

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Orange County Industrial Development Authority – Christian Prison Ministry, Inc. – Issuance of Variable Rate Demand Revenue Bonds

DEPARTMENT: Fiscal Services **DIVISION:** Administration

AUTHORIZED BY: Cindy Hall **CONTACT:** _____ **EXT.** 7172

Agenda Date <u>12/10/02</u> Regular <input type="checkbox"/> Consent <input type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input type="checkbox"/>
Public Hearing – 1:30 <input checked="" type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/>

MOTION/RECOMMENDATION:

Approval and authorization for the Chairman to execute the following: Execute an inter-local agreement between Seminole County and the Orange County Industrial Development Authority permitting the expenditure of a portion of the proceeds of the authority's not to exceed \$5,300,000 and to ratify issuance by the Orange County Industrial Development Authority of variable rate demand revenue bonds, on behalf of Seminole County. This public hearing item has been published and an affidavit of publication is attached as exhibit B to the resolution.

BACKGROUND:

The Orange County Industrial Development Authority has submitted to the Board of County Commissioners for consideration a substantial form of Interlocal Agreement approved by the Authority by Resolution adopted on November 19, 2002, which, when executed, will permit the loan of a portion of the Bond proceeds to the Borrower to refinance the Prior Indebtedness related to the Facilities including the Seminole Facilities.

The Orange County Industrial Development Authority, Orange County, Florida (the "Authority") has received an application from Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower"), requesting that the Authority issue variable rate demand revenue bonds in the initial aggregate principal amount of not to exceed \$5,300,000 in one or more series (the "Bonds") and loan the proceeds from the sale thereof to the Borrower for the principal purpose of refinancing certain indebtedness previously incurred by the Borrower (the "Prior Indebtedness") in connection with the acquisition, construction and renovation of certain correctional, detention rehabilitation and social service center facilities.

Reviewed by:
Co Atty: _____
DFS: _____
Other: _____
DCM: <u>SS</u>
CM: <u>KS</u>
File No. <u>PHFSA 02</u>

This funding will assist in improving the safety of the citizens of Orange County and Seminole County, and will promote the most efficient and economical development of correctional, detention, rehabilitation and social service center facilities such as the Facilities in a manner and pursuant to forms of governmental organization that will accord best with the geographic, economic, and population characteristics which influence the needs of Orange County, Seminole County and the respective inhabitants thereof.

The refinancing certain indebtedness incurred by Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower") in connection with the acquisition, construction and renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities"). The Facilities are owned by the Borrower and operated by Bridges of America, Inc., a Florida not-for-profit corporation. The Facilities are located in Orange, Seminole, Broward, Polk and Alachua Counties, Florida.

Seminole County

The Sanford Bridge, consisting of 1.5 acres of property and approximately 22,000 aggregate square feet of building facilities located at:

113 and 500 Holly Avenue; Sanford, Florida 32771-2486.

401 South Holly Avenue; Sanford, Florida 32771-2486.

803 4th Street West, Sanford, Florida 32771-2486.

This bond issue does not constitute a legal obligation for Seminole County.

NOTICE OF PUBLIC HEARING

The Seminole County Board of County Commissioners (the "Board") will hold a public hearing on December 10, 2002, at 1:30 P.M., or as soon thereafter as practicable at the Seminole County Services Building, 1101 East First Street, Room 1028, Sanford, Florida 32771, to consider, among other items to be considered by the Board, adoption of a resolution providing for issuance by the Orange County Industrial Development Authority (the "Authority") of not exceeding, in the aggregate, \$5,300,000 principal amount of Variable Rate Demand Revenue Bonds, Series 2003 (Christian Prison Ministry, Inc. Project) in one or more series (the "Series 2003 Bonds"). The Series 2003 Bonds will be issued for the principal purpose of refinancing certain indebtedness incurred by Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower") in connection with the acquisition, construction and renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities"). The Facilities are owned by the Borrower and operated by Bridges of America, Inc., a Florida not-for-profit corporation. The Facilities are located in Orange, Seminole, Broward, Polk and Alachua Counties, Florida as follows:

Orange County

The Orlando Bridge, consisting of 4 acres of property and approximately 58,000 aggregate square feet of building facilities located at: 2001, 2011, 2017, 2021, 2025, 2029, 2033, 2037, 2041 and 2045 Mercy Drive; 1911, 2100, 2102, 2104 and 2106 Brengle Avenue; and 3630 and 3925 W. New Hampshire, Orlando, Florida 32808.

