

CS-21-261

***RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:***

McGuireWoods LLP
500 E. Pratt Street, Suite 1000
Baltimore, Maryland 21202
Attn: Clinton W. Randolph

INTERLOCAL AGREEMENT

Dated as of May 1, 2022

Between

CITY OF JACKSONVILLE, FLORIDA

and

NASSAU COUNTY, FLORIDA

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

INTERLOCAL AGREEMENT

This INTERLOCAL AGREEMENT (this “Agreement”) is dated as of May 1, 2022, and is entered into between the CITY OF JACKSONVILLE, an incorporated municipality of the State of Florida (“Jacksonville”), and NASSAU COUNTY, a political subdivision of the State of Florida (“Nassau County”).

WITNESSETH:

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

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

WHEREAS, Jacksonville represents to Nassau County that Jacksonville has been advised that Southern Baptist Hospital of Florida, Inc. (d/b/a Baptist Medical Center Jacksonville, Baptist Medical Center South, Baptist Medical Center Clay and Wolfson Children’s Hospital) (the “Borrower”), desires to finance, refinance and reimburse all or a portion of the cost of the acquisition, planning, development, construction, renovation, improvement, equipping and installation of certain “health care facilities” constituting “projects,” as such terms are used in Chapter 159, located or to be located in Nassau County (collectively, the “Nassau County Project”) and finance, refinance and reimburse all or a portion of the cost of the acquisition, planning, development, construction, renovation, improvement, equipping and installation of other “health care facilities” located or to be located outside Nassau County (collectively, the “Other Project”), as described in Exhibit A hereto (the Nassau County Project and the Other Project are hereinafter referred to collectively as the “Project”); and

WHEREAS, Jacksonville represents to Nassau County that Jacksonville has been advised that the Borrower has requested that Jacksonville and Nassau County enter into this Agreement to authorize Jacksonville to issue under Chapter 159 its Health Care Facilities Revenue Bonds (Baptist Health), Series 2022, in one or more series, taxable, tax-exempt or a combination thereof, from time to time, in an aggregate principal amount of not to exceed \$200,000,000 (the “Bonds”), to finance and refinance all or a portion of the Nassau County Project and the Other Project, of which not to exceed \$30,000,000 will be issued for the purpose of providing funds to make one or more loans to the Borrower pursuant to one or more loan agreements between Jacksonville and the Borrower (individually and collectively, the “Financing Agreement”) to finance, refinance or reimburse all or a portion of the costs of the Nassau County Project, and that issuance of the Bonds by Jacksonville will result in a significant cost savings to the

Borrower over the issuance and sale of separate issues of bonds by Jacksonville, Nassau County and the other local government bodies, if any, whose jurisdiction within which a portion of the Project is or will be located, in order to finance, refinance or reimburse a portion of the costs of the Project; and

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

WHEREAS, on April 19, 2022, the Industrial Development Revenue Bond Review Committee of the City of Jacksonville, Florida, on behalf of Jacksonville, preliminarily authorized and approved the issuance of the Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement; and

WHEREAS, on May 24, 2022, the City Council of Jacksonville authorized and approved the issuance of the Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement; and

WHEREAS, on May 23, 2022, the Board of County Commissioners of Nassau County approved the issuance of the Bonds by Jacksonville and approved the execution and delivery of this Agreement; and

WHEREAS, the Interlocal Act authorizes Jacksonville and Nassau County to enter into this Agreement, and the Interlocal Act and Chapter 159 confer upon Jacksonville authorization to issue the Bonds and to apply the proceeds thereof to the financing or refinancing of the Nassau County Project through one or more loans of Bond proceeds to the Borrower; and

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

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

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

SECTION 1. Authorization to Issue the Bonds. Jacksonville and Nassau County do hereby agree that Jacksonville is hereby authorized to issue the Bonds in one or more series, taxable, tax-exempt or a combination thereof, from time to time, in an aggregate principal amount not exceeding \$200,000,000, of which not to exceed \$30,000,000 will be issued for the purpose of providing funds to make one or more loans from time to time to the Borrower to finance, refinance or reimburse all or a portion of the costs of the Nassau County Project. Jacksonville is hereby authorized to exercise all powers relating to the issuance of the Bonds vested in Nassau County pursuant to the Constitution and the laws of the State of Florida and to do all things within the jurisdiction of Nassau County which are necessary or convenient for the issuance of the Bonds

and the financing of the Nassau County Project to the same extent as if Nassau County were issuing its own obligations under Chapter 159 for such purposes without any further authorization from Nassau County to exercise such powers or to take such actions. It is the intent of this Agreement and the parties hereto that Jacksonville be vested, to the maximum extent permitted by law, with all powers which Nassau County might exercise with respect to the issuance of the Bonds and the lending of the proceeds thereof to the Borrower to finance the Nassau County Project as though Nassau County were issuing the Bonds as its own special limited obligations.

The approval given herein by Nassau County shall not be construed as (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds or (iv) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Nassau County Project, and Nassau County shall not be construed by reason of the delivery of this Agreement to have made any such endorsement, finding or recommendation or to have waived any right of Nassau County or to be estopped from asserting any rights or responsibilities it may have in such regard.

