Alachua County Health Facilities Authority
12 SE 1st Street
Gainesville, Florida 32601

Bonita Springs Retirement Village, Inc.
4300 N.W. 89th Boulevard South
Gainesville, Florida 32606

Ladies and Gentlemen:

RBC Capital Markets, LLC (the “Placement Agent” or “RBC CM”) offers to enter into the following Placement Agreement (the “Placement Agreement” or the “Agreement”) with the Alachua County Health Facilities Authority (the “Authority”) and Bonita Springs Retirement Village, Inc. (the “Borrower”), which, upon your acceptance of this offer, shall be binding upon the Authority, the Borrower and the Placement Agent. This offer is made subject to your acceptance of this Placement Agreement, if not so accepted, will be subject to withdrawal by the Placement Agent upon notice delivered to your office at any time prior to your acceptance hereof. The above-captioned bonds (collectively, the “Bonds”) are to be issued pursuant to a Bond Trust Indenture, dated as of _____ 1, 2022 (the “Bond Indenture”), between the Authority and UMB Bank, N.A., in its capacity as bond trustee (the “Bond Trustee”). Unless otherwise indicated, each capitalized term contained herein shall have the meaning assigned to it in the Bond Indenture. The Borrower acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm’s length, commercial transaction among the Authority, the Borrower and the Placement Agent in which the Placement Agent is not acting as a municipal advisor, financial advisor or fiduciary to the Authority or the Borrower; (ii) the Placement Agent has not assumed any advisory or fiduciary responsibility to the Authority or the Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Placement Agent has provided other services or is currently providing

other services to the Authority or the Borrower on other matters); (iii) the only obligations the Placement Agent has to the Authority and the Borrower with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Authority and the Borrower have each consulted their own legal, accounting, tax, financial and other advisors, as applicable, to the extent they have deemed appropriate.

1. Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, the Placement Agent hereby agrees to use its best efforts to locate initial purchasers for all, but not less than all of the Bonds on terms consistent with the Bond Indenture. With your consent, the Placement Agent has conducted preliminary discussions with _____ and _____ (together, the “Initial Purchasers”) to purchase the Bonds. If the Initial Purchasers do purchase the Bonds on the Closing Date, the Borrower will pay a placement fee equal to \$_____ to the Placement Agent on the Closing Date, which includes fees and expenses of Hawkins Delafield & Wood LLP, counsel to the Placement Agent.

2. Simultaneously with the execution of this Placement Agreement, you will deliver or cause to be delivered to the Placement Agent copies of the Bond Indenture, the Loan Agreement, dated as of _____ 1, 2022, between the Authority and the Borrower (the “Loan Agreement”), the Tax Agreement relating to the Series 2022A Bonds, dated as of _____, 2022, among the Authority, the Borrower and the Bond Trustee (the “Tax Agreement”), the Master Trust Indenture, dated as of _____ 1, 2022 (the “Master Trust Indenture”), as supplemented by Supplemental Master Trust Indenture Number 1 (the “Supplemental Indenture” and, together with the Master Trust Indenture, the “Master Indenture”), each between the Borrower, as representative of the obligated group described therein, and UMB Bank, N.A., as master trustee, the Mortgage and Security Agreement, dated as of _____ 1, 2022, executed by the Borrower and delivered to the Master Trustee (the “Mortgage”), and the Continuing Disclosure Agreement, dated as of _____ 1, 2022, between the Borrower and UMB Bank, N.A., in its capacity as dissemination agent (the “Continuing Disclosure Agreement”), each in substantially final form, duly approved and adopted and to be in full force and effect upon execution and delivery by the parties hereto.

3. The Authority represents and warrants to and agrees with the Placement Agent (and hereby it shall be a condition of the obligation of the Placement Agent to perform under this Agreement) that the Authority shall so represent and warrant as of the date the Bonds are purchased (such date referred to herein as the “Closing Date”) that:

- (a) The Authority is duly organized and validly existing under the laws of the State of Florida (the “State”) to (i) issue the Bonds for the purposes for which they are to be issued as set forth in the Bond Indenture; (ii) enter into the Bond Indenture, the Bonds, the Loan Agreement, the Tax Agreement and this Agreement (collectively, the “Authority Agreements”); (iii) consent to the distribution of the Limited Offering Memorandum, dated _____, 2022, relating to the Bonds (the “Limited Offering Memorandum”) and to perform other acts and things as provided for in each of the foregoing; and (iv) pledge and assign to the Bond Trustee the Trust Estate (as defined in the Bond Indenture) (except for the Reserved Rights (as defined in the Bond Indenture)) as security for the payment of the principal of, premium, if any, and interest on the Bonds.

- (b) The Authority has full power and authority to consummate the transactions contemplated by the Authority Agreements, and the Authority has duly authorized and/or approved the execution and delivery of the same as well as any and all such other agreements and documents as may be required to be executed, delivered or received by the Authority in order to carry out, give effect to and consummate the transactions contemplated herein.
- (c) By official action of the Authority prior to or concurrently herewith, the Authority has authorized and approved the execution and delivery of the Authority Agreements and the consummation by the Authority of the transactions contemplated thereby.
- (d) The information relating to the Authority under the captions “THE ISSUER” and “LITIGATION — The Issuer” (together, the “Authority Portion”) contained in the Limited Offering Memorandum as of its date did not, and will not, as of the Closing Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.
- (e) When executed and delivered by the respective parties thereto, the Authority Agreements will constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, by the application of equitable principles, by the exercise of judicial discretion in appropriate cases and by the limitation of legal remedies against joint powers commissions or governmental units of the State. Under no circumstances shall the Bonds and the interest thereon be or become an indebtedness or obligation of the Authority or the State, within the purview of any statutory limitation or provision, or a charge against the credit of, or pledge of the taxing power of, the Authority, State or any political subdivision or agency thereof. The Bonds shall be special limited obligations of the Authority and no taxes are required to be levied for the payment of the principal of, premium, if any, and interest on the Bonds; such principal of, premium, if any, and interest on the Bonds being payable (except to the extent otherwise provided in the Bond Indenture) solely out of the Trust Estate. The Authority does not have the power to levy taxes for any purpose whatsoever, including, but not limited to, payment of principal of, premium, if any, and interest on the Bonds.
- (f) To the knowledge of the Authority there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the Authority seeking to restrain or enjoin the sale or issuance of the Bonds, or in any way contesting or affecting any proceedings of the Authority taken concerning the sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, in any way contesting the validity or enforceability of the Authority Agreements or

contesting in any way the existence or powers of the Authority relating to the authorization, issuance and sale of the Bonds.

- (g) The execution and delivery by the Authority of this Agreement, the other Authority Agreements and compliance by the Authority with their provisions, and the pledge of Trust Estate to the Bond Trustee (except for the Reserved Rights), do not and will not, in any material respect, conflict with or constitute on the part of the Authority a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the Authority is or may be bound; provided no representation is made with respect to federal or state securities or tax laws, rules or regulations.
- (h) The Authority agrees to cooperate reasonably with the Placement Agent and its counsel (at the Borrower's sole expense) in any endeavor to qualify the Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Placement Agent may request; provided, however, that the Authority shall not be required with respect to the offer or sale of the Bonds to consent to suit or to consent to service of process or register to qualify to do business in any jurisdiction or take any action which it deems unreasonably burdensome and shall not be deemed to have made any representations with regard to securities or "blue sky" laws of any state or the securities laws of the United States.
- (i) Any certificate signed by an authorized signatory and delivered to the Placement Agent shall be deemed a representation by the Authority (but in no event, individually by such authorized signatory) to the Placement Agent as to the statements made therein.

4. The Borrower represents and warrants to and agrees with the Placement Agent (and hereby it shall be a condition of the obligation of the Placement Agent to perform under this Agreement) that the Borrower shall so represent and warrant as of the date the Bonds are purchased (such date referred to herein as the "Closing Date") that:

- (a) The Borrower is duly organized and validly existing under the laws of the State and has all necessary material licenses and permits presently required to carry on its business. The Borrower has the full right, power and authority to approve, or enter into and deliver this Agreement, the Loan Agreement, the Tax Agreement, the Continuing Disclosure Agreement, the Master Trust Indenture, the Supplemental Indenture, the Mortgage and the Master Notes (collectively, the "Borrower Agreements" and, collectively with the Authority Agreements, the "Bond Documents"), and to authorize the Limited Offering Memorandum and to perform other acts and things as provided for in each of the foregoing.
- (b) The execution and delivery by the Borrower of the Borrower Agreements and the other documents contemplated herein and therein and the compliance with the provisions of any and all of the foregoing documents and the application by the Authority of the proceeds of the Bonds, together with certain other moneys, for the purposes described in the Limited Offering Memorandum, do not conflict with or

result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the Articles of Incorporation or Bylaws of the Borrower or any other material agreement, indenture, mortgage, lease or instrument by which the Borrower or any of its property is bound or any existing law or court or administrative regulation, decree or order which is applicable to the Borrower or any of its property.

- (c) To the best of its knowledge, no default, event of default or event which, with notice or lapse of time, or both, would constitute a default or an event of default under the Borrower Agreements or any other material agreement or material instrument to which the Borrower is a party or to which any of its property is subject, has occurred and is continuing.
- (d) Borrower has duly authorized all necessary action to be taken by it for: (i) the issuance, placement and sale of the Bonds by the Authority upon the terms and conditions set forth in this Agreement, in the Limited Offering Memorandum and in the Bond Indenture, (ii) the approval of the Bonds and the Bond Indenture, (iii) the approval of the Limited Offering Memorandum, and (iv) the execution, delivery and performance of the Borrower Agreements and any and all other agreements and documents as may be required to be executed, delivered and performed by the Borrower in order to carry out, effectuate and consummate the transactions contemplated on the Borrower's part by the Borrower Agreements and by the Limited Offering Memorandum.
- (e) Except for the information in the Authority Portion, any information under the caption "PLAN OF DISTRIBUTION" and any information relating to the Depository Trust Corporation and its book-entry system, the information in the Limited Offering Memorandum (i) is, as of its date, and will be, as of the Closing Date, true and correct in all material respects, and (ii) the Limited Offering Memorandum as of its date did not, and will not, as of the Closing Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Borrower hereby consents to the use of the Limited Offering Memorandum in connection with the placement of the Bonds by the Placement Agent.
- (f) The Borrower will not take or omit to take any action which will in any way cause or result in the proceeds of the sale of the Bonds being applied in a manner other than as provided in the Bond Indenture or as described in the Limited Offering Memorandum.
- (g) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any public board or body pending for which service of process or written notice has been received by the Borrower or, to the actual knowledge of the Borrower, threatened against or affecting the Borrower, or to the actual knowledge of the Borrower any meritorious basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition of

the Borrower, the operation by the Borrower of the Community and the transactions contemplated by the Borrower Agreements and the Limited Offering Memorandum or would have an adverse effect on the validity or enforceability of the Borrower Agreements or any other material agreement or instrument by which the Borrower is bound or would in any way contest the corporate existence or powers of the Borrower.

- (h) On or before the Closing Date, the Borrower shall execute the Borrower Agreements. This Agreement is and, when executed and delivered, the other Borrower Agreements will be, the legal, valid and binding obligations of the Borrower, enforceable in accordance with their respective terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally from time to time in effect and to applicable legal principles and procedural requirements if equitable and other specific remedies are sought and subject to the qualification that enforcement of the indemnification provisions of the Borrower Agreements may be limited by federal or state securities laws as the same may have been interpreted by judicial decisions).
- (i) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with such entities currently required, which would constitute a condition precedent to or would materially adversely affect the performance by the Borrower of its obligations under the Borrower Agreements, or the consummation of the transactions contemplated in the Limited Offering Memorandum, have been duly obtained.
- (j) The Borrower is not in breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or of the United States or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Borrower is a party or is otherwise subject which breach or default would materially and adversely affect the Borrower or its ability to perform its duties and obligations under the Bond Documents; and the execution and delivery of Limited Offering Memorandum and the Borrower Agreements and compliance with the provisions of each thereof will not conflict materially with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement, or other instrument to which the Borrower is a party or is otherwise subject which breach or default would materially and adversely affect the Borrower, the Bond Documents or its ability to perform its duties and obligations under the Bond Documents.
- (k) The Borrower agrees to provide information to satisfy "Know Your Client," "Anti-Money Laundering" and Terrorist Financing" rules and regulations, in each case, in accordance with the Placement Agent's requirements.

5. On the Closing Date, the Placement Agent shall receive the following:

- (i) The approving opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, dated the Closing Date, addressed to the Authority, in substantially the form set forth in the Limited Offering Memorandum (which opinion shall be delivered with the Bonds); and the supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Placement Agent, in form and substance satisfactory to the Authority and the Placement Agent;
- (ii) The opinion of Chandler, Lang, Haswell & Cole, P.A., special counsel for the Authority, dated the Closing Date, addressed to Bond Counsel, the Bond Trustee, the Master Trustee and the Placement Agent, in form and substance satisfactory to the Placement Agent;
- (iii) The opinion of Salter Feiber, P.A., special counsel to the Borrower, addressed to the Placement Agent, the Bond Trustee, the Master Trustee and the Authority, in form and substance satisfactory to the Authority and the Placement Agent;
- (iv) The opinion of Hawkins Delafield & Wood LLP, special counsel to the Placement Agent, dated the Closing Date, addressed to the Placement Agent, in form and substance satisfactory to the Placement Agent;
- (v) A certificate of the Borrower, in form and substance satisfactory to the Authority and the Placement Agent;
- (vi) (a) True, correct and complete copies of the Articles of Incorporation of the Borrower, certified by the Secretary of State of the State of Florida; (b) true, correct and complete copies of the Bylaws of the Borrower; and (c) evidence of the status of the Borrower as an organization described in Section 501(c)(3) of the Code, which Person is exempt from federal income taxation under Section 501(a) of the Code, and which Person is not a “private foundation” within the meaning of Section 509(a) of the Code;
- (vii) A certificate of the Authority dated the Closing Date in form and substance acceptable to the Placement Agent;
- (viii) The Limited Offering Memorandum;
- (ix) The Authority Agreements and the Borrower Agreements, each duly executed and delivered by the respective parties thereto;
- (x) Specimen Bonds;
- (xi) A certificate of the Borrower dated the Closing Date signed by an authorized officer of the Borrower, in form and substance satisfactory to the Placement Agent;
- (xii) A certificate of the Bond Trustee to the effect that all moneys and securities delivered to the Bond Trustee under and pursuant to the Bond Indenture

have been duly deposited to the credit of the appropriate funds established under or in accordance with the Bond Indenture or otherwise applied as provided in the Bond Indenture and that the Bond Trustee has no knowledge of any default under the Bond Indenture;

- (xiii) The certificates and opinions required by the Bond Indenture for the issuance thereunder of the Bonds;
- (xiv) Certificates of insurance consultants, satisfactory to the Placement Agent and the Authority, to the effect that the insurance coverage of the Borrower complies with the applicable requirements of the Master Indenture and the Loan Agreement;
- (xv) A copy of the executed Investor Letter from each Initial Purchaser addressed to the Authority, the Bond Trustee and the Placement Agent;
- (xvi) A copy of the completed IRS Form 8038 for the Series 2022A Bonds, executed by the Authority;
- (xvii) A letter from MSL CPAs and Advisors, independent accountants, with respect to the performance of certain agreed upon procedures requested by the Placement Agent, dated as of the date of this Agreement;
- (xviii) Evidence of the consent of MSL CPAs and Advisors to the inclusion of its report dated _____, 2022 in the Limited Offering Memorandum;
- (xix) A copy of the Title Insurance Policy; and
- (xx) Such additional legal opinions, certificates, proceedings, instruments and other documents listed on the closing agenda as counsel to the Placement Agent, Bond Counsel or counsel to the Authority may reasonably request to evidence compliance by the Authority and the Borrower with legal requirements, the truth and accuracy, as of Closing Date, of the respective representations of the Authority in the Authority Agreements and the Borrower in the Borrower Agreements and the due performance or satisfaction by the Authority and the Borrower at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Authority and the Borrower.

All certificates, instruments, opinions and documents referred to above and any resolutions shall be in form and substance satisfactory to Bond Counsel, the Authority, the Borrower and the Placement Agent.

If the obligations of the Placement Agent shall be terminated for any reason permitted hereby, none of the Placement Agent, the Authority or the Borrower shall be under further obligation hereunder.

6. At 9:30 a.m., eastern time, at the offices of Bond Counsel, in Tampa Florida, on [January 27], 2022, or such other date mutually agreed upon by the parties hereto, the Authority will cause to be delivered to the Initial Purchasers (through DTC or its agent) against payment therefor, the Bonds in definitive form, duly executed by the Authority and authenticated by the Bond Trustee. Such payment and delivery is herein called the “Closing.” The Bonds will be delivered as fully registered bonds, one bond representing each maturity, registered in the name of Cede & Co., as nominee of DTC. The Authority also shall deliver at the offices of Bond Counsel the other documents, as required by Section 5 of this Agreement. Payment of the purchase price for the Bonds will be made in immediately available funds payable to the order of the Authority.

7. Unless otherwise set forth herein, the representations and agreements in this Placement Agreement shall survive the delivery of the Bonds hereunder.

8. The Placement Agent’s obligation hereunder to use its best efforts to place the Bonds shall be subject to the performance by you of your obligations hereunder in all material respects at or prior to the Closing and the accuracy in all material respects of your representations and warranties contained herein and shall also be subject to the following conditions:

- (a) At the time of the Closing, all applicable authorizing resolutions and the Bond Documents shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the undersigned.
- (b) The undersigned may terminate this Placement Agreement by notification in writing to you if at any time subsequent to the date hereof and at or prior to the Closing: (i) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds without registration thereof or obligations of the general character of the Bonds is in violation of any provision of the Securities Act of 1933 or of the Trust Indenture Act of 1939; (ii) in the Congress of the United States, legislation shall be enacted or a bill shall be favorably reported out of committee of either house, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that securities of the Authority or of any similar body are not exempt from the registration, qualification or other requirements of the Securities Act of 1933 or the Trust Indenture Act of 1939; (iii) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; (iv) there shall have occurred a general suspension of trading on the New York Stock Exchange; or (v) there shall have occurred any materially adverse change in the affairs or financial condition of the Authority or the Borrower; (vi) or a general banking moratorium shall have been declared by the United States, State of New York, or State of Florida authorities.
- (c) The Borrower shall have arranged for payment of the Placement Agent’s fee at the time of Closing.

- (d) You shall perform or have performed in all material respects at or prior to the Closing all of your obligations required under or specified in the Bond Documents to be performed at or prior to the Closing.

9. On or before 9:30 a.m., eastern time, on [January 27], 2022, the Initial Purchasers shall deliver to the Bond Trustee the names in which the Bonds are to be registered and the denominations thereof. At the Closing, contemporaneously with the receipt of the Bonds, the Initial Purchasers will deliver to you a receipt therefor, in form satisfactory to Bond Counsel, signed by the Initial Purchasers.

10. The Borrower shall pay, solely from the proceeds of the sale of the Bonds, upon or promptly after the Closing: (a) the cost of the preparation and printing of the Bonds; (b) the fees and disbursements of special counsel to the Placement Agent, Bond Counsel and of any other counsel or consultants retained by you; and (c) the fees and expenses of the Bond Trustee.

11. The Borrower agrees to indemnify and hold the Placement Agent and the Authority harmless against any losses, claims, damages or liabilities, including reasonable and necessary legal fees to which we may become subject, that arise from or relate to the transaction contemplated herein. Such indemnity shall include indemnity for claims that may allege or involved negligence of RBC CM or the Authority, but shall not include claims involving willful misconduct or gross negligence of RBC CM or the Authority.

12. This Placement Agreement may be terminated with or without cause by either party, upon five (5) business days prior written notice to the other party of its intention to terminate. Any such termination, however, shall not affect the obligations of the Borrower under Section 11 hereof or the respective representations, warranties, agreements, covenants, rights or responsibilities of the parties made or arising prior to the termination of this Agreement.

13. The agreements and all representations and warranties herein set forth have been and are made for the benefit of the Placement Agent, the Authority and the Borrower, and no other person shall acquire or have any right under or by virtue of this Placement Agreement.

14. This Placement Agreement shall become effective upon the execution of the acceptance hereof by authorized officers of the Authority and the Borrower and shall be valid and enforceable as of the time of such acceptance.

RBC CAPITAL MARKETS, LLC

By: _____
Name: _____
Title: _____
Date: _____

ACCEPTANCE

ACCEPTED this [_____] day of [_____] , 2022

ALACHUA COUNTY HEALTH FACILITIES AUTHORITY

By: _____
Name: _____
Title: _____
Date: _____

BONITA SPRINGS RETIREMENT VILLAGE, INC.

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT D

FORM OF LIMITED OFFERING MEMORANDUM

NEW ISSUE – BOOK-ENTRY ONLY**NOT RATED**

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2022A Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX MATTERS," and (b) not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is of the Opinion that interest on the Series 2022B Bonds is NOT excluded from gross income for federal tax purposes. Such interest also may be subject to other federal income tax consequences referred to herein under "TAX MATTERS." See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

\$90,600,000
ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022
consisting of:

\$83,600,000 Series 2022A Tax-Exempt Fixed Rate Bonds	\$7,000,000 Series 2022B Taxable Fixed Rate Bonds
--	--

Dated: Date of Delivery**Due: November 15, as shown on the inside front cover**

The Alachua County Health Facilities Authority (the "Issuer") is issuing its Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022A (the "Series 2022A Bonds") and its Taxable Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022B (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Bonds") pursuant to a Bond Trust Indenture dated as of January 1, 2022 (the "Bond Indenture"), between the Issuer and UMB Bank, N.A., in its capacity as bond trustee (the "Bond Trustee"). The Bonds will be issued as fully registered bonds in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Bonds will be made in book-entry only form. The Bonds will be issued in denominations of \$100,000 and integral multiples of \$5,000 above \$100,000. Purchasers of a beneficial interest in the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds. Interest on the Bonds, together with the principal of, purchase price, and premium, if any, thereon will be paid directly to DTC by the Bond Trustee, so long as DTC or its nominee is the registered owner of the Bonds. The disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of DTC, the DTC Participants, and the Indirect Participants, all as more fully described herein under "BOOK-ENTRY ONLY SYSTEM" in APPENDIX G hereto.

The Issuer will loan the proceeds of the Bonds to Bonita Springs Retirement Village, Inc. (the "Borrower") pursuant to a Loan Agreement dated as of January 1, 2022 (the "Loan Agreement") primarily for the purposes of: (i) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011; (ii) financing and refinancing the cost of construction, acquisition and equipping of capital improvements to the Borrower's continuing care retirement community; (iii) funding a portion of interest on the Bonds; (iv) funding an operating reserve fund related to the Bonds; (v) funding a debt service reserve fund related to the Bonds; and (vi) paying all or a portion of the costs related to the issuance of the Bonds.

The payment obligations of the Borrower under the Loan Agreement with respect to the (i) Series 2022A Bonds will be evidenced and secured by a master note (the "Series 2022A Master Note") and (ii) Series 2022B Bonds will be evidenced and secured by a master note (the "Series 2022B Master Note," and together with the Series 2022A Master Note, the "Series 2022 Master Notes"), each issued by the Borrower, in its capacity as "Obligated Group Representative" and an "Obligated Group Member" under a Master Trust Indenture, dated as of January 1, 2022, as amended and supplemented (the "Master Indenture"), among the Obligated Group and UMB Bank, N.A., in its capacity as master trustee (the "Master Trustee"). The Series 2022 Master Notes will be payable equally, ratably and on a parity with any future Senior Obligations (as defined in the Master Indenture) issued under the Master Indenture from time to time. The source of payment of and security for the Bonds are more fully described in this Limited Offering Memorandum.

AMOUNTS, MATURITIES, INTEREST RATES, PRICES, AND CUSIP NUMBERS
ARE SET FORTH ON THE INSIDE COVER PAGE

The Bonds will be subject to optional, extraordinary optional and mandatory sinking fund redemption prior to maturity as described herein.

INVESTMENT IN THE BONDS INVOLVES A SIGNIFICANT DEGREE OF RISK AND EACH PROSPECTIVE INVESTOR SHOULD CONSIDER ITS FINANCIAL CONDITION AND THE RISKS INVOLVED TO DETERMINE THE SUITABILITY OF INVESTING IN THE BONDS. THE BONDS ARE BEING OFFERED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND (2) "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF THE SECURITIES ACT. EACH INITIAL PURCHASER OF THE BONDS SHALL DELIVER AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM OF APPENDIX H HERETO. UPON A TRANSFER OF A BENEFICIAL OWNERSHIP INTEREST IN A BOND, EACH PURCHASER OF SUCH BENEFICIAL OWNERSHIP INTEREST SHALL BE DEEMED TO HAVE CERTIFIED TO THE BOND TRUSTEE AND ACKNOWLEDGED, REPRESENTED AND AGREED WITH THE BORROWER AND THE PLACEMENT AGENT THAT SUCH PURCHASER IS ACQUIRING SUCH BOND FOR ITS OWN ACCOUNT, AND THAT IT IS (A) A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED ABOVE, OR (B) AN "ACCREDITED INVESTOR," AS DEFINED ABOVE.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE ISSUER UNDER THE LOAN AGREEMENT AND THE SERIES 2022 MASTER NOTES AND BY THE BOND TRUSTEE PURSUANT TO OTHER FINANCING DOCUMENTS DESCRIBED HEREIN, AND DO NOT AND WILL NOT CONSTITUTE A DEBT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION, AGENCY, OR INSTRUMENTALITY THEREOF OTHER THAN THE LIMITED OBLIGATION OF THE ISSUER AS AFORESAID. NEITHER THE GENERAL CREDIT OF THE ISSUER NOR THE CREDIT OR TAXING POWER OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION, AGENCY OR INSTRUMENTALITY THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, INTEREST OR PREMIUM, IF ANY, ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE LIMITED OFFERING MEMORANDUM TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION. AN INVESTMENT IN THE BONDS INVOLVES SUBSTANTIAL RISK. SEE "RISK FACTORS" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE BONDS.

The Bonds offered by this Limited Offering Memorandum are offered when, as and if issued and accepted by the Placement Agent, subject to prior sale, withdrawal, or modification of the offer without notice, and subject to the approval of legality by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel.

Certain legal matters will be passed upon for the Borrower by Salter Feiber, P.A., Gainesville, Florida, for the Issuer by Chandler, Lang, Haswell & Cole, P.A., Gainesville, Florida, and for the Placement Agent by Hawkins Delafield & Wood LLP, Tampa, Florida. It is expected that delivery of the Bonds in definitive form will be made against payment therefor in New York, New York through the facilities of DTC on or about January __, 2022.



Dated: January __, 2022

\$83,600,000
ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022A

AMOUNTS, MATURITIES, INTEREST RATES, PRICES AND CUSIP[†] NUMBERS

\$83,600,000 5.00% Term Bonds due November 15, 2061, Price 100%, CUSIP[†] _____

and

\$7,000,000
ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
TAXABLE HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022B

AMOUNTS, MATURITIES, INTEREST RATES, PRICES AND CUSIP[†] NUMBERS

\$7,000,000 6.50% Term Bonds due November 15, 2033, Price 100%, CUSIP[†] _____

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer, the Placement Agent or the Borrower, and are included solely for the convenience of the holders of the Bonds. None of the Issuer, the Placement Agent or the Borrower are responsible for the selection or use of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as indicated above.

No dealer, broker, salesperson or other person has been authorized by the Alachua County Health Facilities Authority (the “Issuer”), Bonita Springs Retirement Village, Inc. (the “Borrower”) or the Placement Agent to give any information or to make any representations with respect to the Bonds, other than those in this Limited Offering Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information set forth herein has been obtained from the Borrower, DTC, and other sources that are believed to be reliable, but the Placement Agent does not guarantee the accuracy or completeness of the information, and the information is not to be construed as a representation by the Placement Agent. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof.

UMB Bank, N.A., in each of its capacities, including, but not limited to, as Bond Trustee, Master Trustee, bond registrar, and paying agent, has not participated in the preparation of this Limited Offering Memorandum, or provided, reviewed, or approved any information in this Limited Offering Memorandum and makes no representation as to the contents, accuracy, fairness or completeness of this Limited Offering Memorandum. UMB Bank, N.A. has not evaluated the risks or propriety of any investment in the Bonds; and UMB Bank, N.A. makes no representation as to the suitability or investment quality of the Bonds for any investor, the technical or financial feasibility or performance of the Borrower’s business, or compliance with any securities, tax or other laws or regulations, about all of which UMB Bank, N.A. expresses no opinion and expressly disclaims the expertise to evaluate.

The Issuer neither has nor assumes responsibility for any information in this Limited Offering Memorandum, except for the information under the captions “THE ISSUER” and “LITIGATION – The Issuer.” Although this Limited Offering Memorandum contains information from sources believed to be reliable, the Issuer makes no representations as to the contents of this Limited Offering Memorandum other than those referenced above. THE ISSUER ASSUMES NO RESPONSIBILITY FOR THE ACCURACY, SUFFICIENCY OF DISCLOSURE OR COMPLETENESS OF ANY INFORMATION PROVIDED BY THE BORROWER, THE BOND TRUSTEE, THE MASTER TRUSTEE OR ANY OTHER PERSON.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND INDENTURE OR THE MASTER INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN SUCH STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

Cautionary Statement Regarding Forward-Looking Statements In This Limited Offering Memorandum

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS,

PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE OBLIGATED GROUP DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS OCCUR ARE BASED.

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LIMITED OFFERING MEMORANDUM
Relating to
\$90,600,000
ALACHUA COUNTY HEALTH FACILITIES AUTHORITY
HEALTH FACILITIES REFUNDING REVENUE BONDS
(TERRACES AT BONITA SPRINGS PROJECT), SERIES 2022
consisting of:

\$83,600,000
Series 2022A
Tax-Exempt
Fixed Rate Bonds

\$7,000,000
Series 2022B
Taxable
Fixed Rate Bonds

Dated: Date of Delivery

Due: November 15, as shown on the inside front cover

INTRODUCTION

The description and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each document. Until the issuance and delivery of the Bonds (as defined below), copies of drafts of the documents described herein may be obtained from RBC Capital Markets, LLC (the "Placement Agent"). After delivery of the Bonds, copies of the executed documents will be available for inspection at the principal corporate trust office of UMB Bank, N.A., as trustee (the "Bond Trustee"). See APPENDIX D for definitions of certain capitalized words and terms used herein.

Purpose of this Limited Offering Memorandum

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the issuance by the Alachua County Health Facilities Authority (the "Issuer") of its \$83,600,000 Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022A (the "Series 2022A Bonds") and its \$7,000,000 Taxable Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022B (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Bonds").

The Bonds are being issued pursuant to Chapter 154, Part III, Florida Statutes, as amended and supplemented, and other applicable provisions of law (collectively, the "Act"). The Bonds are being issued pursuant to a Bond Trust Indenture, dated as of January 1, 2022 (the "Bond Indenture"), between the Issuer and the Bond Trustee.

Use of Proceeds

The Bonds are being issued at the request of Bonita Springs Retirement Village, Inc. (the "Borrower"), a Florida not-for-profit corporation and an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

The Issuer will loan the proceeds of the Bonds to the Borrower pursuant to a Loan Agreement, dated as of January 1, 2022 (the "Loan Agreement"), primarily for the purposes of: (i) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (ii) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (iii) funding a portion of interest on the Bonds; (iv) funding an operating reserve fund relating to the Bonds; (v) funding a debt service reserve fund relating to the Bonds; and (vi) paying all or a portion of the costs related to the issuance of the Bonds.

See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

The Borrower

The Borrower is a Florida not-for-profit corporation formed in 2008 for the purpose of providing housing and other support and related services to aged persons. The Borrower received a determination letter from the Internal Revenue Service on February 5, 2009 stating that it is an organization exempt from federal income tax under Section 501(c)(3) (a “qualified 501(c)(3) organization”) of the Code. The Borrower is controlled by SantaFe HealthCare, Inc. (“SFHC”), a charitable organization described under Section 501(c)(3) of the Code based in Gainesville, Florida. The Borrower is governed by its board of directors, which manages the business and operations of the Borrower and is controlled by the board of directors of SFHC via reserved powers. SantaFe Senior Living, Inc. (“SFSL”), an affiliate of SFHC, a charitable organization described under Section 501(c)(3) of the Code, also based in Gainesville, Florida, provides certain management services to the Community. **Neither SFSL, nor SFHC, nor any of its affiliates other than the Borrower, is a Member of the Obligated Group. Neither SFSL, nor SFHC, nor any of its affiliates other than the Borrower, is liable for payment of interest, principal and premium, if any, on the Bonds.**

Further information regarding the Borrower and its affiliates is included in APPENDIX A and APPENDIX B hereto.

Security for the Bonds

General. The payment obligations of the Borrower to the Issuer pursuant to the Loan Agreement with respect to the (i) Series 2022A Bonds will be evidenced and secured by a master promissory note (the “Series 2022A Master Note”) and (ii) Series 2022B Bonds will be evidenced and secured by a master promissory note (the “Series 2022B Master Note,” and together with the Series 2022A Master Note, the “Series 2022 Master Notes”), each issued by the Borrower, as Obligated Group Representative, under Supplement No. 1 to the Master Indenture, dated as of January 1, 2022 (the “Supplement”), between the Borrower, as the Obligated Group Representative, and the Master Trustee, in a principal amount equal to the aggregate principal amount of the Bonds.

Pursuant to the Bond Indenture, the Issuer will pledge and assign to the Bond Trustee all of its rights and interest under the Loan Agreement (except for certain Reserved Rights) and the Series 2022 Master Notes.

The Series 2022 Master Notes will entitle the Bond Trustee, as the holder thereof, to the protection of the covenants, restrictions and other obligations imposed upon the Obligated Group by the Master Indenture. The obligation of the Obligated Group to make payments on the Series 2022 Master Notes are each a joint and several obligation of the Borrower and any future Member of the Obligated Group. The Series 2022 Master Notes will be payable equally, ratably and on a parity with any future Senior Obligations (as defined in the Master Indenture) issued under the Master Indenture from time to time. The Master Indenture allows for the issuance of Subordinate Obligations (as defined in the Master Trust Indenture) to secure certain Subordinated Indebtedness (as defined in the Master Trust Indenture), which Subordinated Indebtedness shall be subordinated to the timely payment of all Senior Obligations thereunder. See “SECURITY FOR THE SERIES 2022 MASTER NOTES – General.” and APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS” herein.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM PAYMENTS RECEIVED BY THE ISSUER UNDER THE LOAN AGREEMENT AND THE SERIES 2022 MASTER NOTES AND BY THE BOND TRUSTEE PURSUANT TO CERTAIN OTHER FINANCING DOCUMENTS DESCRIBED HEREIN, BY RECOURSE TO THE MORTGAGE AND FROM MONEYS PLEDGED UNDER THE BOND INDENTURE AS DESCRIBED HEREIN AND SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE, AND DO NOT AND WILL NOT CONSTITUTE A DEBT OF, THE STATE OF FLORIDA (THE “STATE”), ALACHUA COUNTY, FLORIDA (THE “COUNTY”), THE CITY OF BONITA SPRINGS, FLORIDA (THE “CITY”) OR ANY POLITICAL SUBDIVISION, AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN THE LIMITED OBLIGATION OF THE ISSUER AS AFORESAID. NONE OF THE GENERAL CREDIT OF THE ISSUER NOR THE CREDIT OR TAXING POWER OF THE STATE, THE COUNTY, THE CITY OR ANY POLITICAL SUBDIVISION, AGENCY OR

INSTRUMENTALITY THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, INTEREST OR PREMIUM, IF ANY, ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Revenues and Mortgaged Property. In accordance with the Master Indenture, the Obligated Group has granted to the Master Trustee a security interest in, among other things, the Gross Revenues (as defined in the Master Indenture) to secure the Series 2022 Master Notes and other Obligations issued thereunder from time to time. See “SECURITY FOR THE SERIES 2022 MASTER NOTES” herein.

In addition, as security for all Obligations issued and outstanding under the Master Indenture, the Borrower has granted to the Master Trustee a mortgage lien on and security interest in the Community, including the site on which it is located (the “Mortgaged Property”) subject to Permitted Encumbrances. See “SECURITY FOR THE SERIES 2022 MASTER NOTES – The Mortgage” and APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS” herein.

Bondholders’ Risks

AN INVESTMENT IN THE BONDS INVOLVES SUBSTANTIAL RISK. A BONDHOLDER IS ADVISED TO READ “DESCRIPTION OF THE BONDS – Security for the Bonds,” “SECURITY FOR THE SERIES 2022 MASTER NOTES” AND “RISK FACTORS” HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE BONDS. Careful consideration should be given to these risks and other risks described elsewhere in this Limited Offering Memorandum. Among other things, since the Bonds are payable solely from the revenues of the Obligated Group and other moneys pledged to such payment, careful evaluation should be made of certain factors that may adversely affect the ability of the Obligated Group to generate sufficient revenues to pay expenses of operation, and the principal of, premium, if any, and interest on the Bonds.

THE COMMUNITY

The Community is located on approximately 20 acres of land off Tamiami Trail (US-41) in Bonita Springs, Florida (the “Community Site”). The Community consists of 144 independent living apartment-style residences (the “Independent Living Units”), in one-, two-, and three-bedroom configurations housed in a six-story building. The Community also consists of 49 residential-style assisted living apartments (the “Assisted Living Units”), 18 memory support assisted living suites (the “Memory Support Units”), and a nursing facility including 40 private nursing beds, (the “Health Center”). Each level of care has its own common and support areas; however, all residents of the Community are served by a main kitchen. Approximately 144 detached garages and 218 open surface parking spaces support the Community. The Community is approximately 385,000 gross square feet.

SFSL provides management services to the Community pursuant to the terms of an Administrative Services Agreement, dated as of March 3, 2017, between the Borrower and SFSL, as amended from time to time (the “Management Agreement”). Pursuant to the Management Agreement, SFSL provides certain administrative services including corporate management, human resources, legal, treasury, accounting, internal audit, financial reporting, regulatory compliance, federal and state tax, information technology, communication, risk management and insurance consultation, design and construction, recordkeeping, and certain other services as agreed upon by the Borrower and SFSL.

See “THE COMMUNITY” in APPENDIX A hereto for more information about the Community and SFSL.

PLAN OF FINANCE

The proceeds to be received by the Issuer from the sale of the Bonds will be loaned to the Borrower primarily for the purposes of: (i) refunding the Refunded Bonds; (ii) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) the Project; (iii) funding a portion of interest on the Bonds; (iv) funding an operating reserve fund relating to the Bonds; (v) funding a debt service reserve fund relating to the Bonds; and (vi) paying all or a portion of the costs related to the issuance of the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the issuance of the Bonds are summarized in the following table. The footnotes following the table are an integral part of the table and should be read in conjunction therewith.

Sources of Funds	Series 2022A Bonds	Series 2022B Bonds	Total
Par Amount of Bonds	\$83,600,000	\$7,000,000	\$90,600,000
Equity Contribution			
Funds Released from			
Refunded Bonds			
Total Sources of Funds			
Uses of Funds			
Refunding of Refunded Bonds			
Project Fund			
Capitalized Interest Fund			
Debt Service Reserve Fund			
Operating Reserve Fund			
Costs of Issuance ⁽¹⁾			
Total Uses of Funds			

⁽¹⁾ Includes Placement Agent's fee, legal and accounting fees, trustee fees and other costs associated with the issuance of the Bonds.

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ESTIMATED DEBT SERVICE SCHEDULE

The following table sets forth the estimated amounts required for the payment of principal of the Bonds at maturity or by mandatory sinking fund redemption for each Fiscal Year ending December 31.

Fiscal Year Ending December 31,	Series 2022A Bonds		Series 2022B Bonds		Total Debt Service
	<u>Principal*</u>	<u>Interest</u>	<u>Principal*</u>	<u>Interest</u>	
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
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2054					
2055					
2056					
2057					
2058					
2059					
2060					
2061					
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

THE ISSUER

The Issuer is a public body corporate and politic created under the Act. The Issuer is authorized to issue revenue bonds to finance or refinance a variety of health care facilities located within Alachua County, Florida (the “County”), or, if it finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, issue bonds for such health facility to finance projects for such health facility, or for another not for profit corporation under common control with such health facility, located outside the geographical limits of the local agency or outside this state, in order to improve the prosperity and welfare of the State of Florida (the “State”) and its inhabitants and to improve living conditions and health care. The Issuer adopted a bond resolution on January __, 2022, authorizing the issuance of the Bonds.

The Issuer has not undertaken to review this Limited Offering Memorandum nor has it assumed any responsibility for the matters contained herein except solely as to matters relating to the Issuer. All findings and determinations by the Issuer have been made for its own internal uses and purposes in performing its duties under the Act. Notwithstanding its approval of the Bonds for purposes of Section 147(f) of the Code, the Issuer does not endorse or in any manner, directly or indirectly, guarantee or promise to pay the Bonds from any source of funds or guarantee, warrant or endorse the creditworthiness or credit standing of the Borrower or in any manner guarantee, warrant or endorse the investment quality or value of the Bonds. The Bonds are payable solely as described in this Limited Offering Memorandum and are not in any manner payable wholly or partially from any funds or properties otherwise belonging to the Issuer. By its issuance of the Bonds, the Issuer does not in any manner, directly or indirectly, guarantee, warrant or endorse the creditworthiness of the Borrower or the investment quality or value of the Bonds.

The Issuer has not participated in the preparation of this Limited Offering Memorandum and makes no representation with respect to the accuracy or completeness of any of the material contained in this Limited Offering Memorandum other than in this section and the section entitled “LITIGATION – Issuer.” The Issuer is not responsible for providing any purchaser of the Bonds with any information relating to the Bonds or any of the parties or transactions referred to in this Limited Offering Memorandum or for the accuracy or completeness of any such information obtained by any purchaser.

[ISSUER’S COUNSEL TO CONFIRM NO UPDATES TO THIS SECTION NEEDED]

DESCRIPTION OF THE BONDS

The Bonds will be issued pursuant to the Bond Indenture and the proceeds of the Bonds will be loaned to the Borrower pursuant to the Loan Agreement. Contemporaneously with the issuance of the Bonds and to secure repayment of the loan made by the Issuer to the Borrower under the Loan Agreement, the Borrower, on behalf of the Obligated Group, will issue and deliver to the Issuer the Series 2022 Master Notes.

General

The Bonds are issuable only as fully registered bonds in the denomination of \$100,000 and integral multiples of \$5,000 above \$100,000. The Bonds will be dated their date of delivery and will bear interest from their date of delivery, payable semiannually on May 15 and November 15 of each year (each an “Interest Payment Date”), commencing May 15, 2022, at the rates and with the maturities set forth on the inside cover page of this Limited Offering Memorandum.

So long as the Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), principal of, premium, if any, and interest on the Bonds will be paid as described in “BOOK-ENTRY ONLY SYSTEM” in APPENDIX G hereto. The following information is subject in its entirety to the provisions described in APPENDIX G hereto.

In the event the Bonds are no longer held in a book-entry only system, payment of the principal or redemption price on the Bonds will be made at the designated corporate trust office of the Bond Trustee and interest

on all the Bonds will be payable to the registered owner as of the Regular Record Date by check or draft mailed to such registered owner. The Regular Record Date for the Bonds for the payment of interest is the first day (whether or not a Business Day) of the month preceding each Interest Payment Date. Interest due on any Interest Payment Date may also be paid by wire transfer in immediately available funds to an account in any member bank of the Federal Reserve System designated in writing by any registered owner of the Bonds in the aggregate principal amount of \$1,000,000 or more, not less than fifteen (15) days prior to the applicable Interest Payment Date.

Optional Redemption

Series 2022A Bonds. The Series 2022A Bonds are subject to optional redemption prior to maturity at the option of the Issuer, at the written direction of the Borrower, as representative of the Obligated Group, on or after November 15, 2029, at any time in whole or in part by lot (subject to the requirements of the Bond Indenture and the operational requirements of DTC), upon payment of the following redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date:

<u>Redemption Period</u> <u>(Dates Inclusive)</u>	<u>Redemption Price</u>
November 15, 2029 through November 14, 2030	103%
November 15, 2030 through November 14, 2031	102
November 15, 2031 through November 14, 2032	101
November 15, 2032 and thereafter	100

Series 2022B Bonds. The Series 2022B Bonds are subject to optional redemption prior to maturity at any time, a whole or in part by lot (subject to the requirements of the Bond Indenture and the operational requirements of DTC), at a Make-Whole Redemption Price equal to the greater of:

- (1) 100% of the principal amount of the Series 2022B Bonds to be redeemed; or
- (2) The sum of the present values of the remaining schedule payments of principal and interest on the Series 2022B Bonds to be redeemed (exclusive of interest accrued to the date fixed for redemption), discounted to the date on which the Series 2022B Bonds are to be redeemed on a semi-annual basis (assuming a 360 day year consisting of twelve 30-day months), at the Treasury Rate, plus 25 basis points, plus, in each case, accrued interest on the Series 2022B Bonds being redeemed to the date fixed for redemption.

“Treasury Rate” shall mean, with respect to any redemption date for a particular Series 2022B Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least 2 Business Days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market date)) most nearly equal to the period from the redemption date to the [Par Call Date]; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Extraordinary Optional Redemption

The Bonds are subject to redemption prior to maturity at the option of the Issuer at the direction of the Obligated Group Representative, in whole or in part at any time, upon payment of a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, but only in the event all or a portion of the Project Facilities (as defined in the Bond Indenture) are damaged, destroyed, condemned or sold under threat of condemnation and it is determined by the Borrower that repair or reconstruction is not desirable, practical or financially feasible, from and to the extent of insurance proceeds or condemnation awards or proceeds of any sale under threat of condemnation received by the Bond Trustee, as a result of such damage, destruction, condemnation or sale under threat of condemnation.

Mandatory Sinking Fund Redemption

Series 2022A Bonds. The Series 2022A Bonds shall be subject to mandatory redemption prior to maturity, in part, in direct order of maturity, and within a maturity as chosen by the Bond Trustee by lot (subject to the operational requirements of DTC), on the dates and in the amounts set forth in the following table, but only from money required to be deposited therefor in the Sinking Fund Account of the Debt Service Fund established under the Bond Indenture, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date:

Redemption Date (November 15)	Amount
_____	\$ _____
_____	_____
_____†	_____

† Final Maturity

Series 2022B Bonds. The Series 2022B Bonds shall be subject to mandatory redemption prior to maturity, in part, in direct order of maturity, and within a maturity as chosen by the Bond Trustee by lot (subject to the operational requirements of DTC), on the dates and in the amounts set forth in the following table, but only from money required to be deposited therefor in the Sinking Fund Account of the Debt Service Fund established under the Bond Indenture, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date:

Redemption Date (November 15)	Amount
_____	\$ _____
_____	_____
_____†	_____

† Final Maturity

As described in the Bond Indenture, the principal amount of the Bonds otherwise required to be redeemed by mandatory sinking fund redemption may be reduced by the principal amount of such Bonds theretofore delivered to the Bond Trustee in lieu of cash under the Loan Agreement or purchased by the Bond Trustee out of moneys in the Sinking Fund Account of the Debt Service Fund established under the Bond Indenture and which have not been applied previously as a credit against any sinking fund installment. In addition, the principal amount of the Bonds otherwise required to be redeemed may also be reduced by the application to such redemption obligation of a partial optional redemption of such Bonds in the manner designated by the Issuer, at the direction of the Borrower.

The redemption price of any Bonds redeemed by mandatory sinking fund redemption may be paid by wire transfer in immediately available funds to an account in any member bank of the Federal Reserve System designated in writing by the Owner of Bonds in an aggregate principal amount of \$1,000,000 or more, not less than 15 days prior to the applicable redemption date.

Selection of the Bonds to be Redeemed

In the case of any optional or extraordinary optional redemption of the Bonds subject to mandatory sinking fund redemption prior to maturity, the Issuer at the direction of the Borrower is entitled under the Bond Indenture to designate whether such payments should be credited against the principal amounts due at maturity or against particular mandatory redemption obligations with respect to the Bonds.

In the case of any optional or extraordinary optional redemption of Bonds in part, the Bond Indenture provides that the Bonds shall be redeemed in any order of maturities and in any amount within each maturity as

directed by the Borrower, and the Borrower is entitled (but not obligated) to select the Bonds or portions thereof within any maturity to be redeemed, but in the absence of such selection, the Bonds of any maturity to be redeemed shall be selected by the Bond Trustee by lot (subject to the operational requirements of DTC).

The selection of book-entry interests in the Bonds to be redeemed is the responsibility of DTC, Direct Participants and Indirect Participants. See APPENDIX G – “BOOK-ENTRY ONLY SYSTEM.”

Notice of Redemption

Notice of any redemption of the Bonds pursuant to the above provisions will be mailed by Electronic Notice or first-class mail to the Owners of any of the Bonds or portion of the Bonds to be redeemed at the address shown on the Bond Register not less than 20 days nor more than 60 days prior to the redemption date. No defect in any mailed notice or in the mailing thereof (including the failure to mail any notice) shall affect the validity of the redemption of other Bonds for which proper notice of redemption has been given. Any Bonds or portions thereof so called for redemption will be due and payable at the designated corporate trust office of the Bond Trustee, at the applicable redemption price. From and after the date so fixed for redemption, interest on such Bonds or portions thereof will cease to accrue. Notice of any redemption of the Bonds may be conditioned upon certain events or may be rescinded and, in cases where such events do not occur or the notice is rescinded, such notice shall be of no effect and such Bonds shall remain Outstanding and interest thereon shall continue to accrue. If less than all the Bonds of a maturity are to be redeemed, the Bond Trustee shall select the Bonds to be redeemed by lot (subject to the operational requirements of DTC).

Notice of the call for redemption of the Bonds held under a book entry system will be sent by the Bond Trustee only to DTC or its nominee as registered owner. Notice of redemption to the owners of the Bonds called for redemption is the responsibility of DTC, Direct Participants, and Indirect Participants. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or any Indirect Participant to notify the book entry interest owners, of any such notice and its content or effect will not affect the validity of any proceedings for the redemption of the Bonds. See APPENDIX G – “BOOK-ENTRY ONLY SYSTEM” attached hereto.

Security for the Bonds

The Bonds will be limited obligations payable solely from (i) payments or prepayments on the Series 2022 Master Notes; (ii) payments or prepayments made under the Loan Agreement; (iii) moneys held by the Bond Trustee in the funds and accounts established in the Bond Indenture; (iv) in certain circumstances, proceeds from insurance and condemnation awards or proceeds of sales made under the threat of condemnation; and (v) net amounts derived by recourse to the Mortgage (as hereinafter defined).

Pursuant to the Bond Indenture, the Issuer will assign and pledge to the Bond Trustee, for the equal and proportionate benefit, security and protection of the Owners from time to time of the Bonds issued under the Bond Indenture, except as otherwise expressly provided in the Bond Indenture, all right, title and interest of the Issuer in and to the Trust Estate, which consists of: (a) the Loan Agreement and the Series 2022 Master Notes; (b) the Pledged Revenues; (c) all moneys and investments in the funds and accounts created under the Bond Indenture (including all income and receipts earned on the funds and accounts held by the Bond Trustee under the Bond Indenture), other than amounts on deposit in the Rebate Fund; and (d) all other property rights of any kind assigned to the Bond Trustee as security; subject, however, in each case, to the Reserved Rights of the Issuer as set forth in the Bond Indenture, which Reserved Rights include the payment of the Issuer’s fees and expenses pursuant to the Loan Agreement, the indemnification of the Issuer pursuant thereto, and the right to grant consents and approvals under the Loan Agreement and the Bond Indenture.

The Loan Agreement provides that the Borrower shall make designated payments to the Bond Trustee in amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when due. The Obligated Group’s obligation to make payments on the Series 2022 Master Notes shall be satisfied to the extent payments are made by the Borrower under the Loan Agreement. The Loan Agreement will also impose certain restrictions on the actions of the Borrower for the benefit of the Issuer and the owners of the Bonds. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS” attached hereto.

Holders of the Bonds are also entitled to the security of the Mortgage, as further described in “SECURITY FOR THE SERIES 2022 MASTER NOTES – The Mortgage” herein.

Limited Obligations

The Bonds of each series and the interest thereon are limited obligations of the Issuer, payable solely from and secured exclusively by certain payments to be made by the Borrower under the Loan Agreement and certain other funds held by the Bond Trustee under the Bond Indenture and not from any other fund or source of the Issuer.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER. THE PRINCIPAL AND INTEREST ARE PAYABLE SOLELY OUT OF CERTAIN PAYMENTS UNDER THE LOAN AGREEMENT BETWEEN THE ISSUER AND THE BORROWER AND THE RELATED SERIES 2022 MASTER NOTES ISSUED UNDER THE MASTER INDENTURE AS DESCRIBED HEREIN, BY RECOURSE TO THE MORTGAGE AND FROM MONEYS PLEDGED UNDER THE BOND INDENTURE AS DESCRIBED HEREIN. THE BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE, AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE, THE COUNTY, THE CITY, THE ISSUER OR ANY POLITICAL SUBDIVISION OF THE STATE, THE COUNTY OR THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND DO NOT CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE, THE COUNTY, THE CITY, THE ISSUER OR ANY POLITICAL SUBDIVISION OF THE STATE, THE COUNTY OR THE CITY, OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE, THE COUNTY, THE CITY, THE ISSUER OR ANY POLITICAL SUBDIVISION OF THE STATE, THE COUNTY OR THE CITY. THE ISSUER HAS NO TAXING POWER.

Debt Service Reserve Fund for the Bonds

The Bond Indenture creates and establishes with the Bond Trustee a Debt Service Reserve Fund (the “Reserve Fund”) with respect to the Bonds. Within the Debt Service Reserve Fund there is created and established two separate Reserve Accounts: (i) the Series 2022A Reserve Account and the (ii) the Series 2022B Reserve Account. Each Reserve Account shall be established and maintained at the applicable Reserve Requirement defined in the Bond Indenture as (1) with respect to the Series 2022A Bonds, an amount equal to \$5,442,200, and (2) with respect to the Series 2022B Bonds, an amount equal to \$630,500.

Moneys on deposit in the Series 2022A Reserve Account will be used solely to provide a reserve for the payment of the principal of and interest on the Series 2022A Bonds. Moneys on deposit in the Series 2022B Reserve Account will be used solely to provide a reserve for the payment of the principal of and interest on the Series 2022B Bonds. See “FORM OF BOND INDENTURE – Debt Service Reserve Fund” in APPENDIX D hereto.

In the event that monies set forth in the Debt Service Fund and the Funded Interest Account of the Project Fund established under the Bond Indenture are insufficient on any date to pay the interest, principal, premium or purchase price of the Bonds, the Bond Trustee shall withdraw from the Debt Service Reserve Fund the monies necessary to make up the deficiency. Any such withdrawal shall constitute an Event of Default under the Bond Indenture.

If the amount on deposit in any account of the Debt Service Reserve Fund is less than the applicable Reserve Requirement, whether as a result of a withdrawal or a decline in market value (as determined on each valuation date required pursuant to the Bond Indenture), the Bond Trustee shall notify the Borrower of such deficiency and the Borrower shall be required pursuant to the Loan Agreement to fund such deficiency with the Bond Trustee.

The Loan Agreement

Under the Loan Agreement, the Borrower will make loan payments with respect to the Bonds in accordance with the Bond Indenture and the Loan Agreement directly to the Bond Trustee for deposit in the

appropriate account of the Bond Fund. The Borrower will make loan payments with respect to the Bonds as follows:

- (i) On or before the first Business Day of each month, an amount equal to one-sixth of the installment of interest on the Bonds becoming due on the immediately succeeding Interest Payment Date, subject to credit for other available funds in the manner provided in the Bond Indenture, plus any deficiencies for any previous month's deposit on a pro rata basis based on the required amounts until the balance in said account is equal to said aggregate amount of interest; provided that from the date of delivery of the Bonds until the first Interest Payment Date with respect to the Bonds (if less than six months), transfers to the Interest Account shall be sufficient on a monthly pro rata basis to pay the interest becoming due and payable on said Interest Payment Date.
- (ii) On or before the first Business Day of each month, commencing November 1, 2032 (with respect to the Series 2022A Bonds), and commencing November 1, 2026 (with respect to the Series 2022B Bonds), an amount equal to one-twelfth of the principal of Bonds becoming due, whether at maturity or by mandatory sinking fund redemption, on the immediately succeeding November 15, subject to credit for other available funds in the manner provided in the Bond Indenture.
- (iii) Commencing on the first Business Day of the seventh month following notice from the Bond Trustee pursuant to the Bond Indenture that the amounts on deposit in the Debt Service Reserve Fund are less than the Reserve Requirement, and on the first Business Day of each month thereafter for twelve consecutive months, an amount equal to one-twelfth of such deficiency.

Payments received under the Series 2022 Master Notes shall be credited against the foregoing. In addition, in lieu of a portion of the payments described above, the Borrower, or, at its direction, the Issuer, or the Bond Trustee, may purchase for cancellation Bonds of the maturity next becoming due at maturity or upon mandatory redemption, subject to the applicable requirements set forth in the Bond Indenture.

See "FORMS OF THE PRINCIPAL FINANCING DOCUMENTS – FORM OF LOAN AGREEMENT" in APPENDIX D hereto.

SECURITY FOR THE SERIES 2022 MASTER NOTES

General

The obligations of the Borrower under the Loan Agreement will be secured by the Series 2022 Master Notes, which will be issued and secured under the Master Indenture. The Series 2022 Master Notes will entitle the Bond Trustee, as the holder of the Series 2022 Master Notes, to the protection and benefit of the covenants, restrictions and other obligations imposed on the Obligated Group by the Master Indenture. The Series 2022 Master Notes will be payable equally, ratably and on a parity with any future Senior Obligations issued under the Master Indenture from time to time. The Master Indenture allows for the issuance of Subordinate Obligations to secure certain Subordinated Indebtedness, which Subordinated Indebtedness shall be subordinated to the timely payment of all Senior Obligations thereunder. See APPENDIX D – "FORMS OF THE PRINCIPAL FINANCING DOCUMENTS – FORM OF MASTER TRUST INDENTURE" [NTD- CHECK ALL X REFS] attached hereto.

The Master Indenture

At the time of issuance of the Bonds, the Series 2022 Master Notes and any other Obligations hereafter issued and outstanding under the Master Indenture are and will be joint and several obligations of the Borrower and any future Obligated Group Member. Pursuant to the Master Indenture, the Obligated Group has pledged and granted to the Master Trustee (a) a security interest in all personal property owned or hereafter acquired by the Obligated Group; (b) a security interest in all of Gross Revenues of the Obligated Group, with certain limited exceptions; (c) a security interest in the funds and accounts established under the Master Indenture, and (d) a security interest in any other property from time to time subjected to the lien of the Master Indenture. "Gross Revenues" means all money, receipts, revenues, rentals, income, insurance proceeds (including, without limitation,

all Medicaid, Medicare and other third party payments), condemnation awards, Entrance Fees, Federal Subsidy Payments and other moneys received or receivable by or on behalf of any Obligated Group Member, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Facilities (including, without limitation, fees payable by or on behalf of residents of the Facilities) and all rights to receive the same (other than, to the extent precluded by applicable law, the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds received from (i) accounts, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) accounts receivable, general intangibles, contract rights, chattel paper, instruments and other rights and assets now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, and (c) gifts, grants, bequests, donations and contributions heretofore or hereafter made that are legally available to meet any of the obligations of the Obligated Group Member; provided, however, that there shall be excluded from Gross Revenues (i) all such items, whether now owned or hereafter acquired by the Obligated Group Members, which by their terms or by reason of applicable law cannot be granted, assigned or pledged hereunder or which would become void or voidable if granted, assigned or pledged hereunder by the Obligated Group Members, or which cannot be granted, pledged or assigned hereunder without the consent of other parties whose consent is not secured, or without subjecting the Master Trustee to a liability not otherwise contemplated by the provisions hereof, or which otherwise may not be, or are not, hereby lawfully and effectively granted, pledged and assigned by the Obligated Group Members, (ii) any amounts received by an Obligated Group Member as a billing agent for another entity, except for fees received for serving as billing agent, (iii) gifts, grants, bequests, donations and contributions to an Obligated Group Member heretofore or hereafter made, and the income and gains derived therefrom, to the extent specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use for payments required under the Master Indenture, (iv) any moneys received by any Obligated Group Member from prospective residents or commercial tenants in order to pay for customized improvements to Independent Living Units or other areas of the Facilities to be occupied or leased to such residents or tenants, (v) all deposits made pursuant to Residency Agreements to be held in escrow until construction of the Facilities with respect to which such deposits have been made is completed, a certificate of occupancy with respect to such Facilities has been issued and appropriate licenses with respect to such Facilities, if required, have been issued, and (vi) all deposits and/or advance payments made in connection with any leases of Independent Living Units and received prior to receipt of all applicable certificates of occupancy and licenses of such Independent Living Units.

Notwithstanding limitations on and uncertainties as to enforceability of the covenant of each Obligated Group Member in the Master Indenture to be jointly and severally liable for each Obligation, the accounts of the Obligated Group Members will be combined for financial reporting purposes and will be used in determining whether the covenants and tests contained in the Master Indenture are met. See “RISK FACTORS -- Certain Matters Relating to the Enforceability of the Master Indenture.”

On the date of issuance of the Bonds, the Borrower will be the only Obligated Group Member under the Master Indenture. Upon the satisfaction of certain conditions, however, any Person may become an Obligated Group Member. Under certain conditions and upon meeting certain tests set forth in the Master Indenture, members of the Obligated Group may withdraw from the Obligated Group. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS.”

Under certain conditions specified in the Master Indenture, Members of the Obligated Group may issue additional Senior Obligations, which additional Senior Obligations will be equally and ratably secured by the Master Indenture with the Series 2022 Master Notes. In addition, the Master Indenture permits such additional Senior Obligations to be secured by security in addition to that provided for by the Series 2022 Master Notes, including letters or lines of credit or insurance, which additional security need not be extended to secure any other Obligations (including the Series 2022 Master Notes). Under certain conditions specified in the Master Indenture, Members of the Obligated Group may issue Subordinate Obligations to secure certain Subordinated Indebtedness, the payment on which Subordinated Indebtedness will be subordinate to payment on the Series 2022 Master Notes and any other additional Senior Obligations issued under the Master Indenture. The Master Indenture also permits each Member of the Obligated Group to incur other Indebtedness, and sell, lease or otherwise dispose of Property all upon the terms and conditions specified therein. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS.”

[DISCUSS POTENTIAL NEED TO DISCLOSE SECTION 8.07(E) OF MTI HERE OR ELSEWHERE

Also, the Master Indenture contains various financial covenants of the Obligated Group for the security of all Obligations issued thereunder. See “–Rate Covenant” in this section and APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS.”

The Mortgage

As security for all Obligations issued and outstanding under the Master Indenture, (i) the Borrower will deliver to the Master Trustee a Mortgage and Security Agreement, dated as of January 1, 2022 (the “Mortgage”), pursuant to which it grants the Master Trustee a mortgage lien on and security interest in the Mortgaged Property, subject to Permitted Encumbrances. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS” herein. The Obligated Group has agreed in the Master Indenture that it will not permit liens upon any of its Property other than Permitted Encumbrances pursuant to the Master Indenture. The Master Indenture permits Obligated Group Members to incur Indebtedness and to permit liens on their Property, if the Indebtedness or liens are of the types specified in the Master Indenture and/or if certain financial tests and ratios set forth therein are satisfied. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS” herein.

In connection with the issuance of the Bonds, _____ will issue a title insurance policy (the “Policy”) relating to the Mortgaged Property and an ALTA survey relating to the Mortgaged Property is being performed. The Policy will contain a standard survey exception for any matters that would be disclosed by current surveys and inspections of the Mortgaged Property. See also “RISK FACTORS – Liquidation of Security May Not be Sufficient in the Event of a Default,” “– Possible Limitations on The Mortgage,” and “– Environmental Matters” herein for additional risks associated with the Mortgage and the Mortgaged Property.

Rate Covenant

Pursuant to the Master Indenture, the Obligated Group has covenanted to operate its Facilities on a revenue producing basis and to charge such fees and rates for its Facilities and services and to exercise such skill and diligence, including obtaining payment for services provided, as to provide income from its Property together with other available funds sufficient to pay promptly all payments of principal and interest on its Indebtedness, all expenses of operation, maintenance and repair of its Property and all other payments required to be made by it under the Master Indenture to the extent permitted by law. The Obligated Group further covenants and agrees under the Master Indenture that it will from time to time as often as necessary and to the extent permitted by law, revise its rates, fees and charges in such manner as may be necessary or proper to comply with the provisions of the Master Indenture.

The Obligated Group Representative will calculate the Historical Debt Service Coverage Ratio of the Obligated Group for each June 30 and December 31 of each Fiscal Year commencing on June 30, 2023 (each a “Financial Covenant Testing Date”) and report the same in accordance with the Master Indenture.

If the Historical Debt Service Coverage Ratio of the Obligated Group for the Fiscal Year commencing with the Financial Covenant Testing Date of December 31, 2023, and for any December 31 Financial Covenant Testing Date thereafter through and including December 31, 2030 is less than 1.15:1, and thereafter is less than 1.20:1 (collectively, the “Debt Service Coverage Requirement”), the Obligated Group Representative, at the Obligated Group's expense, shall select a Consultant and notify the Master Trustee in writing of the selection within 30 days following the calculation described herein, and shall engage a Consultant in accordance with the Master Indenture to make recommendations with respect to the rates, fees and charges of the Members and the Obligated Group's methods of operation and other factors affecting its financial condition in order to increase such Historical Debt Service Coverage Ratio to the Debt Service Coverage Requirement for the following Financial Covenant Testing Date. **[DISCUSS – THIS WAS DISCUSSED WITH A SMALLER GROUP BUT IS INCONSISTENT WITH THE MTI AS CURRENTLY DRAFTED]**

Within 60 days of the actual engagement of any such Consultant, the Obligated Group Representative shall cause a copy of the Consultant's report and recommendations, if any, to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law. This provision shall not be construed to prohibit any Member from serving indigent residents to the extent required for such Member to continue its qualification as a Tax-Exempt Organization or from serving any other class or classes of residents without charge or at reduced rates so long as such service does not prevent the Obligated Group from satisfying the other requirements of this provision of the Master Indenture.

The foregoing provisions notwithstanding, if the Historical Debt Service Coverage Ratio of the Obligated Group for any Fiscal Year does not meet the levels required above, the Obligated Group shall not be obligated to select a Consultant to make such recommendations if: (i) there is filed with the Master Trustee (who shall provide a copy to each Required Information Recipient) a written report addressed to them of a Consultant which contains an opinion of such Consultant that applicable laws or regulations have prevented the Obligated Group from generating Income Available for Debt Service during such Fiscal Year sufficient to meet the requirements of the Master Indenture, and such report is accompanied by a concurring opinion of Independent Counsel as to any conclusions of law supporting the opinion of such Consultant; (ii) the report of such Consultant indicates that the rates charged by the Obligated Group are such that, in the opinion of the Consultant, the Obligated Group has generated the maximum amount of Revenues reasonably practicable given such laws or regulations; and (iii) the Historical Debt Service Coverage Ratio of the Obligated Group for such Fiscal Year was at least 1.00:1. The Obligated Group shall not be required to cause the Consultant's report referred to in the preceding sentence to be prepared more frequently than once every two Fiscal Years if at the end of the first of such two Fiscal Years the Obligated Group provides to the Master Trustee (who shall provide a copy to each Related Bond Trustee) an opinion of Independent Counsel to the effect that the applicable laws and regulations underlying the Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way.

An Event of Default arising under the Master Indenture with respect to the failure to achieve the required Historical Debt Service Coverage Ratio shall only occur if one or more of the following conditions applies:

(i) the Obligated Group (A) fails to achieve a Historical Debt Service Coverage Ratio of at least the Debt Service Coverage Requirement as of the December 31 [DISCUSS] Financial Covenant Testing Date, (B) fails to take all necessary action to comply with the procedures described under the Master Indenture for preparing a report, adopting a plan, and following all recommendations contained in such report or plan to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law, and (C) fails to achieve a Historical Debt Service Coverage Ratio of at least the Debt Service Coverage Requirement by the end of the second quarter following the receipt of the Consultant's report and recommendations and fails to engage a Successor Manager in accordance with the Master Indenture; or

(ii) the Obligated Group fails to achieve a Historical Debt Service Coverage Ratio of at least 1.00:1 for any two consecutive Financial Covenant Testing Dates.

In the event that any Member of the Obligated Group incurs any Additional Indebtedness for any Capital Addition, the Debt Service Requirements on such Additional Indebtedness and the Revenues and Expenses relating to the project or projects financed with the proceeds of such Additional Indebtedness shall be excluded from the calculation of the Historical Debt Service Coverage Ratio of the Obligated Group for the purposes of complying with the Master Indenture until the first full Fiscal Year following the later of (i) the estimated completion of the Capital Addition being paid for with the proceeds of such Additional Indebtedness provided that such completion occurs no later than six months following the completion date for such project set forth in the Consultant's report described in paragraph (A) below, or (ii) the first full Fiscal Year after which Stable Occupancy is achieved in the case of construction, renovation or replacement of senior living facilities or nursing facilities financed with the proceeds of such Additional Indebtedness, which Stable Occupancy shall be projected in the report of the Consultant referred to in paragraph (A) below to occur no later than during the fifth full Fiscal Year following the incurrence of such Additional Indebtedness, or (iii) the end of the fifth full Fiscal Year after the incurrence of such Additional Indebtedness, if the following conditions are met:

(A) there is delivered to the Master Trustee a report or opinion of a Consultant to the effect that the Projected Debt Service Coverage Ratio for the first full Fiscal Year following the later of (1) the estimated completion of the Capital Addition being paid for with the proceeds of such Additional Indebtedness, or (2) the first full Fiscal Year following the year in which Stable Occupancy is achieved in the case of construction, renovation or replacement of senior living facilities or nursing facilities being financed with the proceeds of such Additional Indebtedness, which Stable Occupancy shall be projected to occur no later than during the fifth full Fiscal Year following the incurrence of such Additional Indebtedness, will be not less than 1.25:1 after giving effect to the incurrence of such Additional Indebtedness and the application of the proceeds thereof; provided, however, that in the event that a Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for Members to produce the required ratio, then such ratio shall be reduced to the highest practicable ratio then permitted by such laws or regulations but in no event less than 1.00:1; provided, further, however, that in the event a Consultant's report is not required to incur such Additional Indebtedness, the Obligated Group may deliver an Officer's Certificate to the Master Trustee in lieu of the Consultant's report described in this subparagraph (A); and

(B) there is delivered to the Master Trustee an Officer's Certificate on the date on which financial statements are required to be delivered to the Master Trustee pursuant to the Master Indenture until the first Fiscal Year in which the exclusion from the calculation of the Historical Debt Service Coverage Ratio no longer applies, calculating the Historical Debt Service Coverage Ratio of the Obligated Group at the end of each Fiscal Year, and demonstrating that such Historical Debt Service Coverage Ratio is not less than 1.00:1, such Historical Debt Service Coverage Ratio to be computed without taking into account (1) the Additional Indebtedness to be incurred if (x) the interest on such Additional Indebtedness during such period is funded from proceeds thereof or other funds of the Member then on hand and available therefore, and (y) no principal of such Additional Indebtedness is payable during such period, and (2) the Revenues to be derived from the project to be financed from the proceeds of such Additional Indebtedness.

Liquidity Covenant

The Master Indenture requires that the Obligated Group Representative calculate the Days Cash on Hand of the Obligated Group as of each Financial Covenant Testing Date. The Obligated Group is required to conduct its business so that on each Financial Covenant Testing Date the Obligated Group shall have a no less than the Days Cash on Hand (the "Liquidity Requirement") in the amounts and on the Financial Covenant Testing Dates set forth in the following table:

Financial Covenant Testing Date	Requirement
June 30, 2022 and December 31, 2022	Minimum 90 Days Cash on Hand
June 30, 2023 and December 31, 2023	Minimum 120 Days Cash on Hand
June 30, 2024 and thereafter	Minimum 135 Days Cash on Hand

If the Days Cash on Hand as of any Financial Covenant Testing Date is less than the Liquidity Requirement, the Obligated Group Representative shall, within 30 days after delivery of the Officer's Certificate disclosing such deficiency, deliver an Officer's Certificate approved by a resolution of the Governing Body of the Obligated Group Representative to the Master Trustee setting forth in reasonable detail the reasons for such deficiency and adopting a specific plan setting forth steps to be taken designed to raise the level of Days Cash on Hand to the Liquidity Requirement for future Financial Covenant Testing Dates.

If the Obligated Group has not raised the level of Days Cash on Hand to the Liquidity Requirement by the next Financial Covenant Testing Date immediately subsequent to delivery of the Officer's Certificate required in the preceding paragraph, the Obligated Group Representative shall, within 30 days after receipt of the Officer's Certificate disclosing such deficiency, select a Consultant in accordance with the terms of the Master Indenture to make recommendations with respect to the rates, fees and charges of the Obligated Group and the Obligated Group's methods of operation and other factors affecting its financial condition in order to increase Days Cash on Hand to the Liquidity Requirement for future Financial Covenant Testing Dates. A copy of the Consultant's report and recommendations, if any, shall be filed with each Member and each Required Information Recipient within 60

days after the date such Consultant is actually engaged. The Obligated Group shall follow each recommendation of the Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

Notwithstanding any other provision in the Master Indenture, failure of the Obligated Group to achieve at least (i) 60 Days Cash on Hand at any time during Fiscal Year 2022, and (ii) 90 Days Cash on Hand at any time after Fiscal Year 2022 shall constitute an Event of Default under the Master Indenture.

Notwithstanding the above, in the event the Consultant issues a report and recommendation plan indicating that it will take longer than two fiscal quarters for the Obligated group to meet the Liquidity Requirement, the Obligated Group shall have through the time period indicated in the report and recommendation plan to become compliant.

Notwithstanding the above, if the Obligated Group fails to meet the Liquidity Requirement by the end of the second quarter after the Consultant's report and recommendation plan is provided, the Obligated Group Representative shall, at the direction of the Majority Holders, engage a Successor Manager in accordance with the Master Indenture.

If the Borrower fails to obtain a Consultant or engage a Successor Manager at the direction of the Majority Holders as required above or fails to implement the recommendations of the Consultant, it will constitute an Event of Default under the Master Indenture.

For specific information regarding the process under the Master Indenture for the selection of Consultants, see "SECURITY FOR THE SERIES 2022 MASTER NOTES – Approval of Consultants" herein and in APPENDIX D – "FORMS OF THE PRINCIPAL FINANCING DOCUMENTS."

Occupancy Covenant

[TO COME]

Approval of Consultants

The Master Indenture provides that if at any time the Members of the Obligated Group are required to engage a Consultant under the provisions of the Master Indenture with respect to the Rate Covenant or Liquidity Covenant, such Consultant shall be engaged in the manner as set forth below.

Upon selecting a Consultant as required under the provisions of the Master Indenture, the Obligated Group Representative will notify the Master Trustee of such selection. The Master Trustee shall, as soon as practicable but in no case longer than five (5) Business Days after receipt of notice, notify the Holders of all Obligations Outstanding under the Master Indenture of such selection. Such notice (which shall be provided by the Obligated Group Representative) shall: (i) include the name of the Consultant and a brief description of the Consultant; (ii) state the reason that the Consultant is being engaged including a description of the covenant(s) of the Master Indenture that require the Consultant to be engaged; (iii) state the date of a conference call (the "Consultant Conference Call"), to be held no later than five (5) Business Days thereafter, between the Obligated Group Representative and Holders of all Obligations Outstanding wherein the Obligated Group Representative shall describe the process that was undertaken for the selection of the Consultant and the reasons for the selection of that particular Consultant; and (iv) state that the Holder of any Obligations will be deemed to have consented to the selection of the Consultant named in such notice and discussed on the Consultant Conference Call unless such Holder submits an objection to the selected Consultant in writing to the Master Trustee within seven (7) Business Days of the date Consultant Conference Call (the "Consultant Response Period"). No later than two (2) Business Days after the end of the Consultant Response Period, the Master Trustee shall notify the Obligated Group Representative of the number of objections. If the Holders of at least a majority in aggregate principal amount of the Outstanding Obligations have been deemed to have consented to the selection of the Consultant or have not responded to the request for consent, the Obligated Group Representative shall engage the Consultant within three (3) Business Days after the end of the Consultant Response Period. If the Holders of at least a majority in aggregate

principal amount of the Obligations Outstanding have objected to the Consultant selected, the Obligated Group Representative shall select another Consultant which may be engaged upon compliance with the procedures of the Master Indenture described above.

Revenue Fund

Upon the occurrence and continuance of a Lockbox Condition (i.e., payment default on the Bonds not satisfied within applicable grace period) the Master Trustee shall establish a Revenue Fund and each Obligated Group Member shall deposit with the Master Trustee all Gross Revenues of such Obligated Group Member (except to the extent otherwise provided by or inconsistent with any instrument creating any mortgage, lien, charge, encumbrance, pledge or other security interest granted, created, assumed, incurred or existing in accordance with the provisions of the Master Indenture) during each succeeding month, beginning on the first day thereof and on each day thereafter, until the applicable Lockbox Condition has been cured under the Master Indenture or no longer exists. In addition, upon the occurrence and continuance of such Lockbox Condition, the Obligated Group Representative shall enter into a deposit account control agreement for an operating account and the Obligated Group Representative shall deliver to the Master Trustee a budget for the period in which the Lockbox Condition exists, which budget shall become the "Lockbox Budget."

On the fifth Business Day preceding the end of each month in which any Obligated Group Member has made payments to the Master Trustee for deposit into the Revenue Fund, the Master Trustee shall withdraw and pay or deposit from the amounts on deposit in the Revenue Fund the following amounts in the order indicated:

First: to the payment of all amounts due the Master Trustee under the Master Indenture and each Related Bond Trustee under a Related Bond Indenture;

Second: to an operating account designated by the Obligated Group Representative (which shall be subject to the lien of the Master Indenture), the amount necessary to pay the Expenses due or expected to become due in the month in which such transfer is made, all as set forth in the Lockbox Budget provided in the Master Indenture less any amounts currently held in the operating account of the Obligated Group Member, which amount shall be based upon a requisition and certificate signed by the Obligated Group Representative certifying the amount so requested and the amount currently held in the operating account;

Third: to the payment of the amounts then due and unpaid upon the Senior Obligations, for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Senior Obligations for principal (and premium, if any) and interest, respectively, and payments of any Regularly Scheduled Payments due under any Interest Rate Agreement;

Fourth: to restore any deficiency in a Related Bonds Debt Service Reserve Fund or under any Supplement authorized Senior Obligations, on a pro rata basis;

Fifth: to the payment of the amounts then due and unpaid upon the Subordinate Obligations for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Subordinate Obligations for principal (and premium, if any) and interest, respectively;

Sixth: to restore any deficiency in a Related Bonds Debt Service Reserve Fund or under any Supplement authorized Subordinate Obligations, on a pro rata basis;

Seventh: to the payment of the amounts then due and unpaid upon any Indebtedness not secured by an Obligation, for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Indebtedness for principal (and premium, if any) and interest, respectively, and to the payment of all other amounts due under any Interest Rate Agreement that are not Regularly Scheduled Payments; and

Eighth: to the Obligated Group Representative for the benefit of the Obligated Group.

Other Covenants and Restrictions

The Obligated Group has agreed to various covenants with respect to maintaining its corporate existence, maintaining its status as a tax-exempt organization, the incurrence of additional Indebtedness, maintenance of the Obligated Group Facilities, sale, transfer or disposition of property, mergers and consolidations, management, rating application, and other covenants. See APPENDIX D – “FORMS OF THE PRINCIPAL FINANCING DOCUMENTS.”

RISK FACTORS

General

The paragraphs set forth below discuss certain risks associated with an investment in the Bonds but are not intended to be a complete enumeration of all risks associated with the purchase of any of the Bonds. Other investment risks are discussed in other sections of this Limited Offering Memorandum.

Except as otherwise noted herein, the Bonds will be payable solely from the payments to be made by the Borrower under the Loan Agreement, the Series 2022 Master Notes and from certain other available moneys pledged under the Loan Agreement, the Master Indenture, the Bond Indenture, and the Mortgage. No entity or person other than the Obligated Group is, or shall be, in any way liable or responsible for any payments to be made under the Loan Agreement and the Series 2022 Master Notes. Except for certain restricted assets, the Obligated Group has no significant assets other than the Community and has no significant sources of income other than Entrance Fees (as defined in Appendix A), Monthly Service Fees (as defined in Appendix A), per diem charges from use of the healthcare services and other moneys received from the operation of the Community. See APPENDIX A hereto. Accordingly, owners of the Bonds must look solely to the security provided under the Master Indenture, the Bond Indenture, the Loan Agreement, and the Mortgage for payment of the principal, redemption premium, if any, and interest due on the Bonds.

A BONDOWNER IS ADVISED TO READ THE ENTIRE LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES HERETO, AND REFERENCE IS MADE TO THE SECTION “DESCRIPTION OF THE BONDS - SECURITY FOR THE BONDS,” “SECURITY FOR THE SERIES 2022 MASTER NOTES” AND THIS SECTION FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE BONDS.

Limited Obligations

The Bonds are limited obligations of the Issuer and do not constitute a debt, liability, or obligation of the State, or any political subdivision thereof, or a charge against the general credit of the Issuer or the State or the taxing powers of the State, or any political subdivision thereof. The Issuer shall not be obligated to pay the principal or, premium, if any, or interest on the Bonds except from the income, revenues, and receipts derived or to be derived from the Pledged Revenues. The issuance of the Bonds shall not directly or indirectly or contingently obligate the Issuer, the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Issuer has no taxing power. The Bonds have three principal sources of payment, as follows:

(1) *Loan payments received by the Bond Trustee from the Borrower pursuant to the terms of the Loan Agreement and the Obligated Group pursuant to the Series 2022 Master Notes.* The Issuer has no obligation to pay the Bonds except from loan payments derived from the Loan Agreement and from the Obligated Group pursuant to the Series 2022 Master Notes. The Bonds, together with interest and premium, if any, thereon, will be limited obligations of the Issuer as described in this Limited Offering Memorandum. Under the Loan Agreement, which the Issuer has assigned to the Bond Trustee, except for certain reserved rights, the Obligated Group will be required to make loan payments to the Bond Trustee in amounts sufficient to enable the Bond Trustee to pay the

principal of, premium, if any, and interest on the Bonds. Such loan payments are, however, anticipated to be derived solely from operation of the facilities of the Obligated Group and investment earnings. Profitable operation of the facilities of the Obligated Group depends in large part on achieving and maintaining certain occupancy levels at the facilities throughout the term of the Bonds. However, no assurance can be made that the revenues derived from the operation of the Community will be realized by the Obligated Group in the amounts necessary, after payment of operating expenses of the facilities of the Obligated Group, to pay maturing principal of, premium, if any, and interest on the Bonds and the Outstanding Obligations.

(2) ***Revenues received from operation of the facilities of the Obligated Group by a receiver upon a default under the Master Indenture or the Bond Indenture.*** Attempts to have a receiver appointed to take charge of properties pledged to secure loans are frequently met with defensive measures such as the initiation of protracted litigation and/or the initiation of bankruptcy proceedings, and such defensive measures can prevent the appointment of a receiver or greatly increase the expense and time involved in having a receiver appointed. It is therefore likely that prospects for uninterrupted payment of principal and interest on the Bonds and the Outstanding Obligations in accordance with their terms are largely dependent upon the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating their facilities in a profitable manner.

(3) ***Proceeds realized from the sale or lease of the facilities of the Obligated Group to a third party by the Master Trustee.*** Attempts to sell or foreclose on commercial property or otherwise realize upon security for obligations may be met with defensive measures such as protracted litigation and/or bankruptcy proceedings, and that such defensive measures can greatly increase the expense and time involved in achieving such foreclosure or other realization. In addition, the Master Trustee could experience difficulty in selling or leasing the Community and any other facilities of the Obligated Group upon foreclosure due to the special-purpose nature of the Community and similar facilities and the proceeds of such sale may not be sufficient to fully pay the owners of the Bonds and the Outstanding Obligations.

The best prospects for uninterrupted payment of principal and interest on the Bonds in accordance with their terms is the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating its facilities in a profitable manner. Even if its facilities are operating profitably, other factors could affect the Obligated Group's ability to make loan payments under the Loan Agreement, the Series 2022 Master Notes and any other Outstanding Obligations.

General Uncertainty of Revenues

As noted elsewhere, except to the extent that the Bonds will be payable from the proceeds of insurance, sale or condemnation awards, the Bonds will be payable solely from payments or prepayments to be made by the Borrower under the Loan Agreement and the Obligated Group under the Series 2022 Master Notes. The ability of the Borrower to make payments under the Loan Agreement and the ability of the Obligated Group, including any future Members of the Obligated Group, to make payments on the Series 2022 Master Notes and other obligations is dependent upon the generation by the Obligated Group of revenues in the amounts necessary for the Obligated Group to pay such Obligations, as well as other operating and capital expenses.

The financial feasibility of the Community and payment, when due, of the Bonds and the Outstanding Obligations, is dependent on the continuing ability of the Obligated Group to achieve and maintain high levels of occupancy of the Community and to (i) fill those facilities that accept residents who purchase the right to live there by paying Entrance Fees, (ii) collect new Entrance Fees from residents occupying independent living units vacated by deceased residents, residents permanently transferred to assisted living or nursing care facilities operated by the Obligated Group or residents leaving such facilities for other reasons, and (iii) keep the facilities substantially occupied by residents who can pay the full amount of the Entrance Fees and/or Monthly Service Fees. This depends to some extent on factors outside the Obligated Group's control, such as the resident's right to terminate their continuing care contracts with the Borrower (each a "Residency Agreement") in accordance with the terms of the Residency Agreements and by general economic conditions. In particular, a depressed housing market may prevent prospective residents from selling their homes and generating cash to pay Entrance Fees. If the Community fails to achieve and maintain a high level of occupancy, there may be insufficient funds to pay debt service on the Bonds and the Outstanding Obligations. In addition, the economic feasibility of the Community also depends on the

Obligated Group's ability to remarket units becoming available when residents die, withdraw, or are permanently transferred to a health care or any other facility.

Moreover, if a substantial number of independent living unit residents live beyond their anticipated life expectancies or if admissions or transfers to the health care components of the Community are substantially less than anticipated by the Obligated Group, or if market changes prevent an increase in the amount of the resident Entrance Fees payable by new residents of the Community or the Monthly Service Fees payable by all residents, the receipt of additional resident Entrance Fees and/or Monthly Service Fees would be curtailed or limited, with a consequent impairment of the Obligated Group's revenues. Such impairment would also result if the Obligated Group is unable to remarket independent living units becoming available when residents die, withdraw, or are permanently transferred to the health care components of the Community.

The Borrower has historically made regular adjustments to both Entrance Fees and Monthly Service Fees to offset increasing operating costs due primarily to inflation. There can be no assurance that such increases will continue or that increases in expenses will not be greater than any such future rate increase. Also, since many of the residents may be living on fixed incomes, low income or incomes that do not readily change in response to changes in economic conditions, there can be no assurance that any such Entrance Fee or Monthly Service Fee increases can be paid by residents or that such increases will not adversely affect the occupancy of the Community. Residents who unexpectedly become unable to make such payments may be allowed to remain residents, even though the costs of caring for them could have an adverse effect on the financial condition of the Obligated Group. As a charitable tax-exempt organization, the Obligated Group may be unable or unwilling to require residents who lack adequate financial resources to leave the Community.

The Entrance Fees and Monthly Service Fees for the Community are described in Appendices A and C hereto. As set forth therein, the Borrower has set such fees based on, among other things, anticipated revenue needs and analysis of the market areas. If actual operating experience is substantially different from that anticipated, the revenues of the Obligated Group could be less than expenses. Should methods of payment other than Entrance Fees, including straight rental, become prevalent as the form of payment for elderly housing, the ability to charge resident Entrance Fees to potential future residents may decrease. If this should happen, the Obligated Group may be forced to alter its method of charging for elderly housing services and could encounter operational difficulties.

Management's Forecast

Management's financial forecast ("Management's Forecast") included in APPENDIX C hereto is based upon assumptions made by the management of the Community and its consultants and advisors. As stated in such financial forecast, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. In addition, the financial forecast is only for the [four] years ending [December 31, 2021, through 2025] and consequently does not cover the whole period during which the Bonds may be outstanding. Management's Forecast should be read in its entirety, including management's notes and assumptions set forth therein. See APPENDIX C hereto.

BECAUSE THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS MADE, NO GUARANTEE CAN BE MADE THAT MANAGEMENT'S FORECAST WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE. ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY UNCONTROLLABLE FACTORS, INCLUDING BUT NOT LIMITED TO INCREASED COSTS, LOWER THAN ANTICIPATED REVENUES, EMPLOYEE RELATIONS, TAXES, GOVERNMENTAL CONTROLS, CHANGES IN APPLICABLE GOVERNMENTAL REGULATION, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN THE RETIREMENT AND ASSISTED LIVING AND HEALTH CARE INDUSTRIES, AND GENERAL ECONOMIC CONDITIONS. SEE "CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS" IN THIS LIMITED OFFERING MEMORANDUM.

COVID-19

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, has had an adverse impact on global financial markets and economies, including financial markets

and economic conditions in the United States. The impact of the COVID-19 pandemic on the U.S. economy has been broad based and has negatively impacted national, state and local economies. The long-term impacts of the COVID-19 crisis are unknown and dependent on a variety of factors. It is currently expected that the COVID-19 crisis will continue to negatively impact world, federal, state and local economies for some period of time. However, the length and degree of the negative impact cannot be predicted at this time.

In response to the COVID-19 pandemic, on March 13, 2020, then President Trump declared a “national emergency,” which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation. On March 9, 2020, Florida Governor Ron DeSantis declared a state of emergency in Florida due to the spread of COVID-19 (the “State Emergency Declaration”). The State Emergency Declaration allows for certain executive actions to respond to the increasing number of COVID-19 cases in the State and was recently extended through June 26, 2021. The Governor has subsequently issued numerous additional executive orders in response to COVID-19, in an effort to reduce community spread of the virus and protect the State's most vulnerable citizens. On September 25, 2020, the Governor issued Executive Order No. 20-244 (the “State Phase Three Order”) providing for full phase three reopening of all of the State. The State Phase Three Order effectively lifted all State imposed COVID-19 restrictions on businesses and currently is effective for the duration of the State Emergency Declaration.

On May 3, 2021, Florida Governor Ron DeSantis signed Executive Order 21-102 (“EO 21-102”) suspending all remaining local government mandates and restrictions based on the COVID-19 state of emergency effective immediately. EO 21-102 places significant limitations on local governments’ COVID-19 related restrictions including: (1) eliminating and superseding any existing emergency order or ordinance issued by a county or municipality that imposes restrictions or mandates upon businesses or individuals due to the COVID-19 emergency and (2) prevents, for the duration of the State Emergency Declaration, any county or municipality from renewing or enacting an emergency order or ordinance that imposes restrictions or mandates upon businesses or individuals due to the COVID-19 emergency.

Although the potential impact of COVID-19 on the Borrower's operations or its future operating revenues and expenses cannot be predicted at this time, the continued spread of the outbreak could have a material adverse effect on the Borrower's operations and its operating revenues and expenses, and on the State, national and global economies. For example, an outbreak at the Community could result in a diversion of existing residents and/or could result in a lower census, including difficulty showing the common areas and units to prospective residents of the Community.

The Borrower implemented measures announced by CMS as of March 3, 2020. These measures included (i) restricting all visitors, with exceptions for compassionate care, such as end-of-life situations, (ii) restricting all volunteers and nonessential health care personnel and other personnel, (iii) cancelling all group activities and communal dining in licensed areas at a minimum, and (iv) implementing active screening of residents, staff and essential health care personnel for fever and respiratory symptoms. Beginning October 2020, visitors were again allowed for Independent Living residents, on a limited basis. Small group activities were re-introduced, with socially distanced capacity limits. Currently, the facility is subject to compliance with Florida Division of Emergency Management Emergency Order No. 21-001, which requires that such shall at a minimum, maintain visitation and infection control policies in accordance with all state and federal laws and shall continue to monitor CMS and CDC guidance. The Borrower maintains compliance with the guidelines from the Centers for Disease Control and Prevention, Centers for Medicaid and Medicare Services, and Florida's Agency for Healthcare Administration. On April 27, 2021, CMS issued revised visitation guidance for nursing homes which is meant to lift visitation restrictions, subject to vaccination status. **[WILL UPDATE AS WE GET CLOSER TO CLOSING, GIVING FAST-EVOLVING SITUATION]**

Vaccine distribution at the facility began in December of 2020. As of January 3, 2022, all residents and staff who chose to participate, which was approximately 98% of residents and 85% of staff, received their second dose of the Pfizer/BioNTech COVID-19 vaccine. At various times during 2021 the Borrower has opened and closed the dining room for communal dining dependent upon the positivity rate in the local area. As of January 2022, the dining rooms are not open and the Borrower is providing meals to residents in their apartment homes and has limited resident activities due to recent positivity rates, all of which are subject to change. See APPENDIX A for more information regarding the Borrower's response to the outbreak of COVID-19.

General Risks of Long-Term Care Facilities

There are many diverse factors not within the Obligated Group's control that have a substantial bearing on the risks generally incident to the operation of the Community. These factors include regulatory imposed fiscal policies, adverse use of adjacent or neighboring real estate, the ability to maintain the Community, continued community acceptance of the Community, changes in demand for the Community, changes in the number of competing facilities, changes in the costs of operation of the Community, changes in the laws of the State affecting long-term care programs, the limited income of the elderly, changes in the long-term care and health care industries, difficulties in or restrictions on the Obligated Group's ability to raise rates charged, general economic conditions and the availability of working capital. In recent years, a number of long-term care facilities throughout the United States have defaulted on various financing obligations or otherwise have failed to perform as originally expected. There can be no assurance that the Obligated Group will not experience one or more of the adverse factors that caused other facilities to struggle or fail. Certain other factors that cannot be determined at this time also may adversely affect the operation of facilities like the Community.

New and changing methods of care delivery, such as web-based home monitoring, telemedicine, mobile health, and smartphone technology will likely change the way in which providers of health services to the elderly deliver home health, hospice, and other community-based services. These developments will further the ability of the home health and hospice industry to care for patients in their homes. The proliferation and availability of technological changes are expected to increase the ability of the elderly to remain in their homes longer into their lives than has historically been feasible, which could result in significantly reduced demand for communities such as the Community. Efforts to reduce hospital readmissions and costs in the overall care continuum will further the use of these new and changing technologies. These changes may allow other companies, including hospitals and other healthcare organizations that are not currently providing home health and hospice care, to expand their services to include home health services, hospice care or similar services. The Obligated Group may encounter increased competition in the future that could negatively impact patient referrals to it, limit its ability to maintain or increase its market position and adversely affect the Obligated Group's financial performance.

Accounting Changes

From time to time, accounting policies and procedures change based upon mandatory authoritative guidance updates to generally accepted accounting principles in the United States of America ("GAAP"). The Master Indenture provides that the character or amount of any asset, liability or item of income or expense required to be determined or any consolidation, combination or other accounting computation required to be made for the purposes of the Master Indenture, shall be determined or made in accordance with GAAP in effect on the date of the Master Indenture, or at the option of the Obligated Group, at the time in effect (provided that such GAAP are applied consistently with the requirements existing either on the date of the Master Indenture or at the time in effect) except where such principles are inconsistent with the requirements of the Master Indenture.

The Mortgage and Possible Limitations

The Mortgage encumbers the Mortgaged Property. The Obligated Group has delivered the Mortgage on the Mortgaged Property to the Master Trustee to secure its obligations pursuant to the Master Indenture. In the event that there is a default under the Master Indenture, the Master Trustee has the right to foreclose on the Mortgaged Property under certain circumstances.

All amounts collected upon foreclosure of the Mortgaged Property pursuant to the Mortgage will be used to pay certain costs and expenses incurred by, or otherwise related to, the foreclosure, the performance of the Master Trustee and/or the beneficiary under the Mortgage, and then to pay amounts owing under the Master Indenture in accordance with the provisions of the Master Indenture. See also "Master Indenture" in APPENDIX D hereto.

In the event that the Mortgage is actually foreclosed, then, in addition to the customary costs and expenses of operating and maintaining the Community, the party or parties succeeding to the interest of the Obligated Group in the Mortgaged Property (including the Master Trustee, if such party were to acquire the interest of the Obligated Group in the Mortgaged Property) could be required to bear certain associated costs and expenses, which could include: the cost of complying with federal, state or other laws, ordinances and regulations related to the removal or

remediation of certain hazardous or toxic substances; the cost of complying with laws, ordinances and regulations related to health and safety, and the continued use and occupancy of the Community, such as the Americans with Disabilities Act; and costs associated with the potential reconstruction or repair of the Mortgaged Property in the event of any casualty or condemnation.

The Community is generally suitable only for residential use and is designed for senior adults and is not composed of general purpose buildings; therefore, the Community would not be likely suitable for industrial or commercial use and consequently, it may be difficult to find a buyer or lessee for the Community, and, upon any default, the Master Trustee may not realize the amount of the outstanding Bonds from the sale or lease of the Community in the event of foreclosure.

The value of the Community will at all times be dependent upon many factors beyond the control of the Obligated Group, such as changes in general and local economic conditions, changes in the supply of or demand for competing properties in the same locality, and changes in real estate and zoning laws or other regulatory restrictions. A material change in any of these factors could materially change the value of the Community. Any weakened market condition may also depress the value of the Community. Any reduction in the market value of the Community could adversely affect the security available to the owner of the Community. There is no assurance that the amount available upon foreclosure of the Community after the payment of foreclosure costs will be sufficient to pay the amounts owing by the Obligated Group on the Series 2022 Master Notes and other Outstanding Obligations.

In the event of foreclosure, a prospective purchaser of the Mortgaged Property may assign less value to the Mortgaged Property than the value of the Mortgaged Property while owned by the Obligated Group because such purchaser may not enjoy the favorable financing rates associated with the Bonds and other benefits such as an exemption from the payment of ad valorem taxes on the Mortgaged Property. To the extent that buyers whose income is not tax-exempt may be willing to pay less for the Mortgaged Property than nonprofit buyers, then the resale of the Mortgaged Property after foreclosure may require more time to solicit nonprofit buyers interested in assuming the financing now applicable to the Mortgaged Property. In addition, there can be no assurance that the Mortgaged Property could be sold at 100% of its fair market value in the event of foreclosure. Although the Master Trustee will have available the remedy of foreclosure of the Mortgage in the event of a default (after giving effect to any applicable grace periods, and subject to any legal rights which may operate to delay or stay such foreclosure, such as may be applicable in the event of the Obligated Group's bankruptcy) under the Master Indenture, there are substantial risks that the exercise of such a remedy will not result in recovery of sufficient funds to satisfy all the Obligated Group's obligations.

The pledge of and security interest in the Gross Revenues and the lien on the Obligated Group's interest in the Mortgaged Property and security interest in the equipment, fixtures and personal property, may be limited by the following: (i) statutory liens; (ii) rights arising in favor of the United States of America or any agency thereof; (iii) present or future prohibitions against assignment contained in any federal statutes or regulations; (iv) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction; (v) federal bankruptcy or state insolvency laws affecting assignments of revenues earned after any effective institution of bankruptcy or insolvency proceedings by or against the Borrower or any other Members of the Obligated Group; (vi) rights of third parties in any revenues, including revenues converted to cash, not in possession of the Master Trustee; and (vii) the requirement that appropriate continuation statements be filed in accordance with the Florida Uniform Commercial Code.

In the event of a default, the value of the Community may be less than the amount of the outstanding Bonds since the Community exists for the narrow use as an independent living, assisted living and memory care facility. The special design features of the Community may make it difficult to convert the Community to other uses, which may have the effect of reducing its attractiveness to potential purchasers.

Factors Affecting Taxes on Real Property; Property Tax Exemption

The Community is currently exempt from State taxes on real property pursuant Florida Statutes, Section 196.1975. **[BORROWER TO CONFIRM]** The Borrower's exemption application must be submitted on an annual basis and must be approved each year by the property appraiser having jurisdiction. In recent years, various State and local legislative, regulatory, and judicial bodies have reviewed the exemption of non-profit corporations from

taxes on real property. Various State and local government bodies have challenged with increasing frequency and success the tax-exempt status of such institutions and have sought to remove the exemption of certain real property from the taxes of various non-profit institutions on the grounds that a portion of such property was not being used to further the charitable purposes of the institution. Several of these disputes have been determined in favor of the taxing authorities or have resulted in settlements.

Any valuation of the Community is based on future projections of income, expenses, capitalization rates, and the availability of the partial or total property tax exemption. Certain Management projections contained in Management's financial forecast included in APPENDIX C hereto are based on the assumption that the Community will continue to operate with such an exemption. Failure to obtain or maintain all or a portion of the property tax exemption would have a material adverse effect on the ability of the Obligated Group to pay the operating expenses of the Community, debt service on the Bonds and other Outstanding Obligations.

Liquidation of Security May Not be Sufficient in the Event of a Default

The Bond Trustee and the Issuer must look solely to the Gross Revenues, the Mortgaged Property and any funds held under the Bond Indenture and the Master Indenture to pay and satisfy the Bonds in accordance with their terms. The owners of the Bonds are dependent upon the success of the Community and the value of the assets of the Obligated Group for the payment of the principal of, redemption price, if any and interest on, the Bonds. See also "The Mortgage and Possible Limitations" herein.

Limited Assets of the Obligated Group

The Borrower is the sole Member of the Obligated Group and the sole business of the Obligated Group consists of the ownership and operation of the Community. Although it may seek donations from groups and individuals, the Borrower currently has no sources of funds if revenues from operation of the Community are not sufficient to cover expenses, including debt service on the Bonds, the Series 2022 Master Notes, and its other indebtedness.

Utilization Demand

Several factors could, if implemented, affect demand for services provided at the Community including: (i) efforts by insurers and governmental agencies to reduce utilization of long term care facilities by such means as preventive medicine and home health care programs; (ii) advances in scientific and medical technology; (iii) a decline in the population, a change in the age composition of the population or a decline in the economic conditions of the service areas for the Community; and (iv) increased or more effective competition from retirement communities and long term care facilities now or hereafter located in the service areas of the Community. See Management's Forecast in APPENDIX C hereto, which should be read in its entirety, including management's notes and assumptions set forth therein.

Impact of Market Turmoil

The economic turmoil of past years has had severe negative repercussions upon the United States and global economies. This impact was particularly severe in the financial sector, prompting a number of banks and other financial institutions to seek additional capital, to merge, and, in some cases, to cease operating. While financial markets have improved, the effects of this turmoil linger. Any similar future market turmoil could affect the market and demand for the Bonds in addition to adversely affecting the value of any investments of the Obligated Group. [UPDATED LANGUAGE TO COME]

Additions to the Obligated Group

As of the date of issuance of the Bonds, the Borrower is the only Member of the Obligated Group. Upon satisfaction of certain conditions in the Master Indenture, other entities can become Members of the Obligated Group. See APPENDIX D – "FORMS OF THE PRINCIPAL FINANCING DOCUMENTS." Management of the Obligated Group currently has no plans to add additional Members to the Obligated Group. However, if and when

new Members are added, the Obligated Group's financial situation and operations will likely be altered from that of the current Obligated Group.

Failure to Maintain Occupancy

The successful operation of the Community depends in large part upon the ability of the Borrower to attract sufficient numbers of residents to the Community and to achieve or maintain substantial occupancy at the Community throughout the term of the Bonds. The ability of the Borrower to achieve or maintain high levels of occupancy depends to some extent on factors outside its control, such as the residents' right to terminate their Residency Agreements and to receive a refund as provided in the Residency Agreements. If the Community fail to maintain a high level of occupancy, there may be insufficient funds to pay debt service on the Bonds. Moreover, if a substantial number of residents live beyond their anticipated life expectancies or if their admissions or transfers to the assisted living area or the skilled care nursing area are substantially less than anticipated by the Borrower, or if market changes prevent an increase in the amount of the Entrance Fees payable by new residents of the Community, the receipt of additional Entrance Fees could be curtailed or limited, with a consequent impairment of revenues. Such impairment would also result if the Obligated Group is unable to remarket independent living units becoming available when residents die, withdraw, or are transferred to another facility. See also "RISK FACTORS – Sale of Homes" herein.

Competition

The Borrower performs services in areas where other competitive facilities exist and may face additional competition in the future as a result of the construction or renovation of competitive facilities in its primary or secondary market areas. There may also arise in the future competition from other senior living facilities, some of which may offer similar facilities, but not necessarily similar services, at lower prices. See APPENDIX A hereto for more information regarding existing competition for the Community.

Potential Refund of Entrance Fees

Under certain circumstances, the Obligated Group is obligated to refund all or a portion of a resident's Entrance Fee upon the resident's departure from the Community based on certain conditions as provided in such resident's Residency Agreement and as may be required by Chapter 651. Refunds may be owed or payable prior to the Obligated Group's receipt of a corresponding replacement Entrance Fee with respect to the applicable Entrance Fee unit. Accordingly, the payment of such refunds could adversely affect the Obligated Group's ability to make payments required by the Loan Agreement, the Bonds, the Series 2022 Master Notes or any other Outstanding Obligations.

Discounting of Entrance Fees

The Obligated Group may feel compelled to offer discounts to Entrance Fees in the future to achieve desired levels of occupancy of the Community. Discounting of Entrance Fees could significantly affect the cash flow of the Obligated Group and have a material adverse effect on the ability of the Obligated Group to make payments required by the Loan Agreement, the Bonds, the Series 2022 Master Notes or any other Outstanding Obligations.

State Licensure

Legislation may be introduced from time to time in the Florida Legislature relating to the operations of assisted living, memory care and skilled nursing care providers, including the Community. No precise determination can be made at this time whether the bills that may be introduced or the regulations which may be proposed for the purpose of containing costs, providing access to care, or otherwise affecting assisted living, memory care or skilled nursing care provider revenues, or increasing competition among assisted living, memory care or skilled nursing care providers, will be enacted, or, if enacted, whether and to what degree such legislation will impact the financial condition and results of operations of the Community.

The health care components of the Borrower's facilities are licensed by the State of Florida Agency for Health Care Administration ("AHCA"). The health facilities are required to undergo at least one annual unannounced inspection by AHCA to determine compliance with applicable statutes and rules promulgated thereunder which govern minimum standards of construction, quality, adequacy of care and rights of residents. In addition, AHCA will at least annually evaluate the health facilities to determine compliance with applicable licensure requirements and standards as a basis for assigning a rating to such facilities. The Borrower is also required to submit an annual financial statement and statement of ownership to AHCA, as well as maintain a license from AHCA. AHCA may revoke or suspend an assisted living facility's or skilled nursing facility's license for a number of reasons, including: (a) an intentional or negligent act seriously affecting a facility resident's health, safety or welfare; (b) misappropriation or conversion of resident property; (c) a determination by AHCA that the facility owner lacks the financial ability to provide continuing adequate care to residents; or (d) a licensee's failure during relicensure to meet minimum licensing standards or applicable rules. Furthermore, AHCA may seek an injunction in various circumstances, including to enforce applicable requirements against an assisted living facility or skilled nursing facility when a violation has not been corrected by the imposition of administrative fines or when the violation materially affects resident health, safety or welfare.

State Regulation of Continuing Care Facilities

As described herein under "FLORIDA REGULATION OF CONTINUING CARE FACILITIES," Chapter 651 requires every continuing care facility to maintain a certificate of authority from OIR in order to operate. The Borrower has received a final certificate of authority for the Community. If the Borrower fails to comply with the requirements of Chapter 651, it would be subject to sanctions including the possible revocation of the certificate of authority. A certificate of authority may be revoked if certain grounds exist including, among others, failure by the provider to continue to meet the requirements for the certificate of authority as originally granted, on account of deficiency of assets, failure of the provider to maintain escrow accounts or funds required by Chapter 651 and failure by the provider to honor its residency agreements with residents. Under certain circumstances the OIR may petition for an appropriate court order for rehabilitation, liquidation, conservation, reorganization, seizure or summary proceedings. If the OIR has been appointed a receiver of a continuing care facility, it may petition a court to enjoin a secured creditor of a facility from seeking to dispose of the collateral securing its debt for a period of up to 12 months.

Rights of Residents

The Borrower enters into Residency Agreements with its residents. For more information about the Residency Agreements, see Appendix A hereto. Although the Residency Agreements give to each resident a contractual right to use space and not any ownership rights in the Community, in the event that the Bond Trustee or the holders of the Bonds seek to enforce any of the remedies provided by the Bond Indenture upon the occurrence of a default or the Master Trustee seeks to enforce remedies under the Mortgage or the Master Indenture, it is impossible to predict the resolution that a court might make of competing claims among the Master Trustee, the Bond Trustee, the Issuer or the holders of the Bonds and a resident of the Community who has fully complied with all the terms and conditions of his or her Residency Agreement.

Organized Resident Activity

The Obligated Group may, from time to time, be subject to pressure from organized groups of residents seeking, among other things, to raise the level of services or to maintain the level of Monthly Fees with respect to the Community or other charges without increase. Moreover, the Obligated Group may be subject to conflicting pressures from different groups of residents, some of whom may seek an increase in the level of services while others wish to maintain or reduce Monthly Fees and other charges. No assurance can be given that the Obligated Group will be able satisfactorily to meet the needs of such resident groups and that such activity would not adversely impact occupancy.

Sale of Homes

It is anticipated that many future residents of the Community will come from a personal residence. Many of these individuals may sell their current homes prior to occupancy to meet financial obligations under their

Residency Agreement. If prospective residents encounter difficulties in selling their homes due to local or national economic conditions affecting the sale of residential real estate, such prospective residents may not have sufficient funds to pay the fees or other obligations under their Residency Agreements, thereby causing a delay in marketing vacated units. Any such delay could have an adverse impact on the revenues of the Obligated Group and the ability of the Borrower to pay debt service requirements on the Bonds.

Nursing and Staff Shortages

Recently, the healthcare industry has experienced a shortage of nursing and other staff, which has resulted in increased costs for healthcare providers due to the need to hire agency nursing personnel at higher rates. Both the federal and state governments have implemented, or are considering implementing, legislative efforts to combat the health care industry's workforce shortages, including those in nursing. If the nursing and other staff shortages continues, it could adversely affect the operations or financial condition of the Obligated Group.

The Borrower believes that its salary and benefits package is competitive with other comparable institutions in the respective areas in which the Borrower operates and that its employee relations are satisfactory. The health care industry has, at times, experienced a shortage of qualified nursing and other health care personnel. In addition, at times, markets for other staffing, such as housekeepers and maintenance staff can be competitive and result in staffing scarcity or increases compensation and benefits expense. The Borrower competes with other health care providers and with non-health care providers for both professional and nonprofessional employees. While the Borrower has been able to retain the services of an adequate number of qualified personnel to staff the Community appropriately and maintain its standards of quality care, there can be no assurance that personnel shortages will not in the future affect its ability to attract and maintain an adequate staff of qualified health care personnel and could force the Borrower to employ temporary staff through employment agencies. A lack of qualified personnel could result in significant increases in labor costs or otherwise adversely affect its operating results.

Increases of Costs

The cost of providing health care services may increase due to many reasons, including increases in salaries paid to nurses and other health care personnel and due to shortages in such personnel that many require the use of employment agencies. Additionally, recent changes to federal wage and labor laws will likely impact the Obligated Group. The current COVID-19 pandemic has recently increased certain medical and operating costs.

Labor Union Activity

Certain senior living facilities are being subjected to increasing union organizational efforts. Employees of the Community are not presently subject to any collective bargaining agreements. There can be no assurance, however, that such employees will not seek to establish collective bargaining agreements with the Obligated Group, and if so established, such collective bargaining agreements could result in significantly increased labor costs to the Obligated Group and have an adverse effect on the financial condition of the Obligated Group.

Natural Disasters

Florida has suffered from natural disasters over the years, including hurricanes, droughts, flooding, seepage, windstorm, ground subsidence, sinkholes, radon, gas exposures and other geological changes. While the Obligated Group believes that it maintains adequate insurance to cover any loss arising from such natural disasters, there can be no assurance that in severe circumstances such insurance will be adequate to rebuild all or a portion of the Community. Additionally, there can be no assurance that after experiences with natural disasters, residents will continue to choose to live in such areas of the country. Such decisions could have an adverse impact on the financial success of the Obligated Group.

Cybersecurity

The Obligated Group and SFSL rely on computer systems and technologies to conduct many of their operations. Despite security measures, policies, and training, they may be vulnerable to attacks by outside or

internal hackers, or breached by employee error, negligence, or malfeasance. Any such breach or attack could compromise systems and the information stored thereon. Any such disruption or other loss of information could result in a disruption in the efficiency of the services provided by the Obligated Group, thereby adversely affecting revenues.

Risks of Real Estate Investment

Ownership and operation of real estate, such as the Community, involves certain risks, including the risk of adverse changes in general economic and local conditions (such as the possible future oversupply and lagging demand for housing for the aged), adverse use of adjacent or neighboring real estate, continued community acceptance of the Community, increased competition from other senior living facilities, changes in the cost of operation of the Community, difficulties or restrictions in the Obligated Group's ability to raise Monthly Fees charged, damage caused by adverse weather, climate change and delays in repairing such damage, population decreases, uninsured losses, failure of residents to pay Monthly Fees, operating deficits and mortgage foreclosure, lack of attractiveness of the Community to residents, deterioration of the physical aspects of the Community, adverse changes in neighborhood values, and adverse changes in zoning laws, federal and local rent controls, other laws and regulations and real property tax rates. Such losses also include the possibility of fire or other casualty or condemnation. If the Community, or any parts of the Community, become uninhabitable, such as during restoration after damage or destruction, the residence units or common areas affected may not be available for a period of time, which could adversely affect the ability of the Obligated Group to generate sufficient revenues to make the payments required by the Loan Agreement, the Bonds and the Series 2022 Master Notes and Outstanding Obligations. Changes in general or local economic conditions and changes in interest rates and the availability of mortgage funding may render the sale or refinancing of the Community difficult or unattractive. These conditions may have an adverse effect on the demand for the services provided by the Community as well as the market price received for the Community in the event of a sale or foreclosure of the Community. Many other factors may adversely affect the operation of the Community and cannot be determined at this time.

The Nature of the Income of the Elderly

A large percentage of the monthly income of the residents of the Community will be fixed income derived from pensions and social security. In addition, some residents may liquidate assets in order to pay the fees and other charges for occupancy of the Community. If, due to inflation or otherwise, substantial increases in fees and other charges are required to cover increases in operating costs, nursing care costs, wages, benefits and other expenses, residents may have difficulty paying or may be unable to pay such increased fees and other charges. Furthermore, investment income of the residents may be adversely affected by declines in market interest rates and stock prices, which may also result in payment difficulties. **[ADDITIONAL LANGUAGE RE. POTENTIAL DEPLETION OF SOCIAL SECURITY TRUST FUNDS TO COME]**

Malpractice Claims and Losses

The Obligated Group has covenanted in the Master Indenture to maintain professional liability insurance with commercial insurance carriers unless the Obligated Group provides a certificate of an insurance consultant complying with the terms of the Master Indenture. The operations of the Borrower may be affected by increases in the incidence of malpractice lawsuits against elder care facilities and care providers in general and by increases in the dollar amount of resident damage recoveries. These may result in increased insurance premiums and an increased difficulty in obtaining malpractice insurance. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Obligated Group or the premiums at which such coverage can be obtained.

Insurance and Legal Proceedings

The Master Indenture requires the Obligated Group to carry certain insurance, including property, public liability, and employee dishonesty insurance. Uninsured claims and increases in insurance premiums, or the unavailability of insurance, could, to the extent not covered by increased revenues, adversely affect the financial condition of the Obligated Group. **[ADDITIONAL LANGUAGE CONCERNING CHANGES IN**

INTERPRETATION OF “COMMERCIALLY REASONABLE” FOR PURPOSES OF DETERMINING WHAT TYPES OF INSURANCE ARE REQUIRED TO COME]

In recent years, the number of professional and general liability suits and the dollar amounts of damage recoveries have increased nationwide, resulting in substantial increases in professional and general liability insurance premiums and, at times, in difficulty obtaining such insurance. Professional liability, elder abuse and other actions alleging wrongful conduct and seeking punitive damages often are filed against health care and senior care providers such as the Borrower. Insurance does not provide coverage for judgments for punitive damages and may not provide coverage for allegations of elder abuse. Litigation may also arise from the corporate and business activities of the Borrower and from the Borrower’s status as an employer. As with professional liability, many of these risks are covered by insurance, but some are not. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Borrower or the premiums at which such coverage can be obtained.

While the Obligated Group is required by the Master Indenture to have in effect at all times to maintain customary and adequate insurance to protect its property and operations, if a claim or judgment against a Member of the Obligated Group for an amount in excess of the limits of such insurance were to arise, it would likely have a material adverse effect on the financial results of the Obligated Group. In addition, the Obligated Group’s insurance policies must be renewed periodically. Because the increased litigation in the retirement and nursing care business has resulted in increased insurance premiums and an increased difficulty in obtaining insurance at reasonable rates, there can be no assurance that insurance coverage will continue to be available to the Obligated Group at reasonable premiums, if at all.

Availability of Remedies

The remedies available to the Bond Trustee, the Master Trustee, and the owners of the Bonds upon an event of default under the Bond Indenture and the Master Indenture are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including, specifically, the United States Bankruptcy Code (the “Bankruptcy Code”), the remedies provided in the Bond Indenture and the Master Indenture may not be readily available or may be limited. The legal opinion delivered by counsel to the Obligated Group to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principals of equity and by bankruptcy, reorganization, insolvency, or other similar laws affecting the rights of creditors’ generally and laws relating to fraudulent conveyances.

Federal Tax Reform

Tax reform legislation (the “Tax Act”) was passed by both houses of Congress and signed into law on December 22, 2017. The Tax Act contained numerous other tax changes affecting tax-exempt organizations, including changes to unrelated business income tax provisions and a new executive compensation excise tax imposed on an exempt organization with respect to certain highly-compensated individuals. All or any of such provisions and/or other provisions affecting the Obligated Group contained in current or future tax reform legislation may materially impact the future cost and/or availability of borrowed funds, the market price or marketability of the Bonds in the secondary market, and the operations, financial position, and cash flows of the Obligated Group. [ADDITIONAL LANGUAGE RE. POSSIBLE 103 CHANGES WITHIN NEXT 30 YEARS TO COME]

Health Reform Act

The financial performance of the Community may be affected by changes in the regulation of retirement communities or in the system of reimbursement for services provided at the Community. Participants in the healthcare industry are subject to significant regulatory requirements of federal, state, and local governmental agencies and independent professional organizations and accrediting bodies, technological advances and changes in treatment modes, various competitive factors, and changes in third party reimbursement programs. In addition, the operations of the healthcare industry have been subject to increasing scrutiny by federal, state, and local governmental agencies. In response to perceived abuses and actual violations of the terms of existing federal, state, and local healthcare payment programs, such agencies have increased their audit and enforcement activities, and

federal and state legislation has been considered or enacted, providing for civil and criminal penalties against certain activities.

The “Patient Protection and Affordable Care Act” and “The Health Care and Education Affordability Reconciliation Act of 2010” (together referred to herein as the “Health Reform Act”) were enacted in March 2010. Some of the provisions of the Health Reform Act took effect immediately while others took effect over a ten-year period. Because of the complexity of the Health Reform Act generally, additional legislation modifying or repealing portions of the Health Reform Act is likely to be considered and enacted over time. The Health Reform Act provides changes with respect to how consumers pay for their own and their families’ health care and how employers procure health insurance for their employees. In addition, the Health Reform Act requires insurers to change certain underwriting practices and benefit structures in order to cover individuals who previously would have been ineligible for health insurance coverage. As a result, since the enactment of the Health Reform Act, there has been a significant increase in the number of individuals eligible for health insurance coverage. Associated with increased utilization will be increased variable and fixed costs of providing health care services, which may or may not be offset by increased revenues.

Some of the specific provisions of the Health Reform Act that may affect the financial performance of the Community include the following (this listing is not, is not intended to be, nor should be considered to be comprehensive):

With varying effective dates, the annual Medicare market basket updates for many providers would be reduced, and adjustments to payment for expected productivity gains would be implemented.

With varying effective dates, the Health Reform Act mandates a reduction of waste, fraud, and abuse in public programs by allowing provider enrollment screening, enhanced oversight periods for new providers and suppliers, and enrollment moratoria in areas identified as being at elevated risk of fraud in all public programs, and by requiring Medicare and Medicaid program providers and suppliers to establish compliance programs. The legislation requires the development of a database to capture and share healthcare provider data across federal healthcare programs and also provides for increased penalties for fraud and abuse violations, and increased funding for anti-fraud activities.

The Health Reform Act provides for the implementation of various demonstration programs and pilot projects to test, evaluate, encourage and expand new payment structures and methodologies to reduce health care expenditures while maintaining or improving quality of care, including bundled payments under Medicare and Medicaid, and comparative effectiveness research programs that compare the clinical effectiveness of medical treatments and develop recommendations concerning practice guidelines and coverage determinations. Other provisions encourage the creation of new health care delivery programs, such as accountable care organizations, or combinations of provider organizations, that voluntarily meet quality thresholds to share in the cost savings they achieve for the Medicare program. The Health Reform Act also provides funding for establishment of a national electronic health records system. The outcomes of these projects and programs, including their effect on payments to providers and financial performance, cannot be predicted.