Seminole County

The Sanford Bridge, consisting of 1.5 acres of property and approximately 22,000 aggregate square feet of building facilities located at: 113 and 500 Holly Avenue; 401 S. Holly Avenue; and 803 4th Street West, Sanford, Florida 32771-2486.

Broward County

The Turning Point Bridge, consisting of three acres of property and approximately 27,000 aggregate square feet of building facilities located at: 215, 302, 328 and 400 S.W. 2nd Street; 339 S.W. 2nd Court; and 338 and 342 Avondale Drive East, Pompano Beach, Florida 33060-6822.

Polk County

The Polk Bridge, consisting of 8.78 acres of property and approximately 26,000 aggregate square feet of building facilities located at: 602 Melton Avenue; 607 Walnut Avenue; 601 Lime Avenue; 206 Pilakakaha Avenue; and 511 and 515 Pine Street, Auburndale, Florida 33823-4428.

Alachua County

The Gainesville Bridge, consisting of 4.85 acres of property and approximately 32,000 aggregate square feet of building facilities located at: 1504 S.E. 3rd Avenue, Gainesville, Florida 32641-7346.

The Series 2003 Bonds shall be payable solely from the revenues derived by the Authority from a loan agreement and other financing documents to be entered into by and between the Authority and the Borrower prior to or contemporaneously with the issuance of the Series 2003 Bonds. Such Series 2003 Bonds and the interest thereon shall not constitute an indebtedness or

pledge of the general credit or taxing power of Orange, Seminole, Broward, Polk or Alachua Counties, the State of Florida or any other political subdivision, municipality or agency thereof. The aforementioned hearing shall be a public hearing and all persons who may be interested will be given an opportunity to be heard concerning the issuance of the Series 2003 Bonds and the location and nature of the Facilities. Written comments may also be submitted to the Board of County Commissioners prior to the hearing at Seminole County Services Building, 1101 East First Street, Room 1028, Sanford, Florida 32771, Attention: Chair.

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 AUTHORITY 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 Human Resources Department, ADA Coordinator, 48 hours prior to the proceeding at the address given in this notice. Telephone: (407) 665-7941.

By order of the Seminole County Board of County Commissioners

SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS

/s/ Daryl G. McLain

Chair

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN SEMINOLE COUNTY AND THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") PERMITTING THE EXPENDITURE OF A PORTION OF THE PROCEEDS OF THE AUTHORITY'S NOT TO EXCEED \$5,300,000 ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF VARIABLE RATE DEMAND REVENUE BONDS (CHRISTIAN PRISON MINISTRY, INC. PROJECT) FOR THE PRINCIPAL PURPOSE OF REFINANCING CERTAIN INDEBTEDNESS INCURRED BY CHRISTIAN PRISON MINISTRY, INC. IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND RENOVATION OF CERTAIN CORRECTIONAL, DETENTION, REHABILITATION AND SOCIAL SERVICE CENTER FACILITIES; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE INTERLOCAL AGREEMENT; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Orange County Industrial Development Authority, Orange County, Florida (the "Authority") has received an application from Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower"), requesting that the Authority issue variable rate demand revenue bonds in the initial aggregate principal amount of not to exceed \$5,300,000 in one or more series (the "Bonds") and loan the proceeds from the sale thereof to the Borrower for the principal purpose of refinancing certain indebtedness previously incurred by the Borrower (the "Prior Indebtedness") in connection with the acquisition, construction and renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities"); and

WHEREAS, upon satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), on November 19, 2002, the Authority by

Resolution adopted on such date (the "Authority Resolution") preliminarily authorized and approved the issuance of the Bonds, pursuant to the authority of Chapter 159, Part II, Florida Statutes and Chapter 163, Part I, Florida Statutes (the "Act"); and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower to refinance the Prior Indebtedness pursuant to a Loan Agreement to be executed between the Authority and the Borrower (including any amendments and supplements thereto, the "Loan Agreement"), and the payment of the principal of and premium, if any, and interest on the Bonds as the same shall become due shall be made solely by the Borrower in the amounts and from the sources as required by the Loan Agreement; and

WHEREAS, the Facilities are located in (i) Orange County, (ii) Broward County, (iii) Polk County, (iv) Alachua County, and (v) Seminole County (the "Seminole Facilities"); and

WHEREAS, the Authority has submitted to the Board of County Commissioners of Seminole County for consideration a substantial form of Interlocal Agreement approved by the Authority by Resolution adopted on November 19, 2002, which, when executed, will permit the loan of a portion of the Bond proceeds to the Borrower to refinance the Prior Indebtedness related to the Facilities including the Seminole Facilities, a copy of which form of Interlocal Agreement is attached hereto as Exhibit A; and

WHEREAS, the loan of funds derived from the proceeds of the Bonds to the Borrower pursuant to the terms of the Loan Agreement will assist in improving the safety of the citizens of Seminole County, shall serve the public purposes of the Act, and will promote the most efficient and economical development of correctional, detention, rehabilitation and social service center facilities in a manner and pursuant to forms of governmental organization that will accord best with the geographic, economic, and population characteristics which influence the needs of Seminole County and its inhabitants; and

WHEREAS, it is deemed desirable by both the Authority and Seminole County that prior to or upon the issuance of the Bonds, the Authority and Seminole County enter into the Interlocal Agreement, as provided for and under the authority of Part I, Chapter 163, Florida Statutes (the "Interlocal Act"), in order to assist the Borrower and the Authority in the refinancing of the Prior Indebtedness related to the Facilities including the Seminole Facilities; and

WHEREAS, neither Orange County, Seminole County, Broward County, Polk County, Alachua County (collectively, the "Counties") nor the State of Florida or any political subdivision or agency thereof shall in any way be obligated to pay the principal, premium, if any, or interest on the Bonds as the same shall become due, and the issuance of

the Bonds shall not directly, indirectly, or contingently obligate the Authority, any of the Counties, the State of Florida, or any political subdivision or agency thereof to levy or pledge any form of taxation whatsoever therefor or to make any appropriation from ad valorem taxation revenues for their payment; and

WHEREAS, in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, the Board of County Commissioners of Seminole County held a public hearing on the proposed issuance of the Bonds and the loan of a portion of the proceeds thereof to the Borrower pursuant to the Interlocal Agreement for the purpose of refinancing the Prior Indebtedness on the date hereof, which date was more than 14 days following the first publication of notice of such public hearing in a newspaper of general circulation in Seminole County (a true and accurate copy of the proof of publication of such notice is attached hereto as Exhibit B), which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard on both the issuance of such Bonds, the location and nature of the Seminole Facilities and the loan of a portion of the Bond proceeds to the Borrower pursuant to the Interlocal Agreement to refinance the Prior Indebtedness related to such Facilities.

IT IS, THEREFORE, DETERMINED AND RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA, THAT:

SECTION 1. The refinancing of the Prior Indebtedness relating to the Seminole Facilities by the Authority through the issuance of the Bonds pursuant to the Act as described in the notice of public hearing attached hereto as Exhibit B, and the loan of a portion of the proceeds thereof to the Borrower pursuant to the Loan Agreement for such purposes, will promote the safety and welfare of the citizens of Seminole County and will thereby serve the public purposes of the Act and is hereby approved.

SECTION 2. Seminole County in the past has and, assuming no substantive changes in the use of the Seminole Facilities, will be able to continue to cope satisfactorily with the impact of the Seminole Facilities 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 Seminole Facilities. Notwithstanding any provisions to the contrary contained herein, Seminole County will not incur any obligation (financial or otherwise) to provide such public facilities, utilities and services by virtue of this Resolution.

SECTION 3. The Authority in the Authority Resolution has determined that adequate provision will be made in the Loan Agreement for a loan by the Authority to the Borrower to refinance the Prior Indebtedness related to the Facilities, and for the operation, repair and maintenance of the Facilities, including the Seminole Facilities, at the expense of

the Borrower and for the repayment by the Borrower of the loans in installments sufficient to pay the principal of and the interest on the Bonds and all costs and expenses relating thereto in the amounts and at the times required.

SECTION 4. Based on the criteria established by the Act, the Authority has determined that the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Loan Agreement, including the obligation to repay the loans in installments in the amounts and at the times required, the obligation to operate, repair and maintain the Facilities, including the Seminole Facilities, at the Borrower's own expense and such other obligations and responsibilities as are imposed under the Loan Agreement.

SECTION 5. Prior or contemporaneously with the issuance of the Bonds by the Authority, the Chairman or Vice-Chairman of the Board of County Commissioners of Seminole County is hereby authorized and directed to execute and the Ex-Officio Clerk to the Board of County Commissioners of Seminole County or any designated Deputy Clerk is hereby authorized to apply the seal of the Board of County Commissioners thereof, for and on behalf of Seminole County to, the Interlocal Agreement substantially in the form attached hereto as Exhibit A between Seminole County and the Authority in order to permit the loan of a portion of the Bond proceeds to the Borrower for the principal purpose of refinancing the Prior Indebtedness related to the Facilities, including the Seminole Facilities.

SECTION 6. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the Counties, the State of Florida or any political subdivision or agency thereof but shall be payable solely from the revenues pledged therefor pursuant to the Loan Agreement and other financing agreements entered into by and among the Authority, Regions Bank, as trustee, and the Borrower prior to or contemporaneously with the issuance of the Bonds.

SECTION 7. The approval given herein shall not be construed as (a) an endorsement of the creditworthiness of the Borrower or the financial viability of the Facilities, (b) a recommendation to any prospective purchaser to purchase the Bonds, (c) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (d) 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 Seminole Facilities, and the Board of County Commissioners 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 of County Commissioners or estopping the Board of County Commissioners from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of County Commissioners of the issuance of the Bonds by the Authority shall not be construed to obligate Seminole

County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the refinancing of the Prior Indebtedness, and the Authority shall so provide in the financing documents setting forth the details of the Bonds.

SECTION 8. This Resolution shall take effect immediately.

ADOPTED this ___ day of _____, 2002.

**BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA**

(SEAL)

Daryl G. McLain, Chairman

ATTEST:

Clerk of the Court, Ex-Officio Clerk to the
Board of County Commissioners

BACK/UP ITEM # 58

EXHIBIT A

FORM OF INTERLOCAL AGREEMENT

BACKUP ITEM # 58

EXHIBIT B

AFFIDAVIT OF PUBLICATION OF NOTICE OF PUBLIC HEARING

This instrument was prepared by or under the supervision of (and after recording should be returned to):

BACK/UP ITEM # 58

Christopher M. Traber, Esq.
Nabors, Giblin & Nickerson, P.A.
2502 Rocky Point Drive, Suite 1060
Tampa, Florida 33607

(Space reserved for Clerk of Court)

**INTERLOCAL AGREEMENT
BETWEEN ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
AND SEMINOLE COUNTY**

WHEREAS, the Orange County Industrial Development Authority (the "Issuer") is a public body corporate and politic and a public instrumentality and a local agency organized and existing under the laws of the State of Florida including, particularly, Chapter 159, Parts II and III, Florida Statutes; and

WHEREAS, the Issuer has received an application from Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower") requesting that the Issuer issue its variable rate demand revenue bonds and loan the proceeds from the sale thereof to the Corporation for the principal purpose of providing funds sufficient to refinance certain indebtedness (the "Prior Indebtedness") incurred in connection with the acquisition, construction and renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities") as described in the Memorandum of Agreement between the Issuer and the Borrower (the "Memorandum of Agreement"), dated as of November 19, 2002; and

WHEREAS, the Issuer has given its preliminary approval to the issuance of its variable rate demand revenue bonds in one or more series and in the aggregate principal amount of not exceeding \$5,300,000 (the "Bonds"), pursuant to the authority of Chapter 159, Parts II, III and VII, Florida Statutes, Chapter 163, Part I, Florida Statutes and other applicable provisions of law (collectively, the "Act"), for the principal purpose of refinancing the Prior Indebtedness; and

WHEREAS, the Bonds shall be secured solely by revenues described in the Trust Indenture to be dated as of January 1, 2003 between the Issuer and Regions Bank, Montgomery, Alabama (the "Trustee") (including any amendments and supplements thereto, the "Indenture"), and the payment of the principal of and premium, if any, and interest on the Bonds as the same shall become due shall be made solely by the Borrower in the amounts and from the sources as required by the Indenture and that certain Loan Agreement to be dated as of January 1, 2003, between the Issuer and the Borrower (including any amendments and supplements thereto, the "Loan Agreement"); and

WHEREAS, it is deemed desirable by both the Issuer and Seminole County, Florida ("Seminole County") that the Issuer and Seminole County enter into this Interlocal Agreement, as provided for and under the authority of Part I, Chapter 163, Florida Statutes, in order to assist the Borrower in the refinancing of the Prior Indebtedness that relates to the portion of the Facilities located in Seminole County, as more fully described in the Indenture and the Loan Agreement; and

WHEREAS, the Issuer and Seminole County have determined that the loan of funds derived from the proceeds of the Bonds to the Borrower pursuant to the terms of the Indenture and the Loan Agreement will assist in improving the safety of the citizens of Orange County and Seminole County, and shall serve the public purposes of the Act, and will promote the most efficient and economical development of correctional, detention, rehabilitation and social service center facilities such as the Facilities in a manner and pursuant to forms of governmental organization that will accord best with the geographic, economic, and population characteristics which influence the needs of Orange County, Seminole County and the respective inhabitants thereof; and

WHEREAS, neither the Issuer, Orange County, Seminole County, nor the State of Florida or any political subdivision or agency thereof shall in any way be obligated to pay the principal, premium, if any, or interest on the Bonds as the same shall become due, and the issuance of the Bonds shall not directly, indirectly, or contingently obligate the Issuer, Orange County, Seminole County, the State of Florida, or any political subdivision or agency thereof to levy or pledge any form of taxation whatsoever therefor or to make any appropriation from ad valorem taxation revenues for their payment; and

WHEREAS, on the date hereof, following a duly noticed public hearing held by the Board of County Commissioners of Seminole County (the "Board"), for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Bonds, the Board, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), over the area in which a portion of the Facilities are located, approved the execution and delivery of this Interlocal Agreement, the issuance of the Bonds by the Issuer and the application of the proceeds thereof; and

NOW, THEREFORE, THIS INTERLOCAL AGREEMENT, BETWEEN ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AND SEMINOLE COUNTY, WITNESSETH AS FOLLOWS:

