

RESOLUTION NO - 45

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF TARPON SPRINGS WAIVING THE PROVISIONS OF SECTION 10.1(g) OF THE LEASE BETWEEN THE CITY OF TARPON SPRINGS AND THE TARPON SