

RESOLUTION NO. 2012-10

A RESOLUTION AMENDING RESOLUTION NO. 2012-04 OF THE CITY OF LAKE WALES, FLORIDA WITH RESPECT TO THE ISSUANCE OF PROPOSED BONDS FOR SENIOR CARE FACILITIES TO BE OWNED BY HEARTLAND COMMUNITIES, LLC OR AN AFFILIATE; INCREASING THE NOT-TO-EXCEED PRINCIPAL AMOUNT OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lake Wales, Florida (the "City"), did on February 21, 2012, previously adopt its Resolution No. 2012-04 (the "Original Inducement Resolution") providing for the preliminary determination by the City to proceed with the issuance of certain tax-exempt bonds (the "Series 2012 Bonds") to finance senior care facilities to be owned by Heartland Communities, LLC, a Florida limited liability company (the "Borrower") in an amount not to exceed \$22,000,000; and

WHEREAS, the Borrower has informed the City that it desires to increase the aggregate principal amount of the Series 2012 Bonds to an amount not exceeding \$27,000,000;

WHEREAS, in order to satisfy certain requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the City held a public hearing on the proposed issuance of the Series 2012 Bonds at the increased principal amount for the purposes herein stated on the date hereof, which date is more than 14 days following the first publication of notice of such public hearing in a newspaper of general circulation in the City (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 Series 2012 Bonds and the location and nature of the Project and was held in a location which, under the facts and circumstances, was convenient for the residents of the City, such notice was reasonably designed to inform residents of the City of the proposed issue, stated that the City would be the issuer of the Series 2012 Bonds, stated the time and place of the hearing and generally contained the information required by Section 147(f) of the Code and applicable regulations thereunder; and such 14 days were 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 City and provided sufficient time for interested persons to prepare for and to express their views at such hearing; and

NOW, THEREFORE, BE IT RESOLVED AND DETERMINED BY THE CITY OF LAKE WALES, FLORIDA THAT:

SECTION 1. The Original Inducement Resolution and the Memorandum of Agreement referenced therein are hereby amended to change all references to the amount of the Series 2012 Bonds referenced therein to be to an amount not exceeding \$27,000,000. The City's Bond Counsel shall be authorized to file an application with the State Division of Bond Finance requesting additional private activity allocation associated with an increase in principal amount of the Series 2012 Bonds.

SECTION 2. Except as amended hereby, the Original Inducement Resolution and Memorandum of Agreement shall remain in full force and effect.

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

PASSED AND ADOPTED this 5th day of June, 2012.

CITY OF LAKE WALES, FLORIDA

(SEAL)

By: Mike Costen
Mayor

ATTEST:

Clara Van Blangaw
City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

The City of Lake Wales, Florida (the "City") will hold a public hearing on June 5, 2012, at 6:00 P.M., or as soon thereafter as the matter can be heard, at the City's Municipal Administration Building located at 201 W. Central Avenue, Lake Wales, Florida 33853 to consider adoption of a resolution providing for the preliminary approval of the issuance by the City of not exceeding \$27,000,000 of its City of Lake Wales Retirement Facility Revenue Bonds (Heartland Project), Series 2012 (the "Series 2012 Bonds") to be issued in one or more series. The proceeds of the Series 2012 Bonds will be loaned to Heartland Communities, LLC, or an affiliate thereof (the "Borrower") for the principal purposes of (1) financing and refinancing all or a portion of the costs of acquiring, construction and equipping of senior care facilities, consisting of 129 affordable housing residential units located on an approximately 10-acre site at the corner of Buck Moore Road and Bel Ombre Circle in Lake Wales, Florida (the "Project"), (2) funding any necessary reserves, and (3) paying costs associated with issuance of the Series 2012 Bonds. The Project will be owned and operated by the Borrower. The Series 2012 Bonds shall be payable solely from the revenues derived by the City from a loan agreement, mortgage and security agreement and other financing documents to be entered into by and between the City and the Borrower prior to or contemporaneously with the issuance of the Series 2012 Bonds. Such Series 2012 Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the City, Polk County, the State of Florida or any political subdivision or agency thereof. Issuance of the Series 2012 Bonds shall be subject to several conditions including satisfactory documentation, the approval by bond counsel as to the tax-exempt status of the interest on all or a portion of the Series 2012 Bonds and receipt of necessary approvals for the financing. The aforementioned meeting shall be a public meeting and all persons who be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted to the City of Lake Wales, Florida prior to the hearing at 201 W. Central Avenue, Lake Wales, Florida 33853, Attention: Clare VanBlargan, City Clerk.

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 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 of Lake Wales no later than seven days prior to the proceeding at the address given in this notice or phone 863/678/4182.

AFFIDAVIT OF PUBLICATION
The Polk County Democrat

Published Semi-Weekly
Bartow, Polk County, Florida

Case No.
STATE OF FLORIDA

COUNTY OF POLK:

Before the undersigned authority personally appeared Anita Swain, who on oath says that he or she is Classified Advertising Clerk of The Polk County Democrat, a newspaper published at Bartow in Polk County, Florida; that the attached copy of advertisement, being a Notice of Public Hearing in the matter of June 5, 2012, 6:00 pm/Lake Wales Retirement Facility Revenue Bonds, was published in said newspaper in the issues of May 12, 2012.

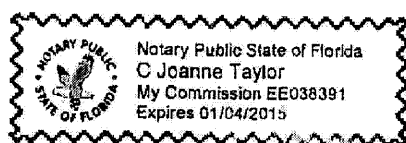
Affiant further says that The Polk County Democrat is a newspaper published at Bartow, in said Polk County, Florida, and that the said newspaper has heretofore been continuously published in said Polk County, Florida, each Wednesday and Saturday and has been entered as periodicals matter at the post office in Bartow, in said Polk 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.

Signed Anita Swain

Sworn to and subscribed before me this 12th day of May, 2012, by Anita Swain, who is personally known to me.

C. Joanne Taylor
(Signature of Notary Public)
C. Joanne Taylor
Notary Public

#2736928



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May 12, 2012-2736828