SECTION 2. Qualifying Project.

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

1. The Project constitutes a “project” as such term is used in Chapter 159.
2. The Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Financing Agreement, including the obligations to make payments in the amounts and at the times required, to operate, repair, and maintain at its own expense the Project, and to serve the purposes of Chapter 159 and such other responsibilities as may be imposed under the Financing Agreement.
3. Adequate provision will be made in the Financing Agreement for the operation, repair, and maintenance of the Nassau County Project at the expense of the Borrower and for the payment of principal of and interest on the Bonds.
4. The Borrower has represented to Jacksonville that the Borrower expects to expend proceeds of the Bonds in an amount not exceeding \$30,000,000 to pay costs (including related financing costs) of the Nassau County Project.
5. A public hearing was held on May 9, 2022, by Jacksonville, on behalf of Jacksonville and the City Council of Jacksonville, during which comments concerning the issuance of the Bonds by Jacksonville to finance or refinance the Project were requested and could be heard.

B. Nassau County hereby represents, determines and agrees as follows:

1. The Nassau County Project is appropriate to the needs and circumstances of; provides or preserves gainful employment; and serves a public purpose by advancing the public health or the general welfare of the State of Florida and its people.

2. Nassau County and other local agencies will be able to cope satisfactorily with the impact of the Nassau County Project and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that are necessary for the operation, repair, and maintenance of the Nassau County Project and on account of any increases in population or other circumstances resulting therefrom; provided, however, that for the avoidance of doubt, the foregoing provisions of this paragraph 2 shall not be deemed or construed to be a waiver of any local ordinances with respect to any utility, development, mobility or similar fees or regulations.

3. A public hearing was held by the Board of County Commissioners (the "Board") of Nassau County on May 23, 2022, in the Commission Chambers located within the James S. Page Governmental Complex at 96135 Nassau Place, Yulee, Florida, 32097, at a meeting of the Board commencing at 6:00 p.m. local time, during which comments concerning approval by the Board of the issuance of the Bonds by Jacksonville to finance the Nassau County Project were requested and could be heard.

4. The Board approved the issuance of the Bonds by Jacksonville and the use of the proceeds thereof to finance and refinance the Nassau County Project at a meeting on May 23, 2022.

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

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

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

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

SECTION 6. Indemnity. The Borrower, by its approval and acknowledgement at the end of this Agreement, agrees to indemnify and hold harmless Jacksonville and Nassau County, their respective officers, employees, representatives and agents, from and against any and all losses, claims, damages, liabilities or expenses of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses (including reasonable fees and expenses of attorneys, accountants, consultants and other experts), arising out of, resulting from, or in any way connected with this Agreement or the issuance of the Bonds.

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

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

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

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

EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT.

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

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

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

[Remainder of page intentionally left blank]

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

CITY OF JACKSONVILLE, FLORIDA

ATTEST:



By: [Signature]
Name: Kirk R. Wendland
Title: Economic Development officer

By: [Signature]
Name: James R. McCain, Jr.
Title: Corporation Secretary

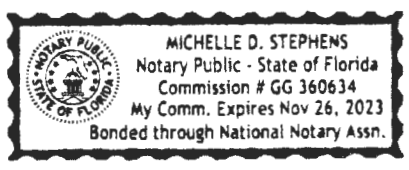
STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this 7th day of June, 2022, by Kirk R. Wendland and James McCain, Jr., the Economic Development officer and Corporation Secretary, respectively, of the City of Jacksonville, Florida, on behalf of the City. Such persons did not take an oath and: (notary must check applicable box)

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

{Notary Seal must be affixed}

[Signature]
Signature of Notary



Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal):

My Commission Expires (if not legible on seal):

NASSAU COUNTY, FLORIDA

ATTEST:

By: *A Bell*
Name: Aaron C. Bell
Title: Chairman

By: *[Signature]*
Name: John A. Crawford
Title: Ex-Officio Clerk

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this 23rd day of May, 2022, by Aaron C. Bell and Mitchell Keiter aka John A. Crawford, the Chairman of Board of County Commissioners and Ex-officio Clerk, respectively, of Nassau County, Florida, on behalf of the County. Such persons did not take an oath and: *(notary must check applicable box)*

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

{Notary Seal must be affixed}

[Signature]
Signature of Notary



HEATHER NAZWORTH
Notary Public, State of Florida
My Comm. Expires December 28, 2025
Commission No. HH 212240

Heather Nazworth
Name of Notary (Typed, Printed or Stamped)

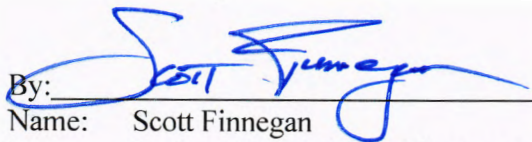
Commission Number
(if not legible on seal):

My Commission Expires
(if not legible on seal):

APPROVAL AND ACKNOWLEDGMENT

Southern Baptist Hospital of Florida, Inc. (d/b/a Baptist Medical Center Jacksonville, Baptist Medical Center South, Baptist Medical Center Clay and Wolfson Children’s Hospital) (the “Borrower”), hereby approves the foregoing Interlocal Agreement, certifies that the information contained therein regarding the Borrower is correct and acknowledges its acceptance of its obligations arising thereunder, including, without limitation, its obligations under Section 6 thereof, by causing this Approval and Acknowledgment to be executed by its proper officer as of the date of said Interlocal Agreement.

SOUTHERN BAPTIST HOSPITAL OF FLORIDA, INC.,
a Florida not for profit corporation

By: 
Name: Scott Finnegan
Its: Senior Vice President, Finance and
Chief Treasury Officer

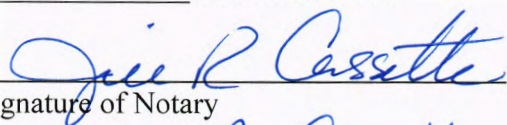
STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this 20 day of May, 2022, by Scott Finnegan, the Senior Vice President, Finance and Chief Treasury Officer of Southern Baptist Hospital of Florida, Inc., on behalf of Southern Baptist Hospital of Florida, Inc. Such person did not take an oath and: (notary must check applicable box)

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

{Notary Seal must be affixed}




Signature of Notary
Jill R Cassette
Name of Notary (Typed, Printed or Stamped)

Commission Number
(if not legible on seal): _____

My Commission Expires
(if not legible on seal): _____

EXHIBIT A

PROJECT DESCRIPTIONS

Nassau County Project Description

The Nassau County Project consists of financing, reimbursing or refinancing all or a portion of the costs of the acquisition, planning, development, construction, renovation, improvement, equipping and installation of certain facilities, and other capital improvements and upgrades, at Baptist Medical Campus at Nassau Crossing, located at or about 76375 Harper Chapel Road, Yulee, Florida 32097, including without limitation (i) the acquisition, construction, planning, development, improvement and equipping of a new approximately 25,000 square foot outpatient free standing emergency room facility and other diagnostic and ambulatory services and (ii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures.

Other Project Description

The Other Project consists of financing, reimbursing or refinancing all or a portion of the costs of the acquisition, planning, development, construction, renovation, improvement, equipping and installation of certain facilities, and other capital improvements and upgrades, at:

(a) Baptist Medical Center Jacksonville, located at or about 800 Prudential Drive, Jacksonville, Florida 32207, 836 Prudential Drive, Jacksonville, Florida 32207, 841 Prudential Drive, Jacksonville, Florida 32207, 1325 San Marco Boulevard, Jacksonville, Florida 32207, 1235 San Marco Boulevard, Jacksonville, Florida 32207, 1650 Prudential Drive, Jacksonville, Florida 32207, 1660 Prudential Drive, Jacksonville, Florida 32207 and 3451 Beach Boulevard, Jacksonville, Florida 32207, including without limitation (i) the acquisition, construction, planning, development, renovation, improvement and equipping of a new approximately seven-story health care facility, including without limitation an approximately 75-bed Neonatal Intensive Care Unit and an approximately 26-bed Pediatric Intensive Care Unit, (ii) the acquisition, expansion, renovation, installation and equipping of labor and delivery facilities, laboratories, testing and procedure rooms, office space and common areas and (iii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures;

(b) Baptist Medical Center Beaches, located at or about 1350 13th Avenue South, Jacksonville Beach, Florida 32250, 1361 13th Avenue South, Jacksonville Beach, Florida 32250, 1370 13th Avenue South, Jacksonville Beach, Florida 32250, 1320 Roberts Drive, Jacksonville Beach, Florida 32250, 1375 Roberts Drive, Jacksonville Beach, Florida 32250 and 1127 South 16th Avenue, Jacksonville Beach, Florida 32250, including without limitation (i) the acquisition, expansion, renovation, installation and equipping of laboratories, testing and procedure rooms, pharmacies, office space and common areas and (ii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures;

(c) Baptist Medical Center South, located at or about 14550 Old St. Augustine Road, Jacksonville, Florida 32258, 14540 Old St. Augustine Road, Jacksonville, Florida 32258 and

14546 Old St. Augustine Road, Jacksonville, Florida 32258, including without limitation (i) the acquisition, construction, expansion, renovation, installation and equipping of facilities related to an inpatient bed expansion and (ii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures;

(d) Baptist Clay Medical Campus, located at or about 1771 Baptist Clay Drive, Fleming Island, Florida 32003 and 1747 Baptist Clay Drive, Fleming Island, Florida 32203, including without limitation (i) the acquisition, construction, planning, development, improvement and equipping of a new approximately 300,000 square foot inpatient hospital facility with approximately 100 beds and (ii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures; and

(e) Baptist Medical Campus at St. Augustine, located at or about 475 Prime Outlets Boulevard, St. Augustine, Florida 32084, including without limitation (i) the acquisition, construction, planning, development, improvement and equipping of a new approximately 25,000 square foot outpatient free standing emergency room facility and other diagnostic and ambulatory services and (ii) other necessary and useful acquisitions, improvements, renovations, equipment purchases and other capital expenditures.