

RESOLUTION NO. 317

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING, PURSUANT TO CHAPTERS 125 AND 159, FLORIDA STATUTES, AS AMENDED, AND SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE ISSUANCE OF NOT EXCEEDING \$64,900,000 HEALTH CARE REVENUE BONDS (GLENMOOR PROJECT), BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY TO ADVANCE REFUND THE AUTHORITY'S OUTSTANDING BONDS ISSUED TO FINANCE THE GLENMOOR CONTINUING CARE FACILITY LOCATED AT WORLD GOLF VILLAGE IN ST. JOHNS COUNTY AND OWNED AND OPERATED BY LIFE CARE ST. JOHNS, INC. AND TO FINANCE CERTAIN CAPITAL EXPANSIONS THERETO, FUND CAPITALIZED INTEREST AND A DEBT SERVICE RESERVE, AND PAY COSTS OF ISSUANCE OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the St. Johns County Industrial Development Authority (hereafter, the "Authority") is a public body corporate and politic duly created and existing as a local governmental body and is authorized and empowered by Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act"), to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing of the acquisition, construction and equipping of projects, as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Authority may be able to promote the health and economic growth of St. Johns County and the State of Florida, increase opportunities for gainful employment and otherwise contribute to the health and welfare of the State of Florida and its inhabitants, and to finance the cost of such projects by the issuance of revenue bonds; and

WHEREAS, on August 21, 2006, the Authority passed a resolution (the "Resolution") to implement a financing plan to issue not exceeding \$64,900,000 Health Care Revenue Bonds (Glenmoor Project) (the "Bonds") in one or more series for the purpose of advance refunding the Authority's outstanding Refunded Bonds (as defined in the Resolution) originally issued to finance the Glenmoor at Saint Johns project in St. Johns County, owned and operated by Life Care St. Johns, Inc. (the "Community"), and to finance certain capital expansions thereto, fund capitalized interest and a debt service reserve, and pay costs of issuance and a debt service reserve, and pay costs of issuance of the Bonds subject to approval by the Board of County Commissioners of St. Johns County, Florida (the "Board"); and

WHEREAS, the Authority has advised the Board that Section 147(f) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Code") requires public approval of certain private activity bonds by an applicable elected representative or governmental unit following a public hearing and the Board constitutes an applicable elected representative or governmental unit; and

WHEREAS, the Authority has advised the Board that pursuant to Section 147(f) of the Code, a public hearing was scheduled before the Authority for September 7, 2006, and notice of such hearing was given in the form and in the manner required by the Code; and

WHEREAS, the Authority has advised the Board that the Authority did on September 7, 2006, hold the public hearing and provided at such hearing reasonable opportunity for all interested individuals to express their views, both orally and in writing, on the issuance of the Bonds for the refinancing of the Project; and

WHEREAS, the Authority has provided the Board with a report with respect to the September hearing so the Board may diligently and conscientiously consider all comments and concerns expressed at the hearing; and

WHEREAS, the Board desires to express its approval of the Resolution and the Bonds as required by Section 147(f) of the Code and pursuant to Section 125.01(1)(z), Florida Statutes;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. BONDS APPROVED. The Board hereby approves, within the meaning of Section 147(f) of the Code and Section 125.01(1)(z), Florida Statutes, the issuance by the Authority, in one or more series, of not exceeding \$64,900,000 Health Care Revenue Bonds (Glenmoor Project), for the purposes state above.

SECTION 2. REPEALING CLAUSE. All ordinances and resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 3. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED: This 19th day of September, 2006.

THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA

(SEAL)

Attest:

By: Carmel Bryant
Chairman

By: Rayl Erickland
Clerk



**REPORT OF
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

The St. Johns County Industrial Development Authority (the "Authority") at its special meeting held on September 7, 2006, conducted a public hearing on the proposed issuance by the Authority of not to exceed \$64,900,000 in Health Care Revenue Bonds (Glenmoor Project), Series 2006 (the "Bonds") and on the refinancing of the project financed with the bonds to be refunded, and other purposes described in the notice of public hearing.

The Authority held the hearing on September 7, 2006, commencing at 3:15 p.m. and closing at 3:25 p.m., at Conference Room A in the County Administration Building, located at 4020 Lewis Speedway, St. Augustine, Florida, pursuant to the notice of such hearing which was published on August 24, 2006, in The St. Augustine Record, a newspaper published in St. Johns County, Florida, a copy of the publisher's affidavit being attached hereto as Exhibit A. Interested individuals were given the opportunity to express their views, both orally and in writing.

A presentation regarding (1) the legal process was made by Daniel U. Livermore, Jr., bond counsel for the Authority, (2) the state of the Glenmoor project, and the future plans and current financial status of Glenmoor was made by Raymond M. Johnson, President of LCPS Management, Inc., and (3) the process of pricing and marketing the bonds and repayment of the outstanding bonds was made by Walter (Skip) Frey, of Herbert J. Sims & Co., Inc., the underwriter of the bonds.

The following numbers of other people participated in the hearing or submitted written comments and were in favor of or opposed to the proposed issuance of the Bonds or the refinancing of the project financed with the bonds to be refunded:

Number of written comments:	<u>0</u>
Number of people in favor:	<u>0</u>
Number of people opposed:	<u>0</u>

Respectfully submitted this 8th day of September, 2006.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

John A. Bacon
Vice Chairman

RESOLUTION NO. 2006-4

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$60,900,000 FIXED RATE HEALTH CARE REVENUE BONDS (GLENMOOR PROJECT) SERIES 2006A AND \$4,000,000 ADJUSTABLE RATE HEALTH CARE REVENUE BONDS (GLENMOOR PROJECT), SERIES 2006B, TO REFUND THE AUTHORITY'S OUTSTANDING FIXED RATE HEALTH CARE REVENUE BONDS (GLENMOOR AT SAINT JOHNS PROJECT), SERIES 1999A AND ADJUSTABLE RATE HEALTH CARE REVENUE BONDS (GLENMOOR AT SAINT JOHNS PROJECT), SERIES 1999B (THE "REFUNDED BONDS"), PREVIOUSLY ISSUED TO FINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF THE GLENMOOR CONTINUING CARE FACILITY (THE "COMMUNITY") LOCATED WITHIN ST. JOHNS COUNTY AND TO FINANCE CERTAIN CAPITAL EXPANSIONS THERETO, FUND CAPITALIZED INTEREST AND A DEBT SERVICE RESERVE, AND PAY COSTS OF ISSUANCE OF THE BONDS; PROVIDING FOR A LOAN TO THE BORROWER TO PAY THE COSTS FOR SUCH PURPOSES; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING FOR THE PAYMENT THEREOF; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; APPROVING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENT TO TRUST INDENTURE, AND AMENDED AND RESTATED LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT FOR THE BONDS AND AN ESCROW DEPOSIT AGREEMENT, A BOND PURCHASE AGREEMENT AND OTHER RELATED DOCUMENTS; AUTHORIZING USE OF A PRELIMINARY AND FINAL OFFICIAL STATEMENT IN MARKETING OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law, including Chapter 154, Part III, Florida Statutes (the "Act").

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms used in this resolution shall have the meanings specified in the Trust Indenture, dated as of December 1, 1999 (the "Original Indenture") by and between the St. Johns County Industrial Development Authority (the "Issuer") and U.S. Trust Company of Florida Savings Bank, as trustee (the "Prior Trustee") as amended and supplemented by the First Supplement to Trust Indenture dated as of September 15, 2006, (the "First Supplement", and, with the Original Indenture, the "Indenture") between the Issuer and The Bank of New York Trust Company, N.A., as successor trustee to the Prior Trustee under the Original Indenture, and as Trustee under the First Supplement, (the "Trustee"), and the Loan Agreement, Mortgage and Security Agreement (the "Loan Agreement") dated December 1, 1999 (the "Original Loan Agreement") by and between the Issuer and Life Care St. Johns, Inc., a Florida not-for-profit corporation (the "Borrower"), as amended and restated by the Amended and Restated Loan Agreement, Mortgage and Security Agreement dated as of September

15, 2006 (the "Amended and Restated Loan Agreement") between the Issuer, the Borrower and the Trustee, the First Supplement and Amended and Restated Loan Agreement being attached hereto as Exhibits "A" and "B" respectively.

SECTION 3. FINDINGS. In reliance upon the representations made to the Authority by the Borrower, the underwriter of the Bonds, hereinafter defined, the financial advisor to the Issuer and others, it is hereby found, ascertained, determined and, declared as follows:

A. The Issuer is authorized by the Act to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing and refinancing of the acquisition, construction and equipping of projects as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer will be able to promote the economic growth of the State of Florida, increase opportunities for gainful employment, improve health care, and otherwise contribute to the general health and welfare of the State of Florida and its inhabitants, and to finance the cost of such projects by the issuance of revenue bonds.