SECTION 1. PURPOSE. The Borrower shall borrow funds derived from the proceeds of the Bonds issued by the Issuer for the principal purpose of paying for the cost of refinancing the Prior Indebtedness as contemplated by the Indenture and the Loan Agreement and the funds shall be repaid solely from the revenues of the Borrower pursuant

to the terms of the Indenture and Loan Agreement and the funds shall be duly expended for their stated purpose. Each of the jurisdictions in which the Facilities are located, Orange County, Seminole County, Broward County, Polk County and Alachua County, shall each, prior to the issuance of the Bonds, acknowledge and approve the issuance of the Bonds and loan of the proceeds thereof to the Borrower to refinance that portion of the Facilities located in their respective jurisdictions. Each of the jurisdictions acknowledge that the approval being granted by such jurisdictions is being provided solely for the purpose of complying with the host approval requirements of the Act and Section 147(f) of the Code and the Issuer and Seminole County are entering into this Interlocal Agreement in order to more effectively perform their service function related to the provision of adequate correctional and detention facilities pursuant to the powers granted under Section 163.01, Florida Statutes, as amended.

SECTION 2. PUBLIC AGENCIES; TERM. At all times prior to and during the term of this Interlocal Agreement, the Issuer and Seminole County constitute "public agencies" as that term is defined in Section 163.01(3)(b), Florida Statutes, and both the Issuer and Seminole County have in common the power and authority to issue revenue bonds in order to provide financing for the acquisition and construction of correctional, detention, rehabilitation and social service facilities such as the Facilities, as the power and authority as each might exercise separately. This Interlocal Agreement shall remain in full force and effect for so long as the Bonds remain outstanding.

SECTION 3. NON-DELEGATION OF DUTIES. This Interlocal Agreement shall in no way be interpreted to authorize the delegation of the constitutional or statutory duties of the Issuer, Orange County, Seminole County, the State of Florida or any political subdivision or agency thereof or any members or officers thereof.

SECTION 4. NO PECUNIARY LIABILITY OF SEMINOLE COUNTY; LIMITED OBLIGATION OF ISSUER. Neither this Interlocal Agreement nor the Bonds shall be deemed to constitute a general debt, liability, or obligation of or a pledge of the faith and credit of the Issuer, Orange County, Seminole County, the State of Florida, or any political subdivision or agency thereof. The issue of the Bonds pursuant to this Interlocal Agreement shall not directly, indirectly, or contingently obligate the Issuer, Orange County, Seminole County, the State of Florida, or any political subdivision or agency thereof to levy or to pledge any form of taxation whatsoever therefore, or to make any appropriation for their payment.

SECTION 5. RELIANCE; INDEMNIFICATION. In executing and delivering this Interlocal Agreement, Seminole County is relying on the representations, warranties and covenants to be made by the Borrower in the Loan Agreement, including but not limited to, a covenant with respect to the use of the Facilities for the purpose of providing correctional, detention, rehabilitation and social service center facilities in Seminole County, as such term is defined in the Act. Seminole County shall be deemed to be a third party

beneficiary to the Loan Agreement for the purposes of relying on such covenant of the Borrower, and shall be entitled to rely on the indemnification provided by the Borrower pursuant to such Loan Agreement (and references to the Issuer in the Loan Agreement shall include Seminole County) if the Borrower fails to perform such covenant. It shall be an express condition to the effectiveness of this Interlocal Agreement that the Loan Agreement contain the above-referenced covenant of the Borrower.

SECTION 6. NO PERSONAL LIABILITY. No covenant or agreement contained in this Interlocal Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of the Issuer or Seminole County in his or her individual capacity and no member, officer, agent or employee of the Issuer or Seminole County or their respective governing bodies shall be liable personally on this Interlocal Agreement or be subject to any personal liability or accountability by reason of the execution of this Interlocal Agreement.

SECTION 7. QUALIFYING FACILITIES; IMPACT OF FACILITIES. Exhibit A attached hereto describes the Facilities. This description was relied upon by Seminole County in authorizing the execution of this Interlocal Agreement.

SECTION 8. FILING OF INTERLOCAL AGREEMENT. It is agreed that this Interlocal Agreement shall be filed by the Borrower or its authorized agent or representative with the Clerk of the Circuit Court of Seminole County, Florida, and with the Clerk of the Circuit Court of Orange County, Florida, all in accordance with the Chapter 163, Part I, Florida Statutes, and that this Interlocal Agreement shall not become effective until so filed.