Several attempts to amend and repeal provisions of the Health Reform Act have been made since its passage. While past attempts to amend and repeal the Health Reform Act in its entirety have not been successful, the future of the Health Reform Act is uncertain. The Tax Act (defined above) repealed a key provision of the Health Reform Act, known as the “individual mandate” – a requirement that most Americans maintain a “minimum essential” health insurance coverage or pay a yearly tax penalty to the federal government. While it is not possible to predict whether the Health Reform Act will be further modified in any significant respect or wholly repealed, or the impact the individual mandate repeal, a full repeal or additional piecemeal repeal, or any health care reform replacement legislation would have on the operations of the Obligated Group.

Fraud and Abuse Enforcement

Anti-Kickback Laws. The Federal Medicare/Medicaid Anti-Fraud and Abuse Amendments to the Social Security Act (the “Anti-Kickback Law”) make it a criminal felony offense (subject to certain exceptions) to knowingly or willfully offer, pay, solicit, or receive remuneration in order to induce business for which

reimbursement may be provided under the Medicare program. The arrangements prohibited under the Anti-Kickback Law can involve hospitals, physicians, and other health care providers such as nursing homes and home health agencies. Prohibited arrangements may include joint ventures between providers, space, and equipment rentals, purchases of physician practices, physician recruiting programs and management and personal services contracts. In addition to criminal penalties, violations of the Anti-Kickback Law can lead to civil monetary penalties and exclusion from the Medicare program for not less than five years. Exclusion from the Medicare program could have a material adverse impact on the operations and financial condition of the Members of the Obligated Group.

Billing and Reimbursement Practices. Health care providers, including facilities such as the Borrower's, also are subject to criminal, civil and exclusionary penalties for violating billing and reimbursement standards under state and federal law. In recent years, state and federal enforcement authorities have investigated and prosecuted providers for submitting false claims to Medicare or Medicaid for services not rendered or for misrepresenting the level or necessity of services actually rendered in order to obtain a higher level of reimbursement.

Enforcement Activity. Enforcement activity against health care providers is increasing, and enforcement authorities are adopting more aggressive approaches. In the current regulatory climate, it is anticipated that many hospitals, physician groups and other health care providers will be subject to investigation, audit or inquiry regarding billing practices or false claims. The Department of Health and Human Services Office of Inspector General ("OIG") and the Department of Justice ("DOJ") have conducted several joint investigation and prosecution projects in the last two years involving a significant number of hospitals and certain other health care providers nationwide in an effort to recover alleged overpayments. In some instances, the OIG and DOJ have recovered double or treble damages, plus penalties and interest, and have imposed strict compliance measures to ensure correct billing practices in the future.

As with other health care providers, the Borrower may be the subject of Medicare intermediary or carrier, OIG, U.S. Attorney General, DOJ, state attorney general investigations, audits or inquiries in the future. Because of the complexity of these laws, the instances in which an alleged violation may arise to trigger such investigations, audits or inquiries is increasing and could result in enforcement action against the Obligated Group.

Regardless of the merits of a particular case or cases, the Borrower could incur significant legal and settlement costs. Prolonged and publicized investigations could be damaging to the reputation, business and credit of the Borrower, regardless of the outcome, and could have material adverse consequences on the financial condition of the Obligated Group.

Other Sources of Liability for Health Care Providers

Health care providers may be subject to criminal prosecution and civil penalties under a variety of federal laws in addition to those discussed in the previous paragraphs, notably the following:

Privacy and Security Regulations. The confidentiality and security of patient medical records and other health information is subject to considerable regulation by state and federal governments. The administrative simplification provisions of the Health Insurance Portability and Accountability Act ("HIPAA") mandated that standards and requirements be adopted for the electronic transmission of certain health information. The United States Department of Health and Human Services ("DHHS") has issued a series of regulations to comport with this mandate, including regulations governing the privacy and security of protected health information.

In addition, DHHS published final regulations: (a) adopting standards for specific types of electronic administrative and financial health care transactions; and for the code sets used in conjunction with those transactions; and (b) creating a unique health identifier for health care providers. Physicians and other persons exchanging patient information with the Obligated Group is required to comply with these laws and regulations.

In December 2000, DHHS issued a final rule regarding privacy standards covering health plans, health care clearinghouses, and health care providers. Most covered entities had to be in compliance with the rule by April 14, 2003. The Borrower is considered a covered entity. DHHS also published a final rule regarding the security of

electronic health information. Most covered entities had to comply with the rule by April 20, 2005. The Borrower intends to operate in material compliance with HIPAA.

On February 17, 2009, the American Recovery and Reinvestment Act (the “ARRA”) was signed into law. The ARRA contained significant changes to HIPAA including a new requirement that covered entities must make notifications in the event of a breach of privacy, security, or integrity of protected health information to individuals, DHHS, and in certain instances, depending on the number of people whose information was subject to the breach, to the media. In addition, the ARRA increased the liability of business associates of covered entities and placed additional administrative responsibilities on health care providers and other covered entities regarding the privacy and security of health information. Pursuant to the ARRA, DHHS will be required to conduct periodic HIPAA compliance audits to ensure that covered entities, including health care providers, are complying with HIPAA and the new requirements created by the ARRA. DHHS has issued a series of regulations implementing the ARRA requirements; regulations implementing the breach notification requirements were published on October 19, 2009 and apply to breaches on or after September 23, 2009. The full impact of the ARRA will not be known until all of the new requirements have been implemented, but the Borrower may incur significant costs in implementing the policies and systems required to comply with these new requirements.

If the Borrower is found to have violated any state or federal statute or regulation with regard to the security, confidentiality, dissemination or use of patient medical information, the violator could be liable for damages, or civil or criminal penalties. Under HIPAA and the ARRA amendments, the penalty for failure to comply with the standards is a fine of \$114 to \$57,051 for each violation, with a maximum penalty of \$1,711,533 imposed for all violations of an identical requirement during a calendar year. Congress also established criminal penalties for knowingly violating patient privacy. Criminal penalties include up to \$50,000 and one year in prison for obtaining or disclosing protected health information; up to \$100,000 and up to five years in prison for obtaining protected health information under “false pretenses”; and up to \$250,000 and up to ten years in prison for obtaining or disclosing protected health information with the intent to sell, transfer or use it for commercial advantage, personal gain or malicious harm. In addition, the ARRA authorizes state attorneys general to bring civil actions seeking either an injunction or damages in response to violations of HIPAA privacy and security regulations that threaten state residents.

These standards impose very complex procedures and operational requirements with which the Obligated Group is required to comply. There can be no assurance that differing interpretations of existing laws and regulations or the adoption of new laws and regulations would not have a material adverse effect on the ability of the Borrower to obtain or use health information which, in turn, could have a material adverse effect on the business of the Borrower. Similarly, because of the complexity of these regulations, there can be no assurance that the Borrower would not be reviewed, found to violate these standards, and assessed penalties for such violations.

Medicare and Medicaid Programs

General. The Borrower is subject to highly technical regulations by a number of federal, state, and local government agencies and private agencies, including those that administer the Medicaid program. The Borrower participates in the Medicare Program. The Borrower does not presently intend on participating in the Medicaid program. Changes in the structure of the Medicare system, as well as potential limitations on payments from governmental and other third-party payors, could potentially have an adverse effect on the results of operations of the Borrower. The initiation of audits and investigations concerning billing practices could also potentially have an adverse effect on the results of operations of the Borrower.

There is an expanding and increasingly complex body of law, regulation, and policy (both federal and state) relating to the Medicare program, which is not directly related to payments under such programs. This includes reporting and other technical rules as well as broadly stated prohibitions regarding improper inducements for referrals, referrals by physicians for designated health services to entities with which the physicians have a prohibited financial relationship, and payment of kickbacks in connection with the purchase of goods and services (see “Fraud and Abuse Enforcement” above). Violations of prohibitions against false claims, improper inducements, and payments, prohibited physician referrals, and illegal kickbacks may result in civil and/or criminal sanctions and penalties. Civil penalties range from monetary fines that may be levied on a per-violation basis to

temporary or permanent exclusion from the Medicare program. A determination that Borrower is in violation of these laws could have a material adverse effect on finances of the Borrower.

Other future legislation, regulation or actions by the federal government are expected to continue the trend toward more restrictive limitations on reimbursement for long term care services. At present, no determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law. Similarly, the impact of future cost control programs and future regulations upon the financial performance of the Borrower cannot be determined at this time.

The residents of the Community are largely private pay residents. The Community is currently certified as a Medicare provider through the Centers for Medicare and Medicaid. Loss of such certification or the reduction or limitation of compensation under Medicare Program could have a material adverse effect on the income of the Obligated Group and its ability to meet its obligations and pay debt service on the Bonds and other Outstanding Obligations.

No Credit Enhancement on the Bonds

The Bonds are not secured by any letter of credit, insurance policy or other credit enhancement and no person is obligated to obtain any such enhancement in the future.

No Ratings; Limited Market for the Bonds

No ratings have been requested for the Bonds. The absence of a rating adversely affects the market for obligations such as the Bonds. Additionally, the initial and subsequent purchasers of the Bonds must be “qualified institutional buyers,” as defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”) or institutional “accredited investors” as defined in Rule 501(a) promulgated under the Securities Act. There can be no assurance that there will be a secondary market for purchase or sale of the Bonds. From time to time there may be no market for the Bonds depending upon prevailing market conditions and the financial condition and results of operations of the Borrower. The Bonds should therefore be considered long-term investments in which funds are committed to maturity.

Although the Obligated Group has covenanted under the Master Indenture that it will seek a rating of the Bonds or any Related Bonds from any Rating Agency each year after a determination, pursuant to the terms of the Master Indenture, is made that an investment grade rating for such Related Bonds is reasonably obtainable, there can be no assurance that any such determination will be made as long as the Bonds are outstanding and, even if such a determination is made and a rating is sought thereafter, there can be no assurance that the Obligated Group will be successful in obtaining an investment grade rating for the Bonds or any Related Bonds.

Amendments to Documents

Certain amendments to the Bond Indenture, the Loan Agreement and the Master Indenture may be made without the consent of the registered holders of the Bonds and other amendments may be made with the consent of the registered holders of not less than 51% in aggregate principal amount of all outstanding Obligations. Furthermore, consent may be given by a broker, dealer or municipal securities dealer, serving as underwriter or remarketing agent indebtedness secured by an Obligation.

Limitations on Security Interest in Gross Revenues

The effectiveness of the security interest in the Obligated Group’s Gross Revenues granted in the Master Indenture may be limited by a number of factors, including: (i) present or future prohibitions against assignment contained in any applicable statutes or regulations; (ii) certain judicial decisions which cast doubt upon the right of the Master Trustee, in the event of the bankruptcy of any Member of the Obligated Group, to collect and retain accounts receivable from Medicare, Medicaid, general assistance and other governmental programs; (iii) commingling of the proceeds of Gross Revenues with other moneys of a Member of the Obligated Group not subject to the security interest in Gross Revenues; (iv) statutory liens; (v) rights arising in favor of the United States of

America or any agency thereof; (vi) constructive trusts, equitable or other rights impressed or conferred by a federal or state court in the exercise of its equitable jurisdiction; (vii) federal bankruptcy laws which may affect the enforceability of the mortgage or the security interest in the Gross Revenues of the Obligated Group which are earned by the Obligated Group within 90 days preceding or, in certain circumstances with respect to related corporations, within one year preceding and after any effectual institution of bankruptcy proceedings by or against a Member of the Obligated Group; (viii) rights of third parties in Gross Revenues converted to cash and not in the possession of the Master Trustee; and (ix) claims that might arise if appropriate financing or continuation statements are not filed in accordance with the Florida Uniform Commercial Code as from time to time in effect.

In addition, cash held by the Obligated Group may not be subject to any perfectible security interest under the Uniform Commercial Code (“UCC”). The security interest in any item of inventory will be inferior to the interest of a buyer in the ordinary course of business and will be inferior to a purchase money security interest, as defined in the UCC, perfected in connection with the sale to the Obligated Group of such item.

The lien on certain other pledged assets may not be enforceable against third parties unless such other pledged assets are transferred and delivered to the Master Trustee (which transfer the Obligated Group is not required by the Master Indenture to make prior to a default thereunder and which transfer may be set aside if it occurs within 90 days of the filing of a petition of bankruptcy), is subject to exception under the UCC and may be lost if the proceeds are commingled or expended by the Obligated Group.

Furthermore, the federal government restricts the assignment of rights arising out of Medicare, Medicaid and other federal programs. No opinion will be expressed by counsel to the Borrower as to the perfection of any security interest in the assignment of such rights.

The Master Indenture provides that if a Lockbox Condition shall have occurred, the Members of the Obligated Group must deposit with the Master Trustee all Gross Revenues during each succeeding month, beginning on the first day thereof and on each day thereafter, until the applicable Lockbox Condition has been cured under the Master Indenture or no longer exists. See “SECURITY FOR THE SERIES 2022 MASTER NOTES – Revenue Fund” herein.

Certain Matters Relating to the Enforceability of the Master Indenture

In determining whether various covenants and tests contained in the Master Indenture (including tests relating to the issuance of Additional Indebtedness) are met, the accounts of the Borrower and any future Obligated Group Member will be combined for financial reporting purposes, notwithstanding uncertainties hereinafter described as to the enforceability of certain obligations of the Obligated Group contained in the Master Indenture which bear on the availability of the revenues of the members of the Obligated Group for payment of debt service on the Obligations, including the Series 2022 Master Notes pledged as security for the Bonds.

The joint and several obligations described herein of the members of the Obligated Group to make payments of debt service on Obligations issued pursuant to and under the Master Indenture (including transfers in connection with voluntary dissolution or liquidation) may not be enforceable to the extent such payments (a) are requested to be made with respect to payments on any Master Note or Obligation which is issued for a purpose that is not consistent with the charitable purposes of the Borrower from which such payment is requested or which is issued for the benefit of an entity other than a tax-exempt organization; (b) are requested to be made from any property which is donor restricted or which is subject to a direct or express trust which does not permit the use of such property for such payment; (c) would result in the cessation or discontinuation of any material portion of the health-care or related services previously provided by an Obligated Group Member from which such payment is requested (other than the member by or for which such Master Note or Obligation was issued); or (d) are requested to be made pursuant to any loan violating applicable usury laws. Due to the absence of any clear legal precedent in this area, the extent to which the Property of any present or future Member of the Obligated Group falls within category (a) referred to above cannot be determined and could be substantial.

No Obligated Group Member may be required to make payments on Obligations issued by or for the benefit of another Obligated Group Member to the extent any such payment would render such Obligated Group Member insolvent or would conflict with, would not be permitted by or would be subject to recovery for the benefit

of other creditors of such member under applicable fraudulent conveyance, bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights. There is no clear precedent in the law as to whether payments by an Obligated Group Member in order to pay debt service on Obligations issued by or for the benefit of another Obligated Group Member may be voided by a trustee in bankruptcy in the event of a bankruptcy of the member or by third party creditors in an action brought pursuant to state fraudulent conveyances statutes. Under the Bankruptcy Code, a trustee in bankruptcy and, under state fraudulent conveyances statutes, a creditor of a related guarantor, may avoid any obligation incurred by a related guarantor, if, among other bases therefor, (1) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty and (2) the guaranty renders the guarantor insolvent, as defined in the Bankruptcy Code or state fraudulent conveyances statutes, or the guarantor is undercapitalized.

Application by courts of the tests of "insolvency," "reasonably equivalent value" and "fair consideration" has resulted in a conflicting body of case law. It is possible that, in an action to force an Obligated Group Member to pay debt service on Obligations issued by or for the benefit of another Obligated Group Member, a court might not enforce such a payment in the event it is determined that such Obligated Group Member is analogous to a guarantor and that fair consideration or reasonably equivalent value for such guaranty was not received and that the incurrence of such obligation has rendered or will render the Borrower insolvent or the Borrower is or will thereby become undercapitalized.

Bankruptcy

In the event of the bankruptcy of an Obligated Group Member, the rights, and remedies of the owners of the Bonds are subject to various provisions of the Bankruptcy Code. If an Obligated Group Member were to commence a proceeding in bankruptcy, payments made by an Obligated Group Member during the 90-day (or under certain circumstances one year) period immediately preceding such commencement may be voided as preferential transfers to the extent such payments allow the recipients thereof to receive more than they would have received in the event of the liquidation of an Obligated Group Member. Security interests and other liens granted to the Bond Trustee and perfected during such preference period may also be voided as preferential transfers to the extent such security interest or other lien secures obligations that arose prior to the date of such perfection. Such a bankruptcy filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against an Obligated Group Member and their property, including the property mortgaged pursuant to the Mortgage, and as an automatic stay of any act or proceeding to enforce a lien upon or to otherwise exercise control over their property as well as various other actions to enforce, maintain or enhance the rights of the Bond Trustee. If the bankruptcy court so ordered, the property of an Obligated Group Member could be used for the financial rehabilitation of an Obligated Group Member despite any security interest of the Bond Trustee therein. The rights of the Bond Trustee to enforce its interests and other liens could be delayed during the pendency of the rehabilitation proceeding.

The Borrower could file a plan for the adjustment of their debts in any such proceeding which could include provisions modifying or altering the rights of creditors generally, or any class of them, secured or unsecured. The plan, when confirmed by a court, binds all creditors who had notice or knowledge of the plan and, with certain exceptions discharges all claims against the debtor to the extent provided for in the plan. No plan may be confirmed unless certain conditions are met, among which is that the plan is feasible and shall have been accepted by each class of claims impaired thereunder. Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the class cast votes in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

In addition, if the bankruptcy court concludes that the Bondholders have "adequate protection," it could under certain circumstances (1) substitute other security for the security provided by the Loan Agreement, the Bond Indenture and the Mortgage for the benefit of the Bondholders and (2) subordinate the lien and security interest of the Bondholders to (a) claims by persons supplying goods and services to an Obligated Group Member after the bankruptcy and (b) the administrative expenses of the bankruptcy proceeding.

In the event of bankruptcy of an Obligated Group Member, there is no assurance that certain covenants, including tax covenants, contained in the Bond Indenture, the Loan Agreement, the Mortgage, and certain other

documents would survive. Accordingly, an Obligated Group Member, as debtor in possession, or a bankruptcy trustee could take action that would adversely affect the exclusion of interest on the Bonds from gross income of the Owners for federal income tax purposes.

If an Obligated Group Member were to file a petition for relief under the Bankruptcy Code, such filing would constitute an Event of Default under the Loan Agreement, permitting the Bond Trustee, under the terms set forth in the Bond Indenture, to accelerate the payment of principal and interest on the Bonds.

Environmental Matters

Health care providers are subject to a wide variety of federal, state, and local environmental and occupational health and safety laws and regulations which address, among other things, health care operations, facilities and properties owned or operated by health care providers. Among the type of regulatory requirements faced by health care providers are (a) air and water quality control requirements, (b) waste management requirements, including medical waste disposal, (c) specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances, (d) requirements for providing notice to employees and members of the public about hazardous materials handled by or located at clinics, (e) requirements for training employees in the proper handling and management of hazardous materials and wastes and (f) other requirements.

In its role as the owner and operator of properties or facilities, an Obligated Group Member may be subject to liability for investigating and remediating any hazardous substances that may have migrated off of its property. Typical health care operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable, and other hazardous materials, wastes, pollutants or contaminants. As such, health care operations are particularly susceptible to the practical, financial, and legal risks associated with compliance with such laws and regulations. Such risks may (a) result in damage to individuals, property, or the environment, (b) interrupt operations and increase their cost, (c) result in legal liability, damages, injunctions, or fines and (d) result in investigations, administrative proceedings, penalties or other governmental agency actions. There is no assurance that an Obligated Group Member will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of an Obligated Group Member.

A Phase I Environmental Site Assessment dated December 8, 2021 (the “Environmental Site Assessment”) was completed on the site of the Community. The Environmental Site Assessment was based on a review of federal, state and local records, interviews and physical inspection of the Community site. No evidence of recognized environmental conditions in connection with the Mortgaged Property was noted and no further action was recommended. At the present time the Borrower is not aware of any pending claim threatened in writing, investigation, or enforcement action regarding environmental issues which, if determined adversely to the Borrower, would have a material adverse effect on the operations or financial condition of the Community.

However, there can be no assurance that an enforcement action or actions will not be instituted under such statutes at a future date. In the event such enforcement actions are initiated, the Obligated Group could be liable for the costs of removing or otherwise treating pollutants or contaminants located at the Mortgaged Property. In addition, under applicable environmental statutes, in the event an enforcement action was initiated, a lien superior to the Master Trustee’s lien on behalf of the Bondholders could attach to the Community, which would adversely affect the Master Trustee’s ability to realize value from the disposition of the Mortgaged Property upon foreclosure. Furthermore, in determining whether to exercise any foreclosure rights with respect to the Mortgaged Property under the Master Indenture and the Mortgage, the Master Trustee would need to take into account the potential liability of any owner of the Community, including an owner by foreclosure, for clean-up costs with respect to such pollutants and contaminants.

Taxation of Interest on the Series 2022A Bonds

Because the existence and continuation of the excludability of the interest on the Series 2022A Bonds from federal gross income depends upon events occurring after the date of issuance of the Series 2022A Bonds, the opinion of Bond Counsel described under the caption “TAX MATTERS” herein assumes compliance by the Borrower and the Issuer with the provisions of the Code and the regulations relating thereto. No opinion is

expressed by Bond Counsel with respect to the excludability of the interest on the Series 2022A Bonds in the event of noncompliance with such provisions. The failure of the Borrower or the Issuer to comply with the provisions of the Code and the regulations thereunder may cause the interest on the Series 2022A Bonds to become includable in gross income retroactive to the date of issuance.

Federal Tax Matters

Possible Changes in Obligated Group's Tax Status. The possible modification or repeal of certain existing federal income or state tax laws or other loss by one or more Members of the Obligated Group of the present advantages of certain provisions of the federal income or state tax laws could materially and adversely affect the revenues of the Obligated Group. The Borrower has obtained a determination letter from the IRS to the effect that it is exempt from federal income taxation under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code. Management's Forecast included in APPENDIX C hereto includes an assumption that the Borrower will continue to be treated as a disregarded entity of an organization described in Section 501(c)(3) of the Code. As an exempt organization, the Borrower is subject to a number of requirements affecting its operation. The failure of a Member of the Obligated Group to remain qualified as an exempt organization would affect the funds available to the Obligated Group for payments to be made under the Loan Agreement and the Series 2022 Master Notes. Failure of the Obligated Group or the Issuer to comply with certain requirements of the Code, or adoption of amendments to the Code to restrict the use of tax-exempt bonds for facilities such as those being financed with Series 2022A Bond proceeds, could cause interest on the Series 2022A Bonds to be included in the gross income of holders of Series 2022A Bonds or former holders of Series 2022A Bonds for federal income tax purposes. It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of charitable organizations such as the Borrower. There can be, however, no assurance that future changes in the laws and regulations of the federal, state, or local governments will not materially and adversely affect the operations and revenues of the Obligated Group by requiring the payment of income or other taxes.

Intermediate Sanctions. Section 4958 of the Code provides the IRS with an "intermediate" tax enforcement tool to combat violations by tax-exempt organizations of the private inurement prohibition of the Code. Previous to the "intermediate sanctions law," the IRS could punish such violations only through revocation of an entity's tax-exempt status. Intermediate sanctions may be imposed where there is an "excess benefit transaction," defined to include a disqualified person (i.e., a director, officer, or other related party) (1) engaging in a non-fair market value transaction with the tax-exempt organization; (2) receiving excessive compensation from the tax-exempt organization; or (3) receiving payment in an arrangement that violates the private inurement proscription. A disqualified person who benefits from an excess benefit transaction will be subject to a "first tier" penalty excise tax equal to 25% of the amount of the excess benefit. Organizational managers who participate in an excess benefit transaction knowing it to be improper are subject to a first-tier penalty excise tax of 10% of the amount of the excess benefit, subject to a maximum penalty of \$10,000. A "second tier" penalty excise tax of 200% of the amount of the excess benefit may be imposed on the disqualified person (but not the organizational manager) if the excess benefit transaction is not corrected in a specified time period.

Bond Audit. IRS officials have stated that more resources will be allocated to audits of tax-exempt bonds in the charitable organization sector. The Series 2022A Bonds may be subject to audit, from time to time, by the IRS. The Obligated Group believes that the Series 2022A Bonds properly comply with applicable tax laws and regulations. In addition, Bond Counsel will render an opinion at issuance with respect to the tax-exempt status of the Series 2022A Bonds, as described under the heading "TAX MATTERS." No ruling with respect to the tax-exempt status of the Series 2022A Bonds has been or will be sought from the IRS, however, and opinions of counsel are not binding on the IRS or the courts and are not guarantees. There can be no assurance, therefore, that an audit of the Series 2022A Bonds will not adversely affect the tax-exempt status of the Series 2022A Bonds.

IRS Examination of Compensation Practices. In October 2004, the IRS announced a new enforcement effort to identify and halt abuses by tax-exempt organizations that pay excessive compensation and benefits to their officers and other insiders. In February 2009, the IRS issued its Hospital Compliance Project Final Report (the "IRS Final Report") based on its examination of such tax-exempt organizations. The IRS Final Report indicates that the IRS (i) will continue to heavily scrutinize executive compensation arrangements, practices, and procedures and (ii) in certain circumstances, may conduct further investigations or impose fines on tax-exempt organizations.

Other Tax Status Issues. The IRS has also issued Revenue Rulings dealing specifically with the manner in which a facility providing residential services to the elderly must operate in order to maintain its exemption under Section 501(c)(3). Revenue Rulings 61-72 and 72-124 hold that, if otherwise qualified, a facility providing residential services to the elderly is exempt under Section 501(c)(3) if the organization (1) is dedicated to providing, and in fact provides or otherwise makes available services for, care and housing to aged individuals who otherwise would be unable to provide for themselves without hardship, (2) to the extent of its financial ability, renders services to all or a reasonable proportion of its residents at substantially below actual cost, and (3) renders services that minister to the needs of the elderly and relieve hardship or distress. Revenue Ruling 79-18 holds that a facility providing residential services to the elderly may admit only those tenants who are able to pay full rental charges, provided that those charges are set at a level that is within the financial reach of a significant segment of the facility's elderly persons, and that the organization is committed by established policy to maintaining persons as residents, even if they become unable to pay the monthly charges after being admitted to the facility.

IRS Form 990. IRS Form 990 ("Form 990") is used by 501(c)(3) not-for-profit organizations to submit information required by the federal government for tax-exemption. Form 990 requires detailed public disclosure of compensation practices, corporate governance, loans to management and others, joint ventures and other types of transactions, political campaign activities and other areas the IRS deems to be compliance risk areas. Form 990 also contains a separate schedule requiring detailed reporting of information relating to tax-exempt bonds, including compliance with the arbitrage rules and rules limiting private use of bond-financed facilities, including compliance with the safe harbor guidance in connection with management contracts and research contracts. Form 990 allows for enhanced transparency as to the operations of exempt organizations. This schedule is likely to result in enhanced enforcement, as Form 990 makes available detailed information on compliance risk areas to the IRS and other stakeholders, including state attorneys general, unions, plaintiff's class action attorneys, public watchdog groups and others.

Proposed Income Tax Law Changes Affecting Tax Exemption. Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2022A Bonds to be subject, directly, or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners of the Series 2022A Bonds from realizing the full current benefit of the tax status of such interest. Federal legislation has previously been introduced at various times which, if enacted, would have either limited the exclusion from gross income of interest on obligations like the Series 2022A Bonds to some extent for certain individual taxpayers, or eliminated the federal income tax exemption for interest on obligations like the Series 2022A Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Series 2022A Bonds. Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations, or litigation.

Post-Issuance Compliance. Because the existence and continuation of the excludability of the interest on the Series 2022A Bonds from federal gross income depends upon events occurring after the date of issuance of the Series 2022A Bonds, the opinion of Bond Counsel described under the caption "TAX MATTERS" herein assumes the compliance by the Obligated Group with the provisions of the Code and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Series 2022A Bonds in the event of noncompliance with such provisions. The failure of the Obligated Group to comply with the provisions of the Code and the regulations thereunder may cause the interest on the Series 2022A Bonds to become includable in gross income as of the date of issuance. For example, federal arbitrage rules require monitoring over the life of the Series 2022A Bonds to ensure that the yield on investments acquired with proceeds of the Series 2022A Bonds are properly restricted and whether the Obligated Group must pay yield reduction and/or rebate payments. Given such requirements, the Obligated Group must actively monitor compliance while the tax-exempt bonds are outstanding to identify, avoid, and/or correct noncompliance that may threaten the tax-exempt status of the Series 2022A Bonds.

Other Legislation. In recent years the IRS and members of Congress have expressed concern about the need for more restrictive rules governing the tax-exempt status of 501(c)(3) organizations generally and of retirement communities in particular. Legislation has been previously introduced restricting the ability of such organizations to utilize tax-exempt bonds unless they maintain a required percentage of low to moderate income residents. Although the Obligated Group has covenanted in the Loan Agreement to take all appropriate measures to

maintain the tax-exempt status of each of the Members of the Obligated Group, compliance with current and future regulations and rulings of the IRS could adversely affect the ability of the Obligated Group to charge and collect revenues at the level required by the Loan Agreement and the Series 2022 Master Notes, finance or refinance indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Bonds.

Lack of Marketability for Bonds

The Placement Agent is not obligated and does not intend to make a market for the Bonds. It is doubtful that there will be a secondary market for the Bonds, and the absence of such a market for the Bonds could result in investors not being able to resell the Bonds should they need to or wish to do so.

In addition, the Bonds and any interest or participation therein may only be initially purchased by, and thereafter transferred only to, a Beneficial Owner that is an accredited investor or a Qualified Institutional Buyer, and as otherwise provided in the Indenture.

Risk of Early Redemption

Purchasers of the Bonds, including those who purchase Bonds at a price in excess of their principal amount or who hold such Bonds trading at a price in excess of par, should consider the fact that the Bonds are subject to redemption at a redemption price equal to their principal amount plus accrued interest upon the occurrence of certain events. This could occur, for example, in the event that the Bonds are prepaid as a result of a casualty or condemnation award affecting the Community. Under such circumstances, a purchaser of the Bonds whose bonds are called for early redemption may not have the opportunity to hold such Bonds for a time period consistent with such purchaser's original investment intentions and may lose any premium paid for the Bonds.