B. The Issuer is a "local agency" within the meaning of Section 159.27(4), Florida Statutes.

C. The Borrower has requested the Issuer to issue its Fixed Rate Health Care Revenue Bonds (Glenmoor Project) Series 2006A (the "Bonds") in the aggregate principal amount of not exceeding \$60,900,000 and its \$4,000,000 Adjustable Rate Health Care Revenue Bonds (Glenmoor Project), Series 2006B (the "2006B Bonds" and, with the 2006A Bonds, the "2006 Bonds") for the purposes of (1) refunding the Issuer's outstanding Fixed Rate Health Care Revenue Bonds (Glenmoor at Saint Johns Project), Series 1999A and Adjustable Rate Health Care Revenue Bonds (Glenmoor at Saint Johns Project), Series 1999B (collectively, the "Refunded Bonds"), previously issued to finance the cost of the acquisition, construction, improvement and equipping of a health care facility, presently consisting of 144 independent living units, 15 assisted living units, 15 memory support units, and 30 nursing care units known as Glenmoor (the "Community"), located at World Golf Village, a mixed use planned community in St. Johns County, Florida; (2) financing part of the cost of constructing and equipping a dining room expansion and 15 additional 2 bedroom independent living units on Berkshire Terrace within the Community (collectively, the "Project"), (3) financing capitalized interest on the Bonds issued to finance the Project and on a portion of the bonds issued to refund the Series 1999A Bonds and Series 1999B Bonds, (4) funding a debt service reserve fund for the 2006 Bonds, and (5) paying the costs of issuance of the 2006 Bonds.

D. Based upon representations of the Borrower, the Issuer expects to issue the 2006 Bonds at interest rates in the present bond market which will enable the Borrower to realize significant net present value savings, compared to the debt service on the Refunded Bonds.

E. In reliance on the recommendations of the Issuer's financial advisor, and giving due regard to the ratio of the Borrower's current assets to its current liabilities, net worth, earning trends, coverage of all fixed charges, the nature of its business and the industry in which it is involved, its inherent stability, and all other factors determinative of Borrower's capabilities, financial and otherwise, of fulfilling its obligations consistently with the purposes of the Act, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Amended and Restated Loan Agreement, including its obligation to make payments thereunder in the amounts and at the times required pursuant to the terms of the Amended and Restated Loan Agreement and its obligation to operate, repair and maintain the Project at its own expense, and Borrower is desirous of serving the purposes of the Act and is willing and capable of fully performing all other obligations

and responsibilities imposed upon it pursuant to the provisions of the Amended and Restated Loan Agreement.

F. Adequate provision is made under the provisions of the Amended and Restated Loan Agreement for the operation, repair and maintenance of the Project at the expense of the Borrower, and for the payment of the principal and purchase price of and premium, if any, and interest on the 2006 Bonds.

G. The principal and purchase price of and premium, if any, and interest on the 2006 Bonds and all payments of the Issuer required under the Amended and Restated Loan Agreement, the 2006 Bonds and the Indenture shall be payable by the Issuer solely from the Trust Estate under the Indenture, including the proceeds derived by the Issuer under the Original Loan Agreement and the Amended and Restated Loan Agreement and the Loan Payments required to be made by the Borrower in connection with its use and operation of the Project and the other security provided by the Borrower under the Amended and Restated Loan Agreement, and the Issuer shall never be required to: (i) levy ad valorem taxes on any property within its territorial limits to pay the principal and purchase price of and premium, if any, and interest on the 2006 Bonds or to make any other payments provided for under the Amended and Restated Loan Agreement, the 2006 Bonds, and the Indenture; (ii) pay the same from any funds of the Issuer other than those derived by the Issuer under the Amended and Restated Loan Agreement, the 2006 Bonds and the Indenture; or (iii) require or enforce any payment or performance by the Borrower as provided by the Indenture, the 2006 Bonds or the Amended and Restated Loan Agreement unless the Issuer's expenses in respect thereof shall be paid from moneys derived under the Amended and Restated Loan Agreement or shall be advanced to the Issuer for such purpose, and the Issuer shall receive indemnity to its satisfaction. Such 2006 Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Issuer except the Trust Estate in the manner provided in the Amended and Restated Loan Agreement and the Indenture. Neither the faith and credit of the Issuer or of the County nor the taxing power of St. Johns County or of the State of Florida or any political subdivision thereof shall be pledged to the payment of the 2006 Bonds. No covenant or agreement contained in any of the documents referred to in this resolution shall be deemed to be a covenant or agreement of any member, official, agent or employee of the Issuer in his individual capacity, all such liability being released as a condition of, and as a consideration for, the execution of such documents.