SECTION 9. INDEMNITY. The Borrower, by its approval and acknowledgment at the end of this Interlocal Agreement, agrees to indemnify and hold harmless the Issuer and Seminole County, and their respective officers, employees 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 Interlocal Agreement or the issuance of the Bonds, other than any such losses, damages, liabilities or expenses, in the case of Seminole County, arising from the willful misconduct of Seminole County, and, in the case of the Issuer, arising from the willful misconduct of the Issuer.

SECTION 10. GOVERNING LAW. This Interlocal 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 such State.

SECTION 11. 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 12. EXECUTION IN COUNTERPARTS. This Interlocal Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Interlocal Agreement by signing any such counterpart.

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of the Issuer has caused this Interlocal Agreement to be executed by its Chairman or Vice-Chairman, its seal affixed hereto, as attested by its Secretary and by and on behalf of Seminole County by its Chair of the Seminole Board of County Commissioners, its seal affixed hereto, as attested by its County Clerk all as of the ___ day of _____, 2002.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Tanya Juarez, Chair

ATTEST:

Charles Sloan, Secretary

SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS

(SEAL)

By: _____
Daryl G. McLain, Chair

ATTEST:

County Clerk

APPROVAL AND ACKNOWLEDGMENT OF THE BORROWER

The undersigned, _____, _____ of and on behalf of Christian Prison Ministry, Inc., hereby approves this Interlocal Agreement and acknowledges its acceptance of its obligations arising thereunder, by causing this Approval and Acknowledgment to be executed by its proper officer and its seal to be affixed hereto and attested by its proper officer all as of the date of said Interlocal Agreement.

(SEAL)

By: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2002, by TANYA JUAREZ, Chair of the Orange County Industrial Development Authority, who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

STATE OF FLORIDA
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this ____ day of _____, 2002, by DARYL G. MCLAIN, Chairman of the Seminole County Board of County Commissioners, who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2002, by _____, _____ of and on behalf of Christian Prison Ministry, Inc., who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

EXHIBIT A**DESCRIPTION OF PROJECT**

The refinancing certain indebtedness incurred by Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Borrower") in connection with the acquisition, construction and renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities"). The Facilities are owned by the Borrower and operated by Bridges of America, Inc., a Florida not-for-profit corporation. The Facilities are located in Orange, Seminole, Broward, Polk and Alachua Counties, Florida as follows:

Orange County

The Orlando Bridge, consisting of 4 acres of property and approximately 58,000 aggregate square feet of building facilities located at: 2001, 2011, 2017, 2021, 2025, 2029, 2033, 2037, 2041 and 2045 Mercy Drive; 1911, 2100, 2102, 2104 and 2106 Brengle Avenue; and 3630 and 3925 W. New Hampshire, Orlando, Florida 32808.

Seminole County

The Sanford Bridge, consisting of 1.5 acres of property and approximately 22,000 aggregate square feet of building facilities located at: 113 and 500 Holly Avenue; 401 S. Holly Avenue; and 803 4th Street West, Sanford, Florida 32771-2486.

Broward County

The Turning Point Bridge, consisting of three acres of property and approximately 27,000 aggregate square feet of building facilities located at: 215, 302, 328 and 400 S.W. 2nd Street; 339 S.W. 2nd Court; and 338 and 342 Avondale Drive East, Pompano Beach, Florida 33060-6822.

Polk County

The Polk Bridge, consisting of 8.78 acres of property and approximately 26,000 aggregate square feet of building facilities located at: 602 Melton Avenue; 607 Walnut Avenue; 601 Lime Avenue; 206 Pilakakaha Avenue; and 511 and 515 Pine Street, Auburndale, Florida 33823-4428.

Alachua County

The Gainesville Bridge, consisting of 4.85 acres of property and approximately 32,000 aggregate square feet of building facilities located at: 1504 S.E. 3rd Avenue, Gainesville, Florida 32641-7346.