Risk of Loss Upon Redemption

The rights of Beneficial Owners to receive interest on the Bonds will terminate on the date, if any, on which such Bonds are to be redeemed pursuant to a call for redemption, notice of which has been given under the terms of the Bond Indenture, and interest on such Bonds will no longer accrue on and after such date of redemption. There can be no assurance that the Obligated Group will be able or will be obligated to pay for any amounts not available under the Bond Indenture. In addition, there can be no guarantee that present provisions of the Code or the rules and regulations thereunder will not be adversely amended or modified, thereby rendering the interest earned on the Bonds taxable for federal income tax purposes. Interest earned on the principal amount of the Bonds may or may not be subject to state or local income taxes under applicable state or local tax laws. Each prospective purchaser of Beneficial ownership Interests in the Bonds should consult his or her own tax advisor regarding the taxable status of the Bonds in the applicable state or local jurisdiction.

Other Possible Risk Factors

The occurrence of any of the following events, or other unanticipated events, could adversely affect the operations of an Obligated Group Member:

- (1) Reinstatement or establishment of mandatory governmental wage, rent or price controls;
- (2) Delays, price increases or other problems relating to construction projects;
- (3) Increased unemployment or other adverse economic conditions in the service areas of an Obligated Group Member which would increase the proportion of residents who are unable to pay fully for the cost of their care;
- (4) Any increase in the quantity of indigent care provided which is mandated by law or required due to increased needs of the community in order to maintain the charitable status of an Obligated Group Member;

- (5) Inflation or other adverse economic conditions;
- (6) Changes in tax, pension, social security or other laws and regulations affecting the provisions of health care and other services to the elderly; and
- (7) Inability to control the diminution of residents' assets or insurance coverage with the result that the residents' charges are reimbursed from government reimbursement programs rather than private payments.

FLORIDA REGULATION OF CONTINUING CARE FACILITIES

Continuing care facilities in Florida are regulated by the Office of Insurance Regulation of the State of Florida (the "OIR") under the provisions of Chapter 651, Florida Statutes, as amended. Under Chapter 651, "continuing care" means furnishing pursuant to an agreement shelter, food and either nursing care or certain personal services, whether such nursing care or personal services are provided in the facility or in another setting designated by the agreement for continuing care, to an individual not related by consanguinity or affinity to the provider furnishing such care, upon payment of an entrance fee. Agreements to provide continuing care include agreements to provide care for any duration, including agreements that are terminable by either party. "Personal services" include, but are not limited to, such services as individual assistance with or supervision of essential activities of daily living, but do not include the provision of medical, nursing, dental or mental health services. "Entrance fee" means an initial or deferred payment of a sum of money or property made as full or partial payment for continuing care. An accommodation fee, admission fee, member fee or other fee of similar form and application is considered to be an entrance fee. "Initial entrance fee" means the total Entrance Fee charged by a facility to the first occupant of a unit.

The Florida Legislature enacted legislation known as House Bill 1033 ("HB 1033") during its 2019 legislative session, which Florida Governor DeSantis signed into law. Most provisions of HB 1033 became effective as of January 1, 2020. HB 1033 provides a number of revisions to Chapter 651 that impact the regulation of CCRCs in Florida, including the Community.

Certificate of Authority

Chapter 651 provides that no person may engage in the business of providing continuing care or enter into continuing care agreements or construct a facility for the purpose of providing continuing care without a certificate of authority issued by the OIR. A final certificate of authority may be issued after the applicant has provided the OIR with the information and documents required by Chapter 651. The Borrower received a final certificate of authority for the Community, which remains in full force and effect.

Once issued, a certificate of authority is renewable annually as of each September 30 upon a determination by the OIR that the provider continues to meet the requirements of Chapter 651. Annual reports containing financial and other information about the provider and the facility are required to be filed with the OIR annually on or before each May 1 or 120 days after the end of the provider's fiscal year of such determination if the OIR agrees to this upon the provider's licensure. If a provider fails to correct deficiencies within 20 days of notice from the OIR, and if the time for correction is not extended, the OIR may institute delinquency proceedings against the provider, as described below.

Required Reserves

Chapter 651 requires that each continuing care provider maintain: (a) a debt service reserve in an amount equal to the principal and interest payments becoming due during the current fiscal year (12 months' interest on the financing if no principal payments are currently due) on any mortgage loan or other long term financing, including property taxes; (b) an operating reserve in an amount equal to 30% of the total operating expenses projected in the feasibility study required by Chapter 651 for the first 12 months of operation and thereafter, the operating reserve must be equal to 15% of the total operating expenses in the annual report filed pursuant to Chapter 651, and if the provider has been in operation for more than 12 months, it must hold 15% of the facility's average total annual

operating expenses set forth in the annual reports filed pursuant to Chapter 651 for the immediate preceding three-year period, subject to adjustment in the event there is a change in the number of facilities owned; and (c) a renewal and replacement reserve in an amount equal to 15% of the total accumulated depreciation based on the audited financial statements included in the facility's annual report filed pursuant to Chapter 651, not to exceed 15% of the facility's average operating expenses for the past three (3) fiscal years based on the audited financial statements for each of such years.

These reserves are required to be held in a segregated escrow account maintained with a Florida bank, savings and loan association, trust company or a national bank that is chartered and supervised by the Office of the Comptroller of the Currency within the United States Department of Treasury and that has a branch in the State, and is acceptable to the OIR and, in the case of the operating reserve, must be in an unencumbered account held in escrow for the benefit of the residents. The Reserve Account established with the Bond Trustee pursuant to the Bond Indenture and the escrow account established with the Master Trustee as escrow agent, are intended to meet the requirements of Chapter 651 for those reserves (the "Required Reserves").

Chapter 651 requires the escrow agent holding the Required Reserves to deliver to the provider quarterly reports on the status of the escrow funds, including balances, deposits, and disbursements. Chapter 651 currently provides that withdrawals can be made from the Required Reserves. A provider may withdraw funds held in escrow without the approval of the OIR if the amount held in escrow exceeds the statutorily required amounts and if the withdrawal will not affect compliance with Chapter 651. For all other proposed withdrawals, in order to receive the consent of the OIR, the provider must file documentation showing why the withdrawal is necessary for the continued operation of the facility and such additional information as the OIR reasonably requires. The OIR shall notify the provider when the filing is deemed complete. If the provider has complied with all prior requests for information, the filing is deemed complete after 30 days without communication from the OIR. Within 30 days after the date a file is deemed complete, the OIR shall provide the provider with written notice of its approval or disapproval of the request. The OIR may disapprove any request to withdraw such funds if it determines that the withdrawal is not in the best interest of the residents, except that in an emergency, the provider may petition the OIR to allow a withdrawal of up to 33% of the replacement reserves amount (a waiver being deemed granted if not denied by the OIR within three working days) to be used only for capital items or major repairs. Any withdrawals of the replacement reserves must be repaid within 36 months. Fines may be imposed for failure to deliver the quarterly reports or notices of withdrawal within the required time periods.

The Obligated Group may withdraw funds then in deposit in excess of the minimum liquid reserve required by Chapter 651 without the OIR's consent. If the Required Reserves fall below the minimum requirement at the end of any fiscal quarter due to a change in market value of the invested funds, the continuing care provider is required to fund the shortfall within ten business days. The Required Reserves may be transferred into the custody of Florida's Department of Financial Services if the continuing care provider is insolvent or impaired.

Continuing Care Agreements and Residents' Rights

Chapter 651 prescribes certain requirements for continuing care agreements and requires OIR approval of the form of an agreement before it is used and of any changes to the terms of an agreement once it has been approved. In addition to requiring that the agreement state the amounts payable by the resident, the services to be provided and the health and financial conditions for acceptance of a resident, Chapter 651 requires that the agreement may be canceled by either party upon at least 30 days' notice. A provider that does not give its residents a transferable membership right or ownership interest in the facility may retain 2% of the entrance fee per month of occupancy prior to cancellation, plus a processing fee not exceeding 5% of the entrance fee, and must pay the refund within 120 days of notice of cancellation. The Resident Agreements for the Community meet the requirements of this provision. For agreements entered into on or after January 1, 2016, refunds must be made within 90 days after the agreement is terminated and the unit is vacated. A resident who enters into an agreement before January 1, 2016, may voluntarily sign a contract addendum approved by the OIR that provides for such revised refund requirement.

Chapter 651 requires that a prospective resident have the right to cancel without penalty a continuing care agreement within seven days of signing the continuing care agreement. During this seven-day period, any entrance fee or deposit must be held in escrow or, at the request of the prospective resident, held by the provider in the form of an uncashed check. The Borrower's current practice is to hold deposits in the form of uncashed checks during

such period. **[CONFIRM]** If the prospective resident rescinds the continuing care contract during the seven-day rescission period, the entrance fee or deposit must be refunded to the prospective resident without deduction and any uncashed checks shall be immediately returned to such prospective resident. Upon the expiration of the seven-day period, the provider shall deposit the check. If cancellation occurs after seven days, but prior to occupancy, the entire entrance fee must be refunded, less a processing fee not exceeding 5%, within 60 days of notice of cancellation. However, if cancellation occurs prior to occupancy due to death, illness, injury or incapacity of the prospective resident, the entire entrance fee must be refunded, less any costs specifically incurred by the provider at the written request of the resident.

Chapter 651 further requires that no contract for care shall permit dismissal or discharge of a resident from the facility providing care before the expiration of the contract without just cause for such removal. Failure to pay monthly maintenance fees will not be considered just cause until such time as the amounts paid by the resident, plus any benefits under Medicare or third party insurance, exceed the cost of caring for the resident, based on the per capita cost to the facility (which cost may be adjusted proportionately for amounts paid above the minimum charge for above-standard accommodations).

Chapter 651 also contains provisions giving residents the right: to form residents' organizations and choose representatives; to attend quarterly meetings with the provider; and to inspect the provider's annual reports to the OIR and any examination reports prepared by the OIR or any other governmental agencies (except those which are required by law to be kept confidential). In addition, each contract must provide for advance notice to the resident, of at least 60 days, before any change in fees or charges or the scope of care or services is effective, except for changes required by state or federal assistance programs. Prior to the implementation of any increase in the monthly maintenance fee, the provider must provide, at a quarterly meeting of the residents, the reasons, by department cost centers, for any increase in the fee that exceeds the most recently published Consumer Price Index for all Urban Consumers, all items, Class A Areas of the Southern Region. Residents must also be notified of any plans filed with the OIR relating to expansion of the facility or any additional financing or refinancing.

Examinations and Delinquency Proceedings

The OIR is required to examine the business of each continuing care provider at least once every three years, in the same manner as provided under Florida law for examination for insurance companies. Inspections may also be requested by any interested party. The OIR is required to notify the provider of any discrepancies and to set a reasonable time for corrective action and compliance by the provider.

The OIR may deny, suspend, revoke or refuse to renew a certificate of authority for various grounds relating to: the insolvent condition of the provider or the provider's being in a condition which renders its conduct of further business hazardous or injurious to the public; lack of one or more of the qualifications for a certificate of authority; material misstatements, misrepresentation, fraud, misappropriation of moneys or demonstrated lack of fitness or untrustworthiness; violations of Chapter 651 or any regulation or order of the OIR; or refusal to permit examination or to furnish required information.

Suspension of a certificate of authority may not exceed one year, during which period the provider may continue to operate and must file annual reports, but may not issue new continuing care agreements. At the end of the suspension period, the certificate of authority is to be reinstated, unless the OIR finds that the causes for suspension have not been removed or that the provider is otherwise not in compliance with Chapter 651 (in which event the certificate of authority is deemed to have been revoked as of the end of the suspension period or upon failure of the provider to continue the certificate during the suspension period, whichever event occurs first). In lieu of suspension, administrative fines may be levied, not exceeding \$1,000 per violation, or \$10,000 for knowing and willful violations.

If the OIR finds that sufficient grounds exist as to a continuing care provider for the rehabilitation (i.e., receivership), liquidation, conservation, reorganization, seizure or summary proceedings of an insurer as provided under Florida law pertaining to insurance companies, the OIR may petition for an appropriate court order or pursue such other relief as is afforded under Part I of Chapter 631, Florida Statutes, as amended (the "Insurers Rehabilitation and Liquidation Act"), for insurance companies generally. Such grounds include, but are not limited to, insolvency or failure or refusal to comply with OIR requirements.

Chapter 651 provides that the rights of the OIR are subordinate to the rights of a trustee or lender pursuant to an indenture, loan agreement or mortgage securing bonds issued to finance or refinance the facility. However, if the OIR has been appointed as receiver of the facility, the court having jurisdiction over the receivership proceeding is authorized to enjoin a secured creditor from seeking to dispose of the collateral securing its mortgage for up to 12 months, upon a showing of good cause, such as a showing that the collateral should be retained in order to protect the life, health, safety or welfare of the residents or to provide sufficient time for relocation of the residents.

If a trustee or lender becomes the mortgagee under the Mortgage pursuant to a foreclosure sale or otherwise through the exercise of remedies upon the default of the mortgagor, the rights of a resident of any portion of the applicable Mortgaged Property governed by Chapter 651, Florida Statutes, under a continuing care agreement, shall be honored and shall not be disturbed or affected (except as described below) as long as the trustee or lender agrees that the rights of the residents will be honored and will not be disturbed by a foreclosure or conveyance in lieu thereof as long as the resident continues to comply with all provisions of the continuing care agreement and has asserted no claim inconsistent with the rights of the trustee or lender. In such event, the OIR shall not exercise its remedial rights provided under Chapter 651 with respect to the facility, including its right to enjoin disposal of the facility as described in the preceding paragraph. Upon acquisition of a facility by a trustee or lender pursuant to remedies under the Mortgage and evidence satisfactory to the OIR that the trustee or lender is in compliance with the agreements with the residents, the OIR shall issue a 90-day temporary certificate of authority to operate the facility, provided that the trustee or lender will not be required to continue to engage in the marketing or resale of new continuing care agreements, pay any refunds of entrance fees otherwise required to be paid under a resident's continuing care agreement until expiration of such 90-day period, be responsible for acts or omissions of the operator of the facility arising prior to the acquisition of the facility by the trustee or lender, or provide services to the residents to the extent that the trustee or lender would be required to advance funds that have not been designated or set aside for such purposes.

Regulatory Action Level Events and Impairment; Management Contracts

Effective on January 1, 2020, Chapter 651 now contains a two-tiered early warning system to notify the OIR of impaired continuing care providers (referred to as “Impaired” or an “Impairment”). The occurrence of at least two of the following events as of a continuing care provider's most recent annual report will trigger a regulatory action level event (“Regulatory Action Level Event”):

- (1) The continuing care provider's debt service coverage ratio is less than (i) the greater of the minimum ratio in the provider's lending agreement or (ii) 1.20:1. If there is not requirement, 1.20:1 is the minimum.
- (2) The days cash on hand is less than (i) the greater of the minimum days cash on hand in the provider's lending agreement or (ii) 100 days. If there is no requirement, 100 days is the minimum. Days cash on hand includes the Minimum Liquid Reserve funds and is calculated by dividing the value of (a) the sum of unrestricted cash, unrestricted short-term and long-term investments, provider restricted funds, and the minimum liquid reserve as of the reporting date by the value of (b) operating expenses less depreciation, amortization, and other noncash expenses and non-operating losses divided by 365. Operating expenses, depreciation, amortization, and other noncash expenses and non-operating losses are each the sum of their respective values over the 12-month period ending on the reporting date.
- (3) Occupancy is less than 80% averaged over the 12-month period preceding the filing of the provider's annual report.

If a Regulatory Action Level Event has occurred, the continuing care provider must submit a corrective action plan or revised corrective action plan within 30 days after the occurrence of such event. Thereafter, the OIR must approve or disapprove the corrective action plan with 45 business days in accordance with Section 651.034 of Florida Statutes. The OIR must perform an examination or analysis before issuing a corrective order, if necessary, with any actions the OIR determines are required.

If a continuing care provider is determined to be Impaired by the OIR, the OIR may place the provider under regulatory control, including any remedy available under general insurance law pertaining to receivership and

rehabilitation of insolvent insurers. An Impairment is sufficient grounds for the OIR to appoint a receiver. The OIR may forego action up to 180 days for Impairment if there is a reasonable expectation that such Impairment may be eliminated within 180 days.

(1) A provider is Impaired if it fails to meet the minimum liquid reserve requirements of Chapter 651.

(2) Beginning January 1, 2021, a provider is also Impaired if (a) it has mortgage financing from a third-party lender or a public bond issue has a debt service coverage ratio of less than 1.00:1 and the continuing care provider's days cash on hand is less than 90, or (b) it does not have mortgage financing from a third-party lender or public bond issue has days cash on hand of less than 90.

Chapter 651 outlines the calculation of the debt service ratio and days cash on hand for use in the above tests.

Within 45 days after the end of each fiscal quarter, each continuing care provider must file a quarterly unaudited financial statement of the provider and days cash on hand, occupancy, debt service coverage ratio, a detailed listing of the assets maintained in the Required Reserves, and other information required by the OIR. The last quarterly statement for a fiscal year is not required if a continuing care provider does not have pending a Regulatory Action Level Event, Impairment, or a corrective action plan. If a continuing care provider falls below two or more of the thresholds set forth in Section 651.011(25), at the end of any fiscal quarter, the continuing care provider must submit to the OIR, at the same time as the quarterly statement, an explanation of the circumstances and a description of the actions it will take to meet the requirements.

HB 1033 also adds a new section providing the OIR with management company oversight. All management contracts entered into after July 1, 2019, must contain a provision that the contract will be cancelled upon issuance of an order by the OIR without a cancellation fee or penalty. Providers are required to notify the OIR of any change in management within ten (10) business days. For a provider that is found to be Impaired or that has a Regulatory Action Level Event pending, the OIR may disapprove new management and order the provider to remove the new management after its review of the required information. For providers which are not Impaired or subject to a Regulatory Action Level Event, the OIR may remove new management after receiving the required information if it finds: (i) the new management is incompetent or untrustworthy; (ii) the new management is so lacking in managerial experience as to make the proposed operation hazardous to the residents or potential residents; (iii) the new management is so lacking in experience, ability, and standing as to jeopardize the reasonable promise of successful operation; or (iv) has good reason to believe that the new management is affiliated directly or indirectly with any person whose business operations are or have been marked by manipulation of assets or accounts or by bad faith, to the detriment of residents, stockholders, investors, creditors, or the public. If the OIR disapproves of new management, such manager must be removed by the provider within 30 days.

Upon determination by the OIR that a provider is not in compliance with Chapter 651, a corrective plan may be formulated by the OIR. Section 651.114(11) provides that the rights of the OIR under that section are subordinate to the rights of a trustee or lender pursuant to the terms of a resolution, ordinance, loan agreement, indenture of trust, mortgage, lease, security agreement, or other instrument creating or securing bonds or notes issued to finance a facility, and the OIR, subject to its right to override its suspension of remedial rights as described below, may not exercise its remedial rights provided under Chapter 651 to a facility that is subject to a lien, mortgage, lease, or other encumbrance or trust indenture securing bonds or notes issued in connection with the financing of the facility, if the trustee or lender, by inclusion or by amendment to the loan documents or by a separate contract with the OIR, agrees that the rights of residents under a continuing care or continuing care at-home contract will be honored and will not be disturbed by a foreclosure or conveyance in lieu thereof as long as the resident meets certain conditions stated therein. The OIR can override its suspension of its remedial rights, if, at any time (a) the trustee or lender is not in compliance with the agreed upon amendment or contract; (b) a lender or trustee has assigned or has agreed to assign all or a portion of a delinquent or defaulted loan to a third party without the OIR's written consent; (c) the provider engaged in the misappropriation, conversion, or illegal commitment or withdrawal of minimum liquid reserve or escrowed funds required under Chapter 651; (d) the provider refused to be examined by the OIR; or (e) the provider refused to produce any relevant accounts, records, and files requested as part of an examination.

Rules 69O-193.002, .003, .005, .006, and .012 were adopted March 12, 2020; and former Rule 69O - 193.007, .010, and .015 were repealed as of March 12, 2020.

Since the above-described financial covenants are based on existing statutory definitions and requirements, they are subject to change with each new legislative session and are different from the financial covenants and definitions contained in the Master Indenture. It is possible that the Borrower may be subject to the regulatory oversight and restrictions described above, despite being in full compliance with the financial covenants of the Master Indenture.

FINANCIAL REPORTING AND CONTINUING DISCLOSURE

Financial Reporting

The Master Indenture requires that the Obligated Group Representative provide to each Required Information Recipient, the following:

Monthly Reporting. (A) a monthly statement of the Obligated Group as soon as practicable after the information is available but in no event more than 20 days after the completion of such month, containing a balance sheet, an income statement, an escrow statement and a cash flow statement, (B) a monthly report on marketing, occupancy and sales within 20 days following the prior month end comparing actual results to budget and including an explanation of variances of more than 10% from budgeted amounts, (C) a monthly statement of the Obligated Group as soon as practicable after the information is available but in no event more than 45 days after the completion of such month, containing (1) a summary statement on the status of construction of a Capital Addition until the issuance of the last certificate of occupancy with respect to such Capital Addition, and (2) occupancy levels of such Capital Addition as of the end of such month including the number of units that were Occupied and vacated during that month and on an aggregate basis, until such time as stabilized occupancy is attained as further described in the Supplement related to such Capital Addition, and (D) if the Historical Debt Service Coverage Ratio of the Obligated Group for any Fiscal Year is less than 1.00:1 and Days Cash on Hand of the Obligated Group is less than the Liquidity Requirement on a Financial Covenant Testing Date as provided herein, the Obligated Group will deliver (1) monthly financial statements of the Obligated Group, including a combined or combining statement of revenues and expenses and statement of cash flows of the Obligated Group during such period, and a combined or combining balance sheet, (2) a calculation of Days Cash on Hand, and (3) a calculation of Historical Debt Service Coverage Ratio, each within 45 days of the end of each month until the Historical Debt Service Coverage Ratio of the Obligated Group is at least 1.00:1 and Days Cash on Hand is at least equal to the Liquidity Requirement.

Quarterly Reporting. [DISCUSS – TERM SHEET UNCLEAR] Within 45 days of the end of each fiscal quarter, the following items will be prepared in reasonable detail, certified (subject to year-end adjustment) in an Officer's Certificate of the Obligated Group Representative, and shall be accompanied by a comparison to the Annual Budget for the appropriate period and a management's discussion and analysis of results, if applicable, and delivered as follows:

(A) quarterly unaudited financial statements of the Obligated Group, including a combined or combining statement of revenues and expenses and statement of cash flows of the Obligated Group during such period, and a combined or combining balance sheet as of the end of each such fiscal quarter;

(B) calculation of Days Cash on Hand;

(C) calculation of the Historical Debt Service Coverage Ratio; and

(D) statistics for marketing, occupancy for all units by level of care and payor mix for such fiscal quarter (similar, in the sole opinion of the Obligated Group Representative, to the statistics typically provided in offering documents or disclosure for debt financing of facilities similar to the Facilities of the Obligated Group's Members from time to time).

The Obligated Group will hold quarterly conference calls for Owners of the Bonds as long as the Bonds are outstanding.

Annual Reporting. As except as otherwise indicated below, within 180 days of the end of each Fiscal Year, the following items will be delivered:

(A) within 120 days of the end of each Fiscal Year, an annual audited financial report of the Obligated Group prepared by Accountants, including a combined and an unaudited combining balance sheet as of the end of such Fiscal Year, a combined and an unaudited combining statement of cash flows for such Fiscal Year, and a combined and an unaudited combining statement of revenues and expenses for such Fiscal Year, showing in each case in comparative form the financial figures for the preceding Fiscal Year;

(B) a separate written statement of the Accountants preparing the report in (A) above (or another firm of Accountants), containing calculations based on the annual audited financial report in (A) above of the Obligated Group's Historical Debt Service Coverage Ratio and Days Cash on Hand at the end of such Fiscal Year and a statement that such Accountants have no knowledge of any Event of Default under this Master Trust Indenture insofar as it relates to accounting matters or to the Obligated Group's Historical Debt Service Coverage or Days Cash on Hand covenant, or if such Accountants shall have obtained knowledge of any such Event of Default, they shall disclose in such statement the Event of Default and the nature thereof;

(C) an Officer's Certificate of the Obligated Group Representative (1) stating that the Obligated Group is in compliance with all of the terms, provisions and conditions of this Master Trust Indenture, any Related Loan Agreement, the Land Use Restriction Agreement and any Related Bond Indenture or, if not, specifying all such defaults and the nature thereof, (2) calculating and certifying Days Cash on Hand based on the annual audited financial report in (A) above, the Historical Debt Service Coverage Ratio based on the annual audited financial report in (A) above and the marketing, occupancy and payor mix statistics (similar to the statistics typically provided in offering documents or disclosure for debt financing such Facilities from time to time), as of the end of such Fiscal Year, and (3) certifying that the UCC-1 Financing Statement filed with the Florida Secured Transaction Registry to perfect the security interest in the Trust Estate (provided the security interest in the collateral described in such UCC-1 Financing Statement can be perfected by such filing) granted to the Master Trustee hereunder is in full force and effect and disclosing the expiration date of such financing statement;

(D) a summary of the Obligated Group's annual operating and capital budget for the coming Fiscal Year, including a schedule that shows a summary of the average monthly service fees for each category of assisted living unit, memory care and Independent Living Unit, if any;

(E) a management's discussion and analysis of results for such Fiscal Year; and

(F) a comparison of the audited financial reports with the Annual Budget for the preceding Fiscal Year.

Periodic Reporting. Upon occurrence of the following events the items described below will be delivered:

(A) at least fifteen (15) days prior to the first day of each Fiscal Year, the Annual Budget for the following Fiscal Year; provided, however, (i) if the Obligated Group Representative fails to prepare and deliver the Annual Budget for any Fiscal Year, the Annual Budget for the preceding Fiscal Year will continue until the Annual Budget is prepared and delivered for the remainder of the applicable Fiscal Year, and (2) any material revision to the Annual Budget shall also be delivered;

(B) notification that the Borrower has received correspondence from the Internal Revenue Service concerning the commencement or conclusion of an audit relating to either (1) the status of the

Borrower as exempt from federal income taxation under Section 501(a) of the Code by virtue of being a disregarded entity whose sole member is an organization described in Section 501(c)(3) of the Code, or (2) to the tax-exempt status of any Related Bonds, promptly upon receipt of such correspondence;

(C) to the extent that any Obligated Group Member incurs permitted Additional Indebtedness of a form for which there is not a CUSIP number (the “non-Public Debt”), the Obligated Group Representative will provide a copy of the financing document (with non-material information redacted in the sole discretion of the Obligated Group Representative) relating to such non-Public Debt and a debt service schedule showing the principal and interest associated with each series of Related Bonds then outstanding as well as the non-Public Debt and the aggregate debt service of the Obligated Group; provided, however, to the extent that the non-Public Debt is used to construct additional units at the Facilities, the Obligated Group Representative will provide monthly reports regarding whether the construction of the additional units is (1) within the construction budget and if not, a brief explanation and a copy of any revised budget, (2) on schedule with the construction timetable and if not, a brief explanation and a copy of any revised timetable, and (3) and reconciling the amount of construction contingency remaining and the uses of contingency funds to date.

(D) within 10 days after its receipt thereof, the Obligated Group Representative will file with the Required Information Recipients a summary of each Consultant's final report or counsel's opinion required to be prepared under the terms of this Master Trust Indenture; and

(E) such additional information as the Master Trustee or any Related Bond Trustee may reasonably request concerning any Member in order to enable the Master Trustee or such Related Bond Trustee to determine whether the covenants, terms and provisions of this Master Trust Indenture have been complied with by the Members.

The Obligated Group Representative shall also give prompt written notice of change of Accountants by the Obligated Group to the Master Trustee and each Related Bond Trustee. The notice shall state: (i) the effective date of such change; (ii) whether there were any unresolved disagreements with the former Accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which the Accountants claimed would have caused them to refer to the disagreement in a report on the disputed matter, if it was not resolved to their satisfaction; and (iii) such additional information relating thereto as such Related Bond Trustee or the Master Trustee may reasonably request.

Continuing Disclosure

No financial or operating data concerning the Issuer is material for an evaluation of the offering of the Bonds or to any decision to purchase, hold or sell the Bonds and, therefore, such information has not been provided. The Obligated Group, by and through the Borrower, as Obligated Group Representative, has undertaken all responsibility for any continuing disclosure to the registered or beneficial owners of the Bonds as described below pursuant to the Master Indenture, the Loan Agreement and the Continuing Disclosure Agreement between the Borrower, as Obligated Group Representative, and UMB Bank, N.A., as dissemination agent, dated as of January 1, 2022 (the “Continuing Disclosure Agreement”), and the Issuer shall have no liability to the registered and beneficial owners of the Bonds or any other person with respect to Securities and Exchange Commission Rule 15c2-12 (the “Rule”).

The Obligated Group, by and through the Borrower, as Obligated Group Representative, has covenanted for the benefit of the registered and beneficial owners of the Bonds to provide certain annual financial information and operating data relating to the Obligated Group by not later than 120 days following the end of the Obligated Group's Fiscal Year (the “Annual Report”), commencing with the report for the Fiscal Year ending December 31, 2022, and to provide notice of certain enumerated events, if material. The Annual Report will be filed with the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board (“EMMA”) and the Bond Trustee. See APPENDIX E hereto. Prior to the issuance of the Bonds, neither the Borrower nor the Obligated Group has obligated itself to an undertaking pursuant to the Rule.

The covenants set forth in the Continuing Disclosure Agreement have been made in order to assist the Placement Agent in complying with the Rule. Failure to provide such information pursuant to the Continuing Disclosure Agreement shall not constitute a default thereunder; provided, however, the Obligated Group has also covenanted in the Master Indenture to provide certain annual financial information and operating data to the Required Information Recipient. See APPENDIX D hereto.

[DISCLOSURE RE. CONTINUING DISCLOSURE VIOLATIONS TO COME]

Authorization of and Certification Concerning Limited Offering Memorandum

This Limited Offering Memorandum has been authorized by the Obligated Group. Concurrently with the delivery of the Bonds, the Members of the Obligated Group will furnish their certificates to the effect that, to the best of their knowledge, this Limited Offering Memorandum (other than the information relating The Depository Trust Company and its book-entry system, including but not limited to the information in APPENDIX G hereto and the information in the section entitled “UNDERWRITING” herein as to which no view is expressed) did not, as of its date and does not as of the date of delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which this Limited Offering Memorandum is to be used, or which is necessary in order to make the statements contained herein, in light of the circumstances in which they were made, not misleading.

Disclosure Required By Florida Blue Sky Regulations

Section 517.051 Florida Statutes and Rule 69W-400.003, Florida Administrative Code, provide for the exemption from registration of certain governmental securities and require that, if an issuer or guarantor of governmental securities has been in default at any time after December 31, 1975 as to principal and interest on any obligation issued or guaranteed by it, its securities may not be offered or sold in Florida except by means of an offering circular containing full and fair disclosure, as prescribed by rules of the Florida Department of Financial Services (the “Department of Financial Services”). Under the rules of the Department of Financial Services, the prescribed disclosure is not required if the information is not an appropriate disclosure in that the information would not be considered material by a reasonable investor.

As described above, the Issuer has the power to issue bonds for the purpose of financing other projects for other borrowers which are payable from the revenues of the particular project or borrower. Revenue bonds issued by the Issuer for other projects may be in default as to principal and interest. The source of payment, however, for any such defaulted bond is separate and distinct from the source of payment for the Bonds and, therefore, any default on such bonds would not, in the judgment of the Issuer, be considered material by a potential purchaser of the Bonds.

[DISCLOSURE RE. DEFAULT HISTORY TO COME]

TAX MATTERS

Series 2022A Bonds

The Code includes requirements which the Issuer and the Obligated Group must continue to meet after the issuance of the Bonds in order that interest on the Series 2022A Bonds not be included in gross income for federal income tax purposes. The Issuer or the Obligated Group's failure to meet these requirements may cause interest on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer and the Obligated Group have covenanted in the Bond Indenture, the Loan Agreement and the Master Trust Indenture to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2022A Bonds.

In the opinion of Bond Counsel, assuming continuing compliance by the Issuer and the Obligated Group with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, interest on

the Series 2022A Bonds is excluded from gross income for federal income tax purposes. Interest on the Series 2022A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Bond Counsel is further of the opinion that the Series 2022A Bonds and the interest thereon are exempt from all present intangible personal property taxes imposed pursuant to Chapter 199, Florida Statutes. Bond Counsel is further of the opinion that the Series 2022A Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the Issuer and the Obligated Group in the Bond Indenture, the Loan Agreement and the Master Trust Indenture, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Bonds and of the property refinanced thereby), without undertaking to verify the same by independent investigation.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2022A Bonds. Prospective purchasers of Series 2022A Bonds should be aware that the ownership of Series 2022A Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2022A Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry Series 2022A Bonds, (2) the branch profits tax and (3) the inclusion of interest on the Series 2022A Bonds in passive income for certain S corporations. In addition, the interest on the Series 2022A Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2022A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2022A Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2022A Bonds should consult their tax advisors as to the income tax status of interest on the Series 2022A Bonds in their particular state or local jurisdictions.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2022A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2022A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2022A Bonds and their market value. For example, proposals have been discussed in connection with deficit spending reduction, job creation and other tax reform efforts, that could significantly reduce the benefit of, or otherwise effect the exclusion from gross income of, interest on obligations such as the Series 2022A Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2022A Bonds. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2022A Bonds.

Original Issue Discount

Certain of the Series 2022A Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was

sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semiannually. A purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Bonds and will increase its adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Original Issue Premium

Certain of the Series 2022A Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bonds, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bond to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bonds annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Series 2022B Bonds

In the opinion of Bond Counsel, interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes. Except as provided above, Bond Counsel is not rendering any opinion regarding the tax consequences of owning the Series 2022B Bonds. There are several tax-related issues attendant with ownership of the Series 2022B Bonds including, but not limited to, treatment of original issue discount or premium, if any, treatment of secondary market discount or premium, if any, reporting requirements and possible application of backup withholding tax, determination of an owner's tax basis and gains or losses in connection with sales, exchanges or other dispositions of the Series 2022B Bonds, foreign ownership, ownership by certain employee benefit plans and other retirement plans and other issues. Many of the rules related to these issues are complicated and purchasers of the Series 2022B Bonds should consult their own tax advisors and professionals as to the tax consequences of the purchase, ownership and disposition of the Series 2022B Bonds under federal, state, local, foreign and other tax laws.

NO RATING

THE BONDS ARE NOT RATED; NEITHER THE ISSUER NOR THE BORROWER HAS APPLIED TO ANY RATING SERVICE FOR A RATING OF THE BONDS.

PLAN OF DISTRIBUTION

In connection with the offering of the Bonds, RBC Capital Markets, LLC is acting as placement agent under the Placement Agreement (the "Placement Agreement") among the Issuer, the Borrower and RBC Capital Markets, LLC, as placement agent. The Borrower and the Issuer expect to pay and reimburse RBC Capital Markets,

LLC customary fees and expenses for acting as placement agent; provided, that the Issuer's obligations with respect to the foregoing are subject to the availability of proceeds of the Bonds sufficient to satisfy such obligations. RBC Capital Markets, LLC has not undertaken to make a market in the Bonds.

LIMITED OFFERING

INVESTMENT IN THE BONDS INVOLVES A SIGNIFICANT DEGREE OF RISK AND EACH PROSPECTIVE INVESTOR SHOULD CONSIDER ITS FINANCIAL CONDITION AND THE RISKS INVOLVED TO DETERMINE THE SUITABILITY OF INVESTING IN THE BONDS.

THE BONDS ARE BEING OFFERED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND (2) "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF THE SECURITIES ACT. EACH INITIAL PURCHASER OF THE BONDS SHALL DELIVER AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM OF APPENDIX H HERETO. UPON A TRANSFER OF A BENEFICIAL OWNERSHIP INTEREST IN A BOND, EACH PURCHASER OF SUCH BENEFICIAL OWNERSHIP INTEREST SHALL BE DEEMED TO HAVE CERTIFIED TO THE BOND TRUSTEE AND ACKNOWLEDGED, REPRESENTED AND AGREED WITH THE BORROWER AND THE PLACEMENT AGENT THAT SUCH PURCHASER IS ACQUIRING SUCH BOND FOR ITS OWN ACCOUNT, AND THAT IT IS (A) A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED ABOVE, OR (B) AN "ACCREDITED INVESTOR," AS DEFINED ABOVE.

LEGAL MATTERS

Legal matters incident to the issuance of the Bonds and with regard to the tax-exempt status of the interest on the Bonds (see "TAX MATTERS") are subject to the legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, whose legal services as Bond Counsel have been retained by the Issuer. The signed legal opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the Issuer and the Placement Agent at the time of original delivery.

The proposed text of the legal opinion of Bond Counsel is set forth in APPENDIX F hereto. The actual legal opinion to be delivered may vary from that text, if necessary, to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Limited Offering Memorandum or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Bond Counsel has not been engaged to, nor has it undertaken to, review the accuracy, completeness or sufficiency of this Limited Offering Memorandum or any other offering material relating to the Bonds; provided, however, that Bond Counsel will render opinions to the Placement Agent (upon which opinions only the Placement Agent may rely) relating to the accuracy of certain summaries of the Act, the Code, and the financing documents herein.

Certain legal matters will be passed upon for the Borrower by Salter Feiber, P.A. Gainesville, Florida, for the Issuer by Chandler, Lang, Haswell & Cole, P.A., Gainesville, Florida, Florida, and for the Placement Agent by Hawkins Delafield & Wood LLP, Newark, New Jersey.

Both Bond Counsel and Counsels to the Borrower also represent the Placement Agent on other matters unrelated to the issuance of the Bonds or the Borrower. **[CONFIRM]**

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment of the transaction on which the opinion is rendered or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

The Issuer

There is no litigation pending against the Issuer seeking to restrain or enjoin the purchase of the Bonds or delivery of said Bonds or questioning or affecting the legality of the Bonds or the proceedings of the Issuer and the authority under which the Bonds are to be issued. There is no litigation pending against the Issuer which in any manner questions the right of the Issuer to enter into the Bond Indenture or the Loan Agreement, to assign its rights under the Loan Agreement to the Bond Trustee or to issue the Bonds.

The Borrower

There is no litigation pending that in any manner questions the right of the Borrower to operate the Community. There is no litigation pending which in any manner questions the right of the Borrower to enter into the Master Indenture and form the Obligated Group, enter into the Mortgage, or the right of the Borrower to enter into the Loan Agreement. In addition, there is no litigation pending or, to knowledge of the Borrower, threatened in writing against the Borrower, wherein an unfavorable decision would adversely affect the ability of the Borrower to carry out its obligations under the Loan Agreement, the Master Indenture, the Series 2022 Notes, or the Mortgage or would have a material adverse effect on the operations or financial position of the Borrower.

FINANCIAL STATEMENTS

The financials of the Borrower for the Fiscal Years ended December 31, 2020 and 2019, have been audited by MSL CPAs and Advisors, independent auditor (the “Auditor”). The report of the Auditor, together with the financial statements and notes to the financial statements for the Fiscal Years ended December 31, 2020 and 2019 are attached hereto as APPENDIX B to this Limited Offering Memorandum.

MISCELLANEOUS

Any statements herein involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The foregoing and the following excerpts of provisions of the Bonds, the Bond Indenture, the Master Indenture, the Series 2022 Master Notes, the Mortgage, the Loan Agreement, and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions thereof and do not purport to summarize or describe all of the provisions thereof. For a complete statement of the provisions of the Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture, the Mortgage and the Series 2022 Master Notes, reference is made to the documents in their entireties. Until the issuance and delivery of the Bonds, copies of drafts of the documents described herein may be obtained from the Placement Agent. After delivery of the Bonds, copies of the executed documents will be on file for inspection at the corporate trust office of the Bond Trustee.

The Issuer has authorized the distribution of this Limited Offering Memorandum

[Remainder of page intentionally left blank]

The preparation of this Limited Offering Memorandum and its distribution have been authorized by the Obligated Group Representative on behalf of itself and the Obligated Group. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Issuer or the Obligated Group and any purchaser, owner, or holder of any Bond.

BONITA SPRINGS RETIREMENT VILLAGE, INC.

By: _____
[Name]
[Title]

APPENDIX A

The Obligated Group, the Borrower and the Community

APPENDIX B

**Audited Financial Statements of
the [Borrower] for the Fiscal Years ended December 31, 2020 and 2019**

APPENDIX C

Management's Forecast

APPENDIX D

Principal Forms of the Financing Documents

APPENDIX E

Form of Continuing Disclosure Agreement

APPENDIX F

Form of Bond Counsel Opinion

APPENDIX G

Book-Entry Only System

The information in this APPENDIX F concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from DTC and none of the Issuer, the Placement Agent, or the Borrower makes any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of each series of the Bonds and deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC’s participants (the “Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by

arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of a maturity of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The Issuer may, pursuant to the procedures of DTC, decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, the Bonds will be printed and delivered to DTC.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDER OF THE BONDS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

The Issuer and the Borrower can make no assurances that DTC will distribute payments of principal of, redemption premium, if any, or interest on the Bonds to the Direct Participants, or that Direct and Indirect Participants will distribute payments of principal of, redemption premium, if any, or interest on the Bonds or redemption notices to the Beneficial Owners of Bonds or that they will do so on a timely basis, or that DTC or any of its Participants will act in a manner described in this Limited Offering Memorandum. The Issuer and the Borrower are not responsible or liable for the failure of DTC to make any payment to any Direct Participant or failure of any Direct or Indirect Participant to give any notice or make any payment to a Beneficial Owner in respect to the Bonds or any error or delay relating thereto.

The rights of holders of beneficial interests in the Bonds and the manner of transferring or pledging those interests is subject to applicable state law. Holders of beneficial interests in the Bonds may want to discuss the manner of transferring or pledging their interest in the Bonds with their legal advisors.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered. Thereafter, the Bond certificates may be transferred and exchanged as described in the Bond Indenture. See APPENDIX D.

For every transfer of ownership interests in the Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

APPENDIX H

Substantially Final Form of Investor Letter

Alachua County Health Facilities Authority
Gainesville, Florida

UMB Bank, N.A., as Bond Trustee
St. Louis, Missouri

Re: \$[PAR A] Alachua County Health Facilities Authority Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022A; and

 \$[PAR A] Alachua County Health Facilities Authority Taxable Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project), Series 2022B, Taxable Series 2022B (collectively, the “Bonds”)

Ladies and Gentlemen:

The undersigned (“Investor”) is the purchaser of ____% of the above-captioned Bonds, issued by the Alachua County Health Facilities Authority (the “Issuer”) pursuant to that certain Indenture of Trust, dated as of January 1, 2022 (the “Indenture”), between the Issuer and UMB Bank N.A., as Bond Trustee (the “Trustee”).

Capitalized terms not defined herein shall be given the meaning ascribed thereto in the Limited Offering Memorandum relating to the Bonds, dated [SALE], 2022 (the “Limited Offering Memorandum”).

Investor has been informed that the Issuer will not sell or permit any Bonds to be sold to Investor unless Investor makes the representations, warranties, and covenants herein and authorizes the Issuer and the Trustee to rely thereon and such representations, warranties and covenants are made by the Investor AS AN INDUCEMENT to the sale of the Bonds to Investor.

In connection with the sale of the Bonds to Investor, Investor hereby makes the following covenants and representations upon which you may rely:

1. Investor has received and read a copy of the Limited Offering Memorandum and has been given access to copies of the Indenture (including the form of Bond), the Loan Agreement, the Master Indenture, the Mortgage and such other documents, agreements, certificates, and instruments referenced therein or pertaining thereto or to the Bonds which Investor is a party or deems necessary and appropriate in its evaluation of the Bonds.

2. Investor has sufficient knowledge and experience in financial and investment matters to be able to evaluate the risks and merits of an investment in the Bonds.

3. Investor is acquiring the Bonds solely for its own account for investment purposes, and does not presently intend to make a public distribution of, or to resell or transfer, all or any part of the Bonds, except in connection with a transfer on the date hereof to a trust or custodial arrangement each of the beneficial owners of which is an accredited investor or a Qualified Institutional Buyer, provided however, Investor reserves the right to sell or transfer the Bonds in the future in accordance with the transfer restrictions set forth in paragraph 7 below. Investor has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds and Investor has not agreed with the Issuer pursuant to a written agreement to sell the Bonds to persons other than Investor or a related party to Investor.

4. Investor understands that it may be required to bear the risks of this investment in the Bonds for an indefinite time, since any sale prior to maturity may not be possible.

5. The Bonds are a financially suitable investment for Investor consistent with Investor's investment needs and objectives.

6. Investor is (i) an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "1933 Act") or (ii) a "Qualified Institutional Buyer" as defined in Rule 144A under the 1933 Act; Investor understands that the Bonds are not registered under the 1933 Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating service, and (d) will be delivered in a form which may not be readily marketable.

7. Investor acknowledges that the Bonds are not transferable except to another (i) "accredited investor" or (ii) "Qualified Institutional Buyer," and Investor agrees to abide by the transfer restrictions contained in the Indenture. Investor shall be solely and exclusively responsible for compliance with such transfer restrictions, including having a reasonable belief that its transferee is an accredited investor or a Qualified Institutional Buyer, as the case may be.

8. Investor acknowledges that it has either been supplied with or been given access to information (including, without limitation, financial statements and other financial information and copies of the Indenture, the Loan Agreement, the Master Indenture and the Tax Agreement), to which a reasonable investor would attach significance in making investment decisions, and Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Bonds, and the security therefor so that, the Investor has been able to make its decision to purchase the Bonds. Investor acknowledges that it has not relied upon the Issuer for any information in connection with the Investor's purchase of the Bonds.

9. INVESTOR ACKNOWLEDGES THAT THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE, AND THE ISSUER SHALL NOT BE DIRECTLY OR INDIRECTLY OR CONTINGENTLY OR MORALLY OBLIGATED TO USE ANY OTHER MONEYS OR ASSETS OF THE ISSUER FOR ALL OR ANY PORTION OF THE PRINCIPAL OF AND INTEREST ON THE BONDS.

10. Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor (including, without limitation, a credit evaluation of the Borrower and any guarantors, obligors or lessees of the Facilities, to the extent Investor deemed it necessary or appropriate), and other material factors affecting the security and payment of the Bonds. Investor is aware that the business of the Borrower involves certain economic variables and risks that could adversely affect the security for the Bonds.

11. Investor agrees to indemnify and hold harmless the Issuer and each Issuer Indemnified Person (as defined in the Loan Agreement) with respect to any claim asserted against the Issuer or any such Issuer Indemnified Person that is based upon Investor's breach of any representation, warranty or agreement made by it herein, other than any claim that is based upon the willful misconduct of the Issuer Indemnified Person seeking indemnification. For the avoidance of doubt, neither Bond Counsel nor the Placement Agent are Issuer Indemnified Persons for purposes of this letter.

Investor: _____
By: _____
Name: _____
Title: _____

The News-Press
media group
news-press.com A GANNETT COMPANY

Attn:

NABORS, GIBLIN & NICKERSON PA
1500 MAHAN DR STE 200
TALLAHASSEE, FL 32308

Before the undersigned authority personally appeared said legal clerk, who on oath says that he or she is a Legal Assistant of the News-Press, a daily newspaper published at Fort Myers in Lee County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of

Notice Public Hearing

In the Twentieth Judicial Circuit Court was published in said newspaper editions dated:

01/10/2022

Affiant further says that the said News-Press is a paper of general circulation daily in Lee, Charlotte, Collier, Glades and Hendry Counties and published at Fort Myers, in said Lee County, Florida, and that the said newspaper has heretofore been continuously published in said Lee County, Florida each day and has been entered as periodicals matter at the post office in Fort Myers, in said Lee 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 or she has never 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.

Sworn to and Subscribed before me this 12th of January 2022.

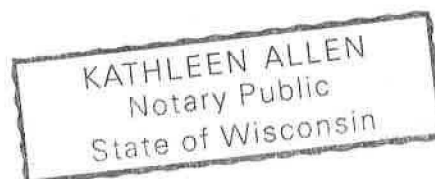
Nicole Jacobs
Legal Clerk

Kathleen Allen
Notary Public State of Wisconsin County of Brown

1-7-22
My commission expires

of Affidavits: 1

This is not an invoice



CITY OF BONITA SPRINGS
NOTICE OF PUBLIC HEARING

The City Council of the City of Bonita Springs, Florida (the "City") will hold a public hearing on January 19, 2022 at 5:30 P.M., or as soon thereafter as practicable, in the Council Chambers at City Hall, 9101 Bonita Beach Road, SE, Bonita Springs, Florida, 34135, to consider adoption of a resolution approving the issuance by the Alachua County Health Facilities Authority, Alachua County, Florida (the "Issuer") of not exceeding \$100,000,000 of its Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project) (the "Bonds") in one or more series. The proceeds of the Bonds will be loaned by the Issuer to Bonita Springs Retirement Village, Inc. (the "Borrower"). The Borrower will use the proceeds of the Bonds to: (A) refund all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (B) finance the cost of (or reimburse itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (C) fund a portion of the interest on the Bonds; (D) fund an operating reserve fund; (E) fund debt service reserve funds; and (F) pay costs and fund any other necessary reserves associated with the issuance of the Bonds. The sole and limited purpose of the City's approval of the issuance of the Bonds by the Issuer and the location and nature of the Project is to comply with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended. The City will not issue, and will not be obligated on, the Bonds.

The Community and the Project will continue to be owned by the Borrower. The Borrower is an affiliate of SantaFe Senior Living, Inc., located at 4300 N.W. 89th Boulevard, Gainesville, Florida 32606. The Bonds are being issued under the authority of Part III, Chapter 154, Florida Statutes, as amended (the "Act"), and are being loaned to the Borrower to refund the Refunded Bonds and finance and refinance the costs of the Project pursuant to the Act including, particularly, Section 154.247 of the Act. The Bonds shall be payable solely from the revenues derived from a loan and other financing documents to be executed between the Issuer and the Borrower prior to or contemporaneously with the issuance of the Bonds. Such Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Alachua County, the State of Florida, the City or any political subdivision or agency thereof. Issuance of the Bonds is subject to several conditions including satisfactory documentation and receipt of necessary approvals for the financing. The aforementioned meeting shall be a public meeting and all persons who may be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted to the City Council prior to the hearing at 9101 Bonita Beach Road, Bonita Springs, Florida 34135, Attention: City Attorney. Comments made at the hearing are for the consideration of the City Council and will not bind the City Council as to any action it may take.

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

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the City Attorney's Office no later than seven (7) days prior to the proceeding at the address given in this notice. Telephone (239) 949-6254.

By order of the City Council of the City of Bonita Springs, Florida.

RESOLUTION NO. ____

A RESOLUTION PROVIDING LIMITED APPROVAL TO THE ISSUANCE BY THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (THE "ISSUER") OF ITS HEALTH FACILITIES REFUNDING REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT) IN ONE OR MORE SERIES OF TAX EXEMPT AND/OR TAXABLE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000, THE PROCEEDS FROM THE SALE OF WHICH WILL BE USED PRINCIPALLY TO (1) REFUND THE ISSUER'S OUTSTANDING HEALTH FACILITIES REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT), SERIES 2011, AND (2) FINANCE AND REFINANCE CERTAIN CAPITAL IMPROVEMENTS FOR BONITA SPRINGS RETIREMENT VILLAGE, INC., A SENIOR CARE AND HOUSING FACILITY LOCATED IN THE CITY OF BONITA SPRINGS, FLORIDA; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONITA SPRINGS, FLORIDA:

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

A. The Alachua County Health Facilities Authority (the "Issuer") has submitted to the City Council of the City of Bonita Springs, Florida (the "City"), a copy of a resolution of the Issuer adopted on December 13, 2021 (the "Issuer Resolution"), granting its preliminary approval for the issuance by the Issuer of its Health Facilities Refunding Revenue Bonds, (Terraces at Bonita Springs Project) (the "Bonds"), in one or more series and in an aggregate principal amount not to exceed \$100,000,000 for the primary purposes of: (A) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (B) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (C) funding a portion of the interest on the Bonds; (D) funding an operating reserve fund; (E) funding debt service

reserve funds; and (F) paying costs and funding any other necessary reserves associated with the issuance of the Bonds. The Project will be located within the incorporated area of the City at 26455 S. Tamiami Trail. A copy of the Issuer Resolution is attached hereto as EXHIBIT A.

B. On the date hereof, the City Council held a public hearing, which public hearing was duly conducted by the City Council upon reasonable public notice, and at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to (1) the refunding of the Refunded Bonds, (2) the location and nature of the Project, and (3) the issuance of the Bonds by the Issuer for the purposes described in the published notice of such public hearing.

C. Pursuant to the Issuer Resolution, the Issuer has requested the City Council to approve the issuance of the Bonds and the location and nature of the Project for the limited purpose of satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986.

D. It is desirable and in the best interests of the City that the issuance of the Bonds by the Issuer to refund the Refunded Bonds and finance and refinance the costs of the Project be approved by the City Council.

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

SECTION 3. LIMITED APPROVAL. The approval given herein shall not be construed as (i) an endorsement of the issuance of the Bonds by the Issuer, the creditworthiness of the Bonita Springs Retirement Village, Inc. or the financial viability of the Community or 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 Community or the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the City or estopping the City from asserting any rights or responsibilities it or Alachua County, Florida (the "County") may have in such regard. Further, the approval by the City Council of the issuance of the Bonds by the Issuer shall not be construed to obligate the City or the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds, the refunding of the Refunded Bonds or the acquisition and construction of the Project, and the Issuer shall so provide in the financing documents setting forth the details of the Bonds.

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

DULY PASSED AND ADOPTED by the City Council of the City of Bonita Springs, Lee County, Florida, this 19th day of January, 2022.

AUTHENTICATION:

_____ Mayor	_____ City Clerk
----------------	---------------------

APPROVED AS TO FORM: _____
City Attorney

Vote:

Steinmeyer	_____	Corrie	_____
Quaremba	_____	Gibson	_____
Purdon	_____	Forbes	_____
Carr	_____		

Date filed with City Clerk: _____

EXHIBIT A

ISSUER APPROVING RESOLUTION

RESOLUTION 2021-03

AN INDUCEMENT RESOLUTION OF THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY (THE "ISSUER") REGARDING THE OFFICIAL ACTION OF THE ISSUER WITH RESPECT TO THE PROPOSED ISSUANCE OF HEALTH FACILITIES REFUNDING REVENUE BONDS IN ONE OR MORE SERIES OF TAX-EXEMPT AND TAXABLE REVENUE BONDS FOR THE PRINCIPAL PURPOSES OF (1) REFUNDING THE ISSUER'S HEALTH FACILITIES REVENUE BONDS (TERRACES AT BONITA SPRINGS PROJECT), SERIES 2011, AND (2) FINANCING AND REFINANCING THE COSTS OF ACQUISITION, CONSTRUCTION, EQUIPPING, INSTALLATION AND RENOVATION OF CERTAIN CAPITAL IMPROVEMENTS TO OR FOR THE SENIOR CARE AND HOUSING FACILITIES OF BONITA SPRINGS RETIREMENT VILLAGE, INC., MORE PARTICULARLY DESCRIBED HEREIN, FUNDING ANY NECESSARY RESERVES AND PAYING ALL OR A PORTION OF THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A MEMORANDUM OF AGREEMENT BETWEEN THE ISSUER AND BONITA SPRINGS RETIREMENT VILLAGE, INC.; PROVIDING FOR THE PRELIMINARY APPROVAL BY THE ISSUER FOR THE ISSUANCE OF NOT EXCEEDING \$100,000,000 OF SUCH BONDS IN ONE OR MORE SERIES; AND PROVIDING FOR CERTAIN RELATED MATTERS IN CONNECTION THEREWITH AND FOR AN EFFECTIVE DATE.

WHEREAS, Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower") and an affiliate of SantaFe Senior Living, Inc. ("SFSL"), has applied to the Alachua County Health Facilities Authority (the "Issuer"), to issue its private activity health facilities refunding revenue bonds in one or more series of tax-exempt and/or taxable revenue bonds and in an aggregate principal amount not to exceed \$100,000,000 (the "Bonds") for the principal purposes of: (A) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (B) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements

to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (C) funding a portion of the interest on the Bonds; (D) funding an operating reserve fund; (E) funding debt service reserve funds; and (F) paying costs and funding any other necessary reserves associated with the issuance of the Bonds; and

WHEREAS, the Borrower has requested that the Issuer loan the proceeds of the Bonds to said Borrower pursuant to Chapter 154, Part III, Florida Statutes, and such other provision or provisions of Florida law as the Issuer may determine advisable (the "Act") in order to accomplish the foregoing; and

WHEREAS, in accordance with the provisions of Section 154.247 of the Act, the Borrower has represented to the Issuer in writing that the issuance of the Bonds by the Issuer rather than an issuer located in Lee County, Florida is expected to provide significant cost savings to the Borrower and SFSL, that the Borrower is under common control of SFSL, which is located in Alachua County, Florida (the "County") with its parent company SantaFe Healthcare, Inc. and its affiliated company, North Florida Retirement Village, Inc., and that the issuance of the Bonds for the benefit of such Borrower will benefit the affiliated entities located within the County; and

WHEREAS, the bond resolution granting the final authority for the issuance of the Bonds has not yet been adopted by the Issuer; and

WHEREAS, the issuance of the Bonds under the Act in one or more issues or series not exceeding an aggregate principal amount of \$100,000,000 and the loaning of the proceeds thereof to refund the Refunded Bonds and finance and refinance the costs of the Project under a loan agreement or other financing agreement which will provide that payments thereunder be at least sufficient to pay the principal of and interest and redemption premium, if any, on such Bonds and such other costs in connection therewith as may be incurred by the Issuer, will assist the Borrower and promote the public purposes provided in the Act; and

WHEREAS, in order to satisfy certain requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer held a public hearing on the date hereof, after (1) due publication of notice of such public hearing having been published on the Alachua County website where public notices are posted at least seven days prior to the date of such public hearing (a true and accurate copy of such notice is attached hereto in EXHIBIT A), and (2) publication of notice of such public hearing in a newspaper of general circulation in Alachua County (a true and accurate copy of the affidavit of publication of such notice is attached hereto in EXHIBIT A), which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard, both orally and in writing, on the issuance of such Bonds and the location and nature of the Project; was held in a location which, under the facts and

circumstances, was convenient for the residents of Alachua County and provided sufficient time for interested persons to prepare for and to express their views at such hearing; and

WHEREAS, the Borrower has agreed to execute and deliver to the Issuer a Memorandum of Agreement (the "Memorandum of Agreement") relating to the issuance of the Bonds, in the form attached hereto as EXHIBIT B; and

WHEREAS, it is intended that this Resolution shall constitute official action toward the issuance of the Bonds within the meaning of the applicable United States Treasury Regulations and, specifically, to satisfy the requirements of Treasury Regulations Section 1.150-2 and to be a declaration of official intent under such Section in addition and as a supplement to other actions previously undertaken by the Borrower; and

IT IS, THEREFORE, DETERMINED AND RESOLVED BY THE ALACHUA COUNTY HEALTH FACILITIES AUTHORITY, THAT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution, hereinafter called "Resolution," is adopted pursuant to the provisions of the Act and other applicable provisions of law.

SECTION 2. PRELIMINARY APPROVAL. This Resolution is entered into to permit the Borrower to proceed with commitments for the Project, to incur costs in connection with the refunding of the Refunded Bonds and the Project, to provide a limited expression of intention by the Issuer, prior to the issuance of the Bonds, to issue and sell the Bonds and make the proceeds thereof available to refund the Refunded bonds and finance and refinance all or part of the costs of the Project, all in accordance with and subject to the provisions of the Constitution and other laws of the State of Florida, including the Act and this Resolution, but subject in all respects to the terms of the Memorandum of Agreement.

SECTION 3. APPROVAL OF REFUNDING OF REFUNDED BONDS AND FINANCING OF THE PROJECT. The refunding of the Refunded Bonds and the financing and refinancing of the Project as described herein and in the notice of public hearing attached hereto as EXHIBIT A, through the issuance of the Bonds, pursuant to the Act and, based solely on the previous representations of the Borrower in writing and otherwise on the date hereof, will promote the economic development and health and welfare of the citizens of the County and the City, will provide the residents of the County and the City with jobs, will promote the general economic structure of the County and the City, will thereby serve the public purposes of the Act and is hereby preliminarily approved, subject, however, in all respects to the Borrower meeting the conditions set forth in the Memorandum of Agreement to the sole satisfaction of the Issuer.

SECTION 4. EXECUTION AND DELIVERY OF MEMORANDUM OF AGREEMENT. The Chairman or the Vice-Chairman and the Secretary or the

Assistant Secretary are hereby authorized and directed to execute, for and on behalf of the Issuer, the Memorandum of Agreement in the form attached hereto as EXHIBIT B between the Issuer and the Borrower providing understandings relative to the proposed issuance of the Bonds by the Issuer to refund the Refunded Bonds and finance and refinance the costs of the Project in an initial aggregate principal amount not to exceed lesser of (a) \$100,000,000, or (b) the amount determined by the Issuer and the Borrower to be necessary to accomplish the foregoing.