H. The County will be able to cope satisfactorily with the impact of the Community and the Project and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair and maintenance of the Community and the Project and on account of any increases in population or other circumstances resulting therefrom.

I. The costs to be paid from the proceeds of the 2006 Bonds shall be costs of a project within the meaning of the Act.

J. The payments to be made by the Borrower to the Trustee under the Amended and Restated Loan Agreement will be sufficient to pay all principal of and interest on and premium, if any, for the 2006 Bonds, as the same shall become due, and to make all other payments required by the Amended and Restated Loan Agreement and the Indenture.

K. The purposes of the Act will be served by refinancing the Project in the manner provided in the Indenture and the Amended and Restated Loan Agreement.

L. On September 7, 2006 the Issuer conducted a public hearing with respect to the issuance of the 2006 Bonds, in accordance with the requirements of the Tax Equity and Fiscal Responsibility Act of 1984 ("TEFRA"), and having considered all comments presented at such hearing, the Issuer desires to proceed with the financing.

M. The Issuer hereby finds that the size and complexity of the financing requires that its terms be negotiated at private sale rather than offered by competitive bid at public sale in order to assure the most favorable terms in the bond market and, therefore, has determined to sell the 2006 Bonds at private, negotiated sale.

N. The Issuer has received a form of Bond Purchase Agreement (the "Purchase Contract") from Herbert J. Sims & Co., Inc., as Underwriter (hereinafter called the "Underwriter"), in the form attached hereto as Exhibit D, the acceptance of the terms of which the Issuer determines to be in its best interest.

O. The Issuer desires to authorize use of a Preliminary Official Statement in substantially the form attached hereto as Exhibit C and authorize use of a final Official Statement in connection with the marketing of the 2006 Bonds and to authorize the approval of final pricing terms of the 2006 Bonds by the Chairman or Vice Chairman, subject to provisions of this Resolution, the execution and delivery of the First Supplement, the Amended and Restated Loan Agreement, the Purchase Contract, the Escrow Deposit Agreement (the "Escrow Deposit Agreement") in substantially the form attached hereto as Exhibit E, and the taking of all other necessary action in connection with the delivery of the 2006 Bonds.

SECTION 4. PROJECT AND REFUNDING AND REDEMPTION OF REFUNDED BONDS AUTHORIZED. The Project and the refunding and redemption of the Refunded Bonds in the manner provided in the Amended and Restated Loan Agreement and the Indenture and the Escrow Deposit Agreement are hereby authorized.

SECTION 5. CONDITIONAL AUTHORIZATION OF 2006 BONDS. The 2006 Bonds are hereby authorized to be issued in the form and manner described in the Indenture and the Purchase Contract. The Issuer hereby declares its intent to issue and sell the 2006 Bonds all at one time by a negotiated sale. Notwithstanding the foregoing, the 2006 Bonds shall not be sold or issued, and the Indenture and Amended and Restated Loan Agreement shall not be executed or delivered, until the Board of County Commissioners of the County shall have approved the issuance of the 2006 Bonds and until the Issuer shall hereafter approve the final terms of the sale of the 2006 Bonds and the Purchase Contract relating thereto in accordance with this Resolution.

SECTION 6. AUTHORIZATION OF EXECUTION AND DELIVERY OF FIRST SUPPLEMENT. As security for the payment of the principal of and premium, if any, and interest on the 2006 Bonds, pro rata and without preference, except as provided in the Indenture, of any one of the 2006 Bonds over any other thereof, the First Supplement, with such pricing terms, changes, alterations and corrections as may be approved by the Chairman or Vice Chairman of the Issuer, such approval to be presumed by his execution thereof, is hereby approved by the Issuer, and, subject to the conditions in Section 8 hereof, the Issuer hereby authorizes and directs the Chairman or Vice Chairman to execute and the Secretary or Assistant Secretary of the Issuer to attest under seal of the Issuer and to deliver to the Trustee the First Supplement, all of the provisions of which, when executed and delivered by the Issuer as authorized herein and by the Trustee duly authorized, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

The Issuer does hereby provide in the Indenture the terms, conditions, covenants, rights, obligations, duties and agreements to and for the benefit of the holders of the 2006 Bonds, the Issuer, the Borrower and the Trustee.

SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF AMENDED AND RESTATED LOAN AGREEMENT AND ESCROW DEPOSIT AGREEMENT. The Amended and Restated Loan Agreement and the Escrow Deposit Agreement, each with such pricing terms, changes, alterations and corrections as may be approved by the Chairman or Vice Chairman of the Issuer, such approval to be presumed by his execution thereof, are hereby approved by the Issuer, and, subject to the conditions in Section 8 hereof, the Issuer hereby authorizes and directs the Chairman or Vice Chairman to execute and the Secretary or Assistant Secretary of the Issuer to attest under the seal of the Issuer and to deliver to the Borrower the Amended and Restated Loan Agreement and the Escrow Deposit Agreement, the provisions of which, when executed and delivered by the Issuer as authorized herein and by the Borrower duly authorized, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 8. AWARD OF 2006 BONDS. The negotiated sale of the 2006 Bonds, as described in the Purchase Contract, to the Underwriter is hereby authorized pursuant to Section 218.385, Florida Statutes. The Chairman or Vice Chairman of the Issuer is hereby authorized to accept the offer in substantially the form of the Purchase Contract attached as Exhibit D hereto, completed with pricing terms acceptable to the Chairman or Vice Chairman, such acceptance to be presumed by such official execution thereof, and meeting the following guidelines:

(a) All pricing terms not included in the attachments to this Resolution shall be recommended for approval by the Issuer's financial advisor;

(b) Interest rates on the 2006 Bonds shall not exceed an average interest rate of 6.5% per annum, and shall be substantially the same as reasonably contemporary rates obtained in the bond market for substantially similar credit offerings, as demonstrated by the Underwriter;

(c) Maturities on the 2006 Bonds shall not extend later than December 31, 2041 and the total maturities shall not exceed the lesser of the amount needed to accomplish the purposes of this Resolution or the maximum amount authorized by this Resolution.

(d) Optional redemption provisions on the 2006 Bonds shall be recommended by the Underwriter and approved by the Borrower;

(e) Present value savings resulting from the refunding portion of the 2006 Bonds shall be at least \$2,000,000; and

(f) The Underwriter's gross compensation shall not exceed \$16.00 per \$1,000 of 2006 Bonds.

Such principal amounts of the 2006 Bonds are hereby awarded and sold to the Underwriter at the purchase prices and upon the terms and conditions set forth in the Purchase Contract. The Issuer acknowledges receipt of the information required by Section 218.385, Florida Statutes, in connection with negotiated sale of the 2006 Bonds, which is included in the Purchase Contract.

SECTION 9. NO PERSONAL LIABILITY. No covenant, stipulation, obligation or agreement herein contained or contained in the 2006 Bonds, or the Amended Restated Loan Agreement or the Indenture or the Escrow Deposit Agreement or the Purchase Contract or any other related document executed and delivered on behalf of the Issuer in connection with the refunding of the Refunded Bonds

(collectively, the "Bond Documents") shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Issuer or its governing body in his individual capacity, and neither the members of the Issuer nor any official executing the Bond Documents shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 10. NO THIRD PARTY BENEFICIARIES. Except as herein or in the Bond Documents otherwise expressly provided, nothing in the Bond Documents expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Issuer, the Borrower, the holders of the 2006 Bonds and the Trustee any right, remedy or claim, legal or equitable, under and by reason of the Bond Documents. The Bond Documents are intended to be and are for the sole and exclusive benefit of the Issuer, the Borrower, the holders from time to time of the 2006 Bonds and the Trustee.

SECTION 11. CHAIRMAN'S DESIGNATION OF SIGNATORY. The Chairman of the Issuer is hereby authorized to designate by written certificate one or more authorized signatories to execute any and all Bond Documents and related certificates in his place. Such signature shall have the effect of the Chairman's signature as authorized in this Resolution.

SECTION 12. GENERAL AUTHORITY. The members of the Issuer and its officers, attorneys, engineers or other agents or employees are hereby authorized to do all acts and things required of them by the Bond Documents, or desirable or consistent with the requirements of the Bond Documents, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bond Documents.

SECTION 13. THIS RESOLUTION CONSTITUTES A CONTRACT. The Issuer covenants and agrees that this Resolution shall constitute a contract between the Issuer and the holders from time to time of any of the 2006 Bonds then outstanding and that all covenants and agreements set forth herein and in the Bond Documents to be performed by the Issuer shall be for the equal and ratable benefit and security of all holders of the 2006 Bonds without privilege, priority or distinction as to lien or otherwise of any of the 2006 Bonds over any other of the 2006 Bonds, except as otherwise provided in the Indenture.