SECTION 5. AUTHORIZATION OF THE BONDS. There is hereby authorized to be issued and the Issuer hereby determines to issue the Bonds, if so requested by the Borrower and subject to the conditions set forth in the Memorandum of Agreement, in one or more issues or series of such tax-exempt and taxable fixed and/or variable rate refunding revenue bonds in an aggregate principal amount not to exceed \$100,000,000 for the principal purposes of refunding the Refunded Bonds and financing and refinancing the costs of the Project as described herein and in the Memorandum of Agreement, funding any necessary reserves and paying all or a portion of the costs associated with the issuance of the Bonds. The rate of interest payable on the Bonds shall not exceed the maximum rate permitted by law.

SECTION 6. RECOMMENDATION FOR APPROVAL TO ALACHUA COUNTY BOARD OF COUNTY COMMISSIONERS AND CITY COUNCIL OF THE CITY OF BONITA SPRINGS, FLORIDA. The Issuer hereby recommends the issuance of the Bonds, the refunding of the Refunded Bonds and the financing and refinancing of the Project for approval to the Board of County Commissioners of Alachua County, Florida (the "Board") and the City Council of the City (the "City Council"). The Issuer hereby directs the Chairman or Vice-Chairman and Counsel to the Issuer, either alone or jointly, at the expense of the Borrower, to cooperate with Bond Counsel in seeking approval from the Board and the City Council for the issuance of the Bonds, refunding of the Refunded Bonds and the financing and refinancing of the Project by the Board as the applicable elected representatives of the County and the City under and pursuant to the Act and Section 147(f) of the Code.

SECTION 7. APPOINTMENT OF BOND COUNSEL. The firm of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, is hereby approved and appointed by the Issuer to act as Bond Counsel in connection with the issuance by the Issuer of the Bonds.

SECTION 8. GENERAL AUTHORIZATION. The Chairman, the Vice-Chairman, the Secretary, Assistant Secretary, Counsel to the Issuer and Bond Counsel are hereby further authorized to proceed with the undertakings provided for herein and in the Memorandum of Agreement on the part of the Issuer and are further authorized to take such steps and actions as may be required or necessary in order to cause the Issuer to issue the Bonds subject in all respects to the terms and conditions set forth herein and in the Memorandum of Agreement.

SECTION 9. AFFIRMATIVE ACTION. This resolution is an affirmative action of the Issuer toward the issuance of the Bonds, as contemplated in the Memorandum of Agreement, in accordance with the purposes of the laws of the State of Florida and the applicable United States Treasury Regulations.

SECTION 10. LIMITED OBLIGATIONS. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Alachua County, the City, the State of Florida or any other political subdivision or agency thereof but shall be payable solely from the revenues pledged therefor pursuant to a loan agreement or other financing agreement entered into by and between the Issuer and the Borrower prior to or contemporaneously with the issuance of the Bonds. The Issuer has no taxing power.

SECTION 11. LIMITED APPROVAL. The approval given herein shall not be construed as an approval of any necessary rezoning applications nor for any other regulatory permits relating to the Project and the Issuer shall not be construed by reason of its adoption of this Resolution to have waived any right of the County or the City, or estopping the County or the City from asserting any rights or responsibilities either may have in that regard.

SECTION 12. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 13th day of December, 2021.

(SEAL)



ATTEST:

By:

Secretary

**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By:

Chairman

AFFIDAVIT OF PUBLICATION OF NOTICE OF PUBLIC HEARING

Meetings & Minutes

[illegible]

Meetings This Week

This page describes the various meetings that are happening during the current week, and also lists their locations and start time.

Monday, December 13, 2021

- [illegible]

LOCALiQ

The Gainesville Sun | The Ledger
Daily Commercial | Ocala StarBanner
News Chief | Herald-Tribune

PO Box 631244 Cincinnati, OH 45263-1244

PROOF OF PUBLICATION

Lorraine Fitzner
NABORS, GIBLIN & NICKERSON, P.A.
2502 N Rocky Point DR # 1060
Tampa FL 33607-1449

STATE OF FLORIDA, COUNTY OF ALACHUA

Before the undersigned authority personally appeared said legal clerk, who on oath says that he or she is of the legal clerk of the Gainesville Sun, a newspaper published at Gainesville in Alachua County, Florida; that the attached copy of advertisement, being a in the matter of in the Court, was published in said newspaper in the issues dated:

12/08/2021

and that the fees charged are legal. Affiant further says that the Gainesville Sun is a newspaper published at Gainesville, in Alachua County, Florida, and that the said newspaper has heretofore been continuously published in said County, Florida, each and has been entered as periodicals matter at the post office in Gainesville, in Alachua County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or 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.

Sworn to and subscribed before on 12/08/2021

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$337.02

Order No: 6612336

of Copies:

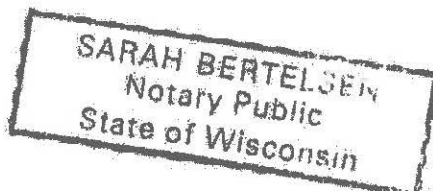
Customer No: 653444

1

PO #:

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.



**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

NOTICE OF PUBLIC HEARING

The Alachua County Health Facilities Authority (the "Issuer") will hold a public hearing on December 13, 2021 at 4:00 P.M., or as soon thereafter as practicable, in the Grace Knight Conference Room located on the second floor of the County Administration Building, 12 S.E. First Street, Gainesville, Florida 32602, to consider adoption of a resolution providing for the preliminary approval of the issuance by the Issuer of not exceeding \$100,000,000 of its Health Facilities Refunding Revenue Bonds (Terraces at Bonita Springs Project) (the "Bonds") in one or more series of tax-exempt and/or taxable revenue bonds. For those that choose to attend the hearing remotely, the meeting can be accessed via Zoom at <https://us02web.zoom.us/j/5540688533> or by dialing 1-301-715-8592 and, when prompted, entering the meeting ID 554 068 8533.

The proceeds of the Bonds will be loaned to Bonita Springs Retirement Village, Inc. (the "Borrower"). The Borrower will use the proceeds of the Bonds to: (A) refund all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (B) finance the cost of (or reimburse itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community Improvements (collectively, the "Project"); (C) fund a portion of the interest on the Bonds; (D) fund an operating reserve fund; (E) fund debt service reserve funds; and (F) pay costs and fund any other necessary reserves associated with the issuance of the Bonds.

The Community and the Project will continue to be owned by the Borrower. The Borrower is an affiliate of SantaFe Senior Living, Inc., located at 4300 N.W. 89th Boulevard, Gainesville, Florida 32606. The Bonds are being issued under the authority of Part III, Chapter 154, Florida Statutes, as amended (the "Act"), and are being loaned to the Borrower to refund the Refunded Bonds and finance and refinance the costs of the Project pursuant to the Act including, particularly, Section 154.247 of the Act. The Bonds shall be payable solely from the revenues derived from a loan and other financing documents to be executed between the Issuer and the Borrower prior to or contemporaneously with the issuance of the Bonds. Such Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Alachua County, the State of Florida, the City of Bonita Springs or any political subdivision or agency thereof. Issuance of the Bonds shall be subject to several conditions including satisfactory documentation and receipt of necessary approvals for the financing. The aforementioned meeting shall be a public meeting and all persons who may be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted prior to the hearing to the Alachua County Health Facilities Authority, c/o John Haswell, Esq., Chandler, Long, Haswell & Cole, P.A., 726 N.E. First Street, Gainesville, Florida 32627-5877. Comments made at the hearing are for the consideration of the Issuer and will not bind the Issuer as to any action it may take.

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

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the Alachua County Equal Opportunity Office at (352) 374-5275 or TDD Number (352) 374-5284.

By order of the Alachua County Health Facilities Authority,
**ALACHUA COUNTY HEALTH
FACILITIES
AUTHORITY, ALACHUA**

EXHIBIT B

MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT FOR ISSUANCE OF HEALTH FACILITIES REVENUE BONDS

This Memorandum of Agreement between the Alachua County Health Facilities Authority, a public body corporate and politic (the "Issuer"), and Bonita Springs Retirement Village, Inc., a Florida not-for-profit corporation (the "Borrower").

W I T N E S S E T H:

1. Preliminary Statement. Among the matters of mutual understanding and inducement which have resulted in the execution of this Memorandum of Agreement are the following:

(a) Whereas Chapter 154, Part III, Florida Statutes, and other applicable provisions of law (the "Act") provides that the Issuer may issue revenue bonds and loan the proceeds thereof to one or more persons, firms or private corporations (including, without limitation, to health facilities located outside its jurisdiction under common control with a health facility located within its jurisdiction), or use such proceeds, to defray the cost of acquiring, by purchase or construction, certain qualifying health facilities including, without limitation, health facilities located outside of Alachua County, Florida in the manner and to the extent provided in Section 154.247 of the Act.

(b) The Borrower is considering: (1) refunding all of the Issuer's outstanding Health Facilities Revenue Bonds (Terraces at Bonita Springs Project), Series 2011 (the "Refunded Bonds"), the proceeds of which were primarily used to finance the cost of constructing, acquiring and equipping of a continuing care retirement community located at 26455 S. Tamiami Trail, Bonita Springs, Florida 34134 (the "Community"); (2) financing the cost of (or reimbursing itself and/or one or more of its affiliated corporations for prior expenditures for) construction, acquisition and equipping of capital improvements to the Community, including equipment for the health center, renovating independent living units, renovating health care units, renovating common areas and other various Community improvements (collectively, the "Project"); (3) funding a portion of the interest on the Bonds; (4) fund an operating reserve fund; (5) fund debt service reserve funds; and (6) pay costs and fund any other necessary reserves associated with the issuance of the Bonds.

(c) The Issuer intends this Memorandum of Agreement to constitute its preliminary approval, subject in all respects to the terms hereof, to issue its bonds (the "Bonds") in one or more series of tax-exempt and taxable fixed and/or variable rate revenue bonds pursuant to the Act in an amount to be agreed upon by the Issuer and the Borrower and to loan the proceeds thereof to the Borrower, or to use such proceeds, to refund the Refunded Bonds, finance or refinance all or a portion of the costs of the Project, fund any

necessary reserves and payment of all or a portion of the costs incurred in connection with the issuance of the Bonds by the Issuer and the Borrower, up to an amount not to exceed \$100,000,000.

(d) The Issuer considers the issuance and sale of the Bonds, for the purposes hereinabove set forth, consistent with the objectives of the Act. This Memorandum of Agreement constitutes the official preliminary action of the Issuer toward the issuance of the Bonds as herein contemplated in accordance with the purposes of both the Act and the applicable United States Treasury Regulations.

2. Undertakings on the Part of the Issuer. Subject to the terms hereof, the Issuer agrees as follows:

(a) The Issuer will cooperate with the Borrower and with the underwriters, placement agents or purchasers of the Bonds, Bond Counsel and counsel for the Issuer with respect to the issuance and sale of the Bonds and will take such further action and authorize the execution of such documents as shall be mutually satisfactory to the Issuer and the Borrower for the authorization, issuance and sale of such Bonds and the use of the proceeds thereof to refund the Refunded Bonds, finance or refinance a portion of the cost of constructing, acquiring and equipping the Project, fund any necessary reserves and pay all or a portion of the costs related to the issuance of the Bonds.

(b) The loan agreement(s), trust indenture, mortgage(s) and other financing documents (collectively, the "Financing Agreements") between the Issuer and the Borrower shall, under terms agreed upon by the parties, provide for payments to be made by the Borrower in such sums as shall be necessary to pay the amounts required under the Act, including the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable.

(c) The Issuer makes no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay all costs of acquiring, constructing, renovating and equipping the Project or that those facilities encompassed by the Project will be suitable for the purposes or needs of the Borrower.

(d) The Bonds shall specifically provide that they are payable solely from the revenues derived from the Financing Agreements between the Issuer and the Borrower or other agreements approved by the Issuer, except to the extent payable out of amounts attributable to Bond proceeds. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit of Alachua County, the City of Bonita Springs, Florida (the "City"), the State of Florida or any other political subdivision or agency thereof, and such fact shall be plainly stated on the face of the Bonds.

3. Undertakings on the Part of the Borrower. Subject to the terms hereof, the Borrower agrees as follows:

(a) Prior to the issuance of the Bonds in the principal amount not to exceed the amount stated above in one or more Series or issues from time to time as the Issuer and the Borrower shall agree in writing, the Borrower will enter into the Financing Agreements with the Issuer, the terms of which shall be mutually agreeable to the Issuer and the Borrower, providing for the loan or use of the proceeds of the Bonds to refund the Refunded Bonds and finance or refinance a portion of the costs of the Project. Such Financing Agreements will provide that the Borrower will be obligated to pay the Issuer (or the trustee for holders of the Bonds on behalf of the Issuer, as the case may be) sums sufficient in the aggregate to enable the Issuer to pay the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable, and all other expenses related to the issuance and delivery of the Bonds.

(b) The Borrower shall, in addition to paying the amounts set forth in the Financing Agreements, pay, or cause to be paid, all applicable costs of operation, maintenance, taxes, governmental and other charges which may be assessed or levied against or with respect to the Project.

(c) To the extent not otherwise paid from Bond proceeds as part of the costs of the Project, the Borrower hereby agrees to pay all of the out of pocket expenses of officials and representatives of the Issuer incurred in connection with the issuance of the Bonds and will pay all fees and expenses of the Issuer, of counsel to the Issuer and of Nabors, Giblin & Nickerson, P.A., Bond Counsel, whether or not the Bonds are issued.

(d) The Borrower will hold the Issuer, Alachua County and the City free and harmless from any loss or damage and from any taxes or other charges levied or assessed by reason of any mortgaging or other disposition of the Project.

(e) The Borrower agrees to indemnify and defend the Issuer, Alachua County and the City and hold the Issuer, Alachua County and the City harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the Project or the issuance of the Bonds and the Borrower's undertaking thereof, or in any way growing out of or resulting from this Memorandum of Agreement including, without limitation, all costs and expenses of the Issuer and reasonable attorneys' fees incurred in the enforcement of any agreement of the Borrower contained herein, but excluding any claims, losses, liabilities or damages resulting from the Issuer's, Alachua County's or the City's gross negligence or willful misconduct. In the event that the Bonds are not issued and delivered, this indemnity shall survive the termination of this Memorandum of Agreement.

(f) The Borrower will take such further action as may be required to implement its aforesaid undertakings and as it may deem appropriate in pursuance thereof.

4. General Provisions. All commitments of the Issuer under Section 2 hereof and of the Borrower under Section 3 hereof are subject to the conditions that all of the

following events shall have occurred not later than December 13, 2022, or such later date as shall be mutually satisfactory to the Issuer and the Borrower and permissible in the opinion of Bond Counsel.

(a) The Issuer shall be lawfully entitled to issue the Bonds as herein contemplated.

(b) The Issuer and the Borrower shall have agreed on mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of any trust instrument or instruments in respect thereto and any Financing Agreements or other agreements incidental to the financing or referred to in Sections 2 and 3 hereof.

(c) Such approvals, consents, certificates of compliance, opinions of counsel and other instruments and proceedings satisfactory to the Borrower and to the Issuer as to such matters with respect to the Bonds, the Refunded Bonds, the Project, the Financing Agreements and any other trust instrument or instruments, as shall be specified by the Borrower or the Issuer, shall have been obtained from such governmental, as well as non-governmental, agencies and entities as may have or assert competent jurisdiction over or interest in matters pertinent thereto and shall be in full force and effect at the time of issuance of the Bonds.

(d) Receipt by the Borrower of all licenses and necessary approvals from the any applicable governmental authorities.

If the events set forth in this Section 4 do not take place within the time set forth or any extension thereof, the Borrower agrees that it will reimburse the Issuer and the City for all the reasonable and necessary direct or indirect expenses which the Issuer or the City may incur at the Borrower's request arising from the execution of this Memorandum of Agreement and the performance by the Issuer of its obligations hereunder, including reasonable legal fees for counsel to the Issuer and the City and the fees and expenses of Bond Counsel.

5. City is Third-Party Beneficiary. The parties hereto agree that the City shall be deemed a third-party beneficiary to the terms of this Memorandum of Agreement.

6. Binding Effect. All covenants and agreements herein contained by or on behalf of the Issuer and the Borrower shall bind and inure to the benefit of the respective successors and assigns of the Issuer and the Borrower whether so expressed or not.

[Signature Page follows]

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Agreement by their officers thereunder duly authorized as of the 13th day of December, 2022.

(SEAL)



**ALACHUA COUNTY HEALTH
FACILITIES AUTHORITY**

By: _____

Chairman

ATTEST:

By: _____

Secretary

**BONITA SPRINGS RETIREMENT
VILLAGE, INC.**

By: _____

President

CITY COUNCIL
CITY OF BONITA SPRINGS
WEDNESDAY, DECEMBER 15, 2021
9:00 A.M.
CITY HALL
9101 BONITA BEACH ROAD
BONITA SPRINGS, FLORIDA 34135
MINUTES

1. Call to order:

Mayor Rick Steinmeyer called the meeting to order at 9:00 A.M.

2. Invocation:

Pastor Patrick Womack, with Bay Presbyterian Church, furnished the invocation.

3. Pledge of Allegiance

Assistant City Manager Matt Feeney led in the Pledge of Allegiance.

4. Roll Call:

Mayor Steinmeyer and all Council Members were in attendance, with Council Member Jesse Purdon arriving at 9:06 A.M.

5. Approval of Agenda

6. Mayor's Welcome

7. Public Comment on Agenda Items: None

8. Land Use Items:

- A. (Public Hearing) An Ordinance of the City of Bonita Springs, Florida, providing for adoption of Comprehensive Plan Amendments to create the Property Rights Element as required by State Law; and furthermore directing transmittal of the Amendments to the Florida Department of Economic Opportunity; providing for intent; providing for severability; providing for an effective date. (Greensheet No. 21-12-286)

City Attorney Derek Rooney read the request into the record, informing Council that they will be voting to transmit to DEO.

Jackie Genson, Community Development, furnished a PowerPoint presentation to address the amendment.

No public comments were made.

Council Member Laura Carr referred to Exhibit A which reflects the four points that will be added, and suggested a revision to add after each item, what was added after point 2 – “subject to State law and local ordinances” to each item. City Attorney Derek Rooney stated his recommendation is to the Goal itself, after the following rights will be considered in local decision making, subject to State law and local ordinances, and then remove the second part of paragraph two.

Council Member Carr motioned to approve, as revised; Council Member Chris Corrie seconded; and the motion carried unanimously to transmit.

9. Consent Agenda: (Note: Items on the Consent Agenda will be considered as one unless a specific item is removed by a Council Member for separate discussion.)

Mayor Steinmeyer motioned to approve. Council Member Carr requested Item E to be pulled. Council Member Mike Gibson seconded. The motion carried unanimously.

- A. Approve contract amendment #2 between the City and the Florida Department of Economic Opportunity (FDEO) for the Community Development Block Grant – Disaster Recovery (CDBG-DR) IBE/Quinn/Downs/Dean West of Imperial Parkway Drainage Project – Contract Agreement #IR015. (Greensheet No. 21-12-272)
- B. Approve contract amendment #2 between the City and the Florida Department of Economic Opportunity (FDEO) for the Community Development Block Grant – Disaster Recovery (CDBG-DR) Voluntary Home Buyout Project – Contract Agreement #10086. (Greensheet No. 21-12-273)
- C. Approve the renewal of the Parks Security Lockup Services Contract with Mason Evans, Inc., DBA Diamond Investigations and Security for another one-year term. (Greensheet No. 21-12-274)
- D. Adopt Resolution awarding the Liles Hotel Roof Replacement Project RFB 21-19 to the lowest responsive, responsible bidder, CFS Roofing Services, Inc., in the amount of \$109,230.00 upon approval of all documentation and approving a budget amendment in the amount of \$34,230. (Greensheet No. 21-12-275) **ADOPTED RESOLUTION NO. 21-108**
- E. Adopt Resolution of the City of Bonita Springs, Florida; appointing a chair to the following Boards and Committees: Art in Public Places Board; Bicycle Pedestrian Safety Advisory Committee; Street Light Advisory Committee; Technology Advisory Board; Tree Advisory Board; Veterans Advisory Committee; the Special Events Committee; the Local Planning Agency, and the Board for Land Use Hearings and Adjustments and Zoning Board of Appeals, the Historic Preservation Board; and the Outreach Advisory Committee. (Greensheet No. 21-12-284)

Council Member Carr addressed the Chair appointed to the Historic Preservation Board. A brief discussion was held.

Mayor Steinmeyer motioned approval of the appointment of Mr. Glazier; Council Member Mike Gibson seconded; and the motion carried unanimously.

Council Member Amy Quaremba suggested a review of how people are appointed to City Committees. Council Member Carr suggested addressing in an upcoming workshop. Council Member Purdon expressed a concern with the lack of an architect for the Historic Preservation Board.

Council Member Quaremba motioned approval of the remainder of the Chairs; Council Member Carr seconded; and the motion carried unanimously. **ADOPTED RESOLUTION NO. 21-09**

- F. Consider Christmas Eve Service special event application. (Greensheet No. 21-12-287)
- G. Approve the Fifteenth Amendment to the Agreement between the City and CH2M Hill Engineers for provision of Community Development services. (Greensheet No. 21-12-289)

10. Opportunity for City Council comments on Consent Agenda Items.

11. Proclamations and Presentations:

- A. Receive presentation by Mr. Spencer Hennings, State of Florida Condominium Ombudsman. (Gibson; Greensheet No. 21-12-278)

9:22 A.M.

Council Member Gibson introduced Mr. Spencer Hennings, State of Florida Condominium Ombudsman, who provided a PowerPoint presentation (copy in Clerk's file). Council Member Quaremba requested that a link to the Office of the Ombudsman be added on the City's website.

12. Mayor and Council Member Items:

- A. A Resolution of the City of Bonita Springs, Florida appointing/reappointing members to the City of Bonita Springs Board for Land Use Hearings & Adjustments and Zoning Board of Appeals, and the City of Bonita Springs Local Planning Agency; and providing for an effective date. (Mayor Steinmeyer; Greensheet No. 21-12-277)

9:33 A.M.

Council Member Carr motioned to confirm the ballot results to reappoint Lynda Waterhouse, Russ Winn, and Anthony Rascio to the Zoning Board; Council Member Gibson seconded; and the motion carried unanimously.

Council Member Chris Corrie motioned to confirm the ballot results to reappoint Linda Schwartz, Bob Lombardo, Don Colapietro and to appoint Steve Lohan to the Local Planning Agency; Council Member Gibson seconded; and the motion carried unanimously. **ADOPTED RESOLUTION NO. 21-110**

- B. **ADDENDUM:** A Resolution of the City of Bonita Springs, Florida; appointing/reappointing members to the Historic Preservation Board, the Art in Public Places Advisory Board, the Tree Advisory Board; the Bicycle Pedestrian Safety Advisory Committee, the Technology Advisory Board; and the Outreach Advisory Committee; and providing for an effective date. (Mayor Steinmeyer; Greensheet No. 21-12-276)

A short recess was taken.

Council Member Gibson motioned to confirm the reappointment of existing members to the Art in Public Places Board, the Tree Advisory Board, the Technology Advisory Board, the Bicycle Pedestrian Safety Advisory Committee; the Outreach Advisory Committee; Council Member Corrie seconded.

Historic Preservation Board:

Council Member Gibson motioned to approve the ballot vote (to reappoint Alan Glazier, and to appoint Arthur Nor, Howard Lowe and Ruth Condit) to the Historic Preservation Board; Council Member Quaremba seconded; and the motion carried unanimously. **ADOPTED RESOLUTION NO. 21-111**

13. Public Hearings:

- A. Second Reading and Public Hearing: An Ordinance of the City Council of Bonita Springs, Florida, adopting the 2021-2022 Five Year Capital Improvement Program Annual Update; providing for

legislative findings; providing for severability; providing for codification; and providing an effective date. (Greensheet No. 21-12-281)

City Attorney Rooney read the title block of the Ordinance into the record.

Mayor Steinmeyer motioned to adopt the Ordinance; Council Member Quaremba seconded.

No public comments were made.

The motion carried unanimously. **ADOPTED ORDINANCE NO. 21-11**

- B. Second Reading and Public Hearing: An Ordinance of the City of Bonita Springs, Florida; amending the Bonita Springs Land Development Code, Chapter 4- Zoning, Section 4-1893-Street Setbacks to establish setbacks for alleys, providing conflicts of law, severability, codification, scrivener's errors, and modifications that may arise from consideration at public hearing, and an effective date. (Greensheet No. 21-12- 280)

City Attorney Rooney read the title block of the Ordinance into the record.

Jackie Genson, Community Development, provided a PowerPoint presentation (copy in Clerk's file) on the intent.

Council Member Gibson motioned to adopt the Ordinance; Council Member Quaremba seconded.

No public comments were made.

The motion carried unanimously. **ADOPTED ORDINANCE NO. 21-12**

- C. Second Reading and Public Hearing: An Ordinance of the City of Bonita Springs approving the petition of Bonita Springs Utilities, Inc., extending the term of the franchise in Bonita Springs Ordinance No. 02-14; and providing for an effective date. (Greensheet No. 21-12-285)

City Attorney Rooney read the title block of the Ordinance into the record.

John Jenkins, with Bonita Springs Utilities, provided a PowerPoint presentation. Brian Farrar and Don Thompson were also present to address.

Council Member Carr motioned to adopt.

PUBLIC COMMENTS:

Jude Richvale addressed his letter (in Clerk's file).

David Jaye requests that BSU franchise vote include a rate payer bill of rights.

Ben Hershenson spoke in support of the extension of the franchise. He questioned plans to extend reclaimed water.

David Pierce, a resident of Jolly Roger Lane, addressed an issue he has been dealing with BSU regarding the installation of water smart meters. FPL and other agencies allow one to not have them installed in their home. Don Thompson and Mr. Jenkins responded to public comments.

Council Member Quaremba referred to the slide titled “Planning for our Community’s Future” and asked Mr. Jenkins if he can provide information, or direction on where this information can be found to communicate some of the good planning BSU has already done. Mr. Jenkins stated they can put information together.

Council Member Carr motioned to approve; Council Member Quaremba seconded; and the motion carried unanimously. **ADOPTED ORDINANCE NO. 21-13**

- D. Second Public Hearing to consider an amendment to a home rule development agreement between the City of Bonita Springs, 9161 BBR LLC and 9171 BBR LLC for property at 9161 Bonita Beach Road and 9171 Bonita Beach Road, Bonita Springs, FL 34135. (Greensheet No. 21-12-279)

City Attorney Rooney read the request into the record.

Council Member Gibson motioned to approve; Council Member Carr seconded.

No public comments were made. The motion carried unanimously.

- E. Public Hearing to consider extending the duration of a resolution to reduce current Building Permit and Plan Review fees for Residential and Commercial Building permit applications by seventy-five percent (75%) for an additional year and continue existing reduced fee schedule beginning January 1, 2022. (Greensheet No. 21-12-282)

John Dulmer, Community Development, provided an overview.

Council Member Corrie motioned to approve; Council Member Carr seconded.

Council Member Gibson to see to do more to the residential permits – accessory buildings, window shutters, dock, pool spas, windows, etc. In response to Council Member Gibson, Mr. Dulmer offered to have Staff to come back next month to address shutters, doors, windows, pool spas, with a proposed reductions for these items to reduce those even further.

No public comments were made.

The motion carried unanimously. **ADOPTED RESOLUTION NO. 21-114**

14. City Attorney’s Items

- A. Authorize Mayor to execute revised Development Agreement. (Greensheet No. 21-12-288)

City Attorney Rooney furnished an overview.

Council Member Gibson motioned to approve; Council Member Carr seconded. Council Member Quaremba suggested sunset language to allow 9 to midnight, keep in for two years, and sunset automatically unless amended.

Council Member Gibson amended his motion to revise as discussed; Council Member Carr amended her second; and the motion carried unanimously.

- B. Authorize City Manager and Mayor to execute Opioid Participation Agreement and other documents as requested by the Florida Attorney General. (Greensheet No. 21-12-290)

City Attorney Rooney furnished an overview explaining that funds could be used for drug treatment, first responders, etc.

Council Member Carr motioned to approve; Council Member Gibson seconded; and the motion carried unanimously.

Council Members amended their motion to adopt a Resolution if needed.

The motion carried unanimously.

ADDITIONAL ITEM:

City Attorney Rooney informed Council that the closing for Angler's Paradise should be occurring today.

15. City Manager's Items

- A. Adopt Resolution to allow for the cost recovery provisions approved in Ordinance 19-03 be applied to the time spent reviewing ICPR modeling. (Greensheet No. 21-12-283)

Mr. Dulmer furnished an overview.

Council Member Corrie motioned to approve; Council Member Gibson seconded; and the motion carried unanimously. **ADOPTED RESOLUTION NO. 21-113**

ADDITIONAL ITEM:

City Manager Hunter reported that the monoclonal services will continue at the old library. Council Member Quaremba requested a report on the number of clients being served at the old library.

City Manager Hunter addressed a change in the time for the January 19th meeting to allow Representative Botana to attend via phone and to allow Chauncey Goss to attend in person.

City Manager Hunter addressed two workshops that will be scheduled – a public workshop on redistricting and a City Council workshop on the CIP program.

16. Mayor and Council Member Reports

Council Member Carr sends prayers to all those in Kentucky affected by the tornado and stated that Holiday in the Park was great.

Council Member Forbes was amazed at the holiday event. He would suggest they talk to monoclonal facilities regarding them closing on Saturday and Sunday to ensure there is something set up to where people who test positive can go get a shot for COVID-19.

Council Member Quaremba also sends her prayers to all the victims of tornados. She reported on the legislative luncheon, the Horizon Council meeting, and the Art in Public Places Board meeting. At the Horizon Council Executive meeting, the branding of the Visitors and Convention Bureau was addressed for Southwest Florida with the new name "Fort Myers Beaches, Islands, and Neighborhoods" to which Bonita Springs is included. She feels the City should be proactive with this branding to ensure the City's page is attractive.

17. Approval of Minutes: 11/17/21 and 12/01/21

Council Member Corrie motioned approval of the Minutes; Council Member Gibson seconded; and the motion carried unanimously.

18. Public Comment: None

19. Adjournment

There being no further items to address, the meeting adjourned at 11:37 A.M.

Respectfully submitted,

Debra Filipek, City Clerk

APPROVED:
CITY COUNCIL

Date: _____
AUTHENTICATED:

Rick Steinmeyer, Mayor