SECTION 14. EXECUTION OF 2006 BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION. The proper officers of the Issuer are hereby authorized and directed to execute the 2006 Bonds when prepared, by manual or facsimile signature, and to deliver the same to the Trustee for manual authentication and delivery to the Underwriter upon payment of the purchase price pursuant to the conditions stated in this Resolution, the Purchase Contract and the Indenture. Such officers, counsel to the Issuer, and Livermore, Freeman & McWilliams, P.A., as Bond Counsel, are designated agents of the Issuer in connection with the issuance and delivery of the 2006 Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Issuer which are necessary or desirable in connection with the execution and delivery of the 2006 Bonds and which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the 2006 Bonds heretofore or hereafter taken by the Issuer, including but not limited to the Bond Documents. Payments shall be made into the funds and accounts under the Indenture and the Escrow Deposit Agreement as provided therein.

SECTION 15. REPEALING CLAUSE. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 16. COMPLIANCE WITH CHAPTER 218, PART III, FLORIDA STATUTES. The Issuer hereby approves and authorizes the completion, execution and filing with the Division of Bond Finance, Department of General Services of the State of Florida, at the expense of the Borrower, of advance notice of the impending sale of the 2006 Bonds, of Bond Information Forms BF 2003 and BF 2004, of a final Official Statement when prepared, and of a copy of Internal Revenue Service Form 8038, and any other acts as may be necessary to comply with Chapter 218, Part III, Florida Statutes, as amended. Bond Counsel is hereby directed to ensure that such documents are timely filed.

SECTION 17. DESIGNATION OF TRUSTEE, PAYING AGENT, AND REGISTRAR. The Bank of New York Trust Company, N.A., New York, New York is hereby designated as successor Trustee under the Original Indenture to U.S. Trust Company of Florida Savings Bank, Palm Beach, Florida, as Trustee under the First Supplement, and as Paying Agent and Registrar for the 2006 Bonds. Herbert J. Sims & Co., Inc., is hereby designated Remarketing Agent for the 2006B Bonds.

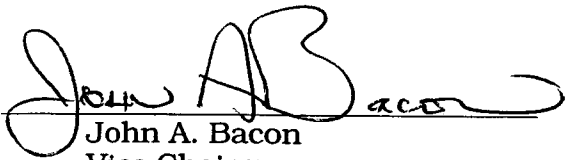
SECTION 18. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any 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 or of the 2006 Bonds issued hereunder or of any of the other Bond Documents.

SECTION 19. PRELIMINARY OFFICIAL STATEMENT FOR 2006 BONDS. The use of a Preliminary Official Statement released for distribution is hereby authorized, ratified and approved in connection with preliminary marketing of the 2006 Bonds, and the Chairman or Vice Chairman of the Issuer is hereby authorized to certify that the Preliminary Official Statement, in substantially the form attached hereto as Exhibit "C", is "deemed final" as of its date for purposes of, and except for certain omissions permitted by, SEC Rule 15c2-12 of the Securities and Exchange Commission. The Chairman or Vice Chairman is authorized to authorize and deliver to the Underwriter the final Official Statement, upon completion of the sale of the 2006 Bonds to the Underwriter in substantially the form of the "deemed final" Preliminary Official Statement, completed with the pricing terms in the Purchase Contract.

SECTION 20. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

ADOPTED: This 7th day of September, 2006.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: 
John A. Bacon
Vice Chairman

(SEAL)

Attest:

By: 
William A. Brown
Assistant Secretary

STATE OF FLORIDA

COUNTY OF ST. JOHNS

I, William A. Brown, Assistant Secretary of the St. Johns County Industrial Development Authority, do hereby certify the foregoing is a true and correct copy of a Resolution, without exhibits, which was duly passed and adopted at a noticed meeting of the Issuer, on the 7th day of September, 2006.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 21st day of August, 2006.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: 

William A. Brown
Assistant Secretary

**EXHIBITS
TO
RESOLUTION**

- Exhibit A First Supplement to Trust Indenture
- Exhibit B Amended and Restated Loan Agreement, Mortgage and Security Agreement
- Exhibit C Preliminary Official Statement
- Exhibit D Bond Purchase Contract
- Exhibit E Escrow Deposit Agreement

**Attachments are on file with the Industrial Development Authority.
Please contact Karen Johnson if you would like copies to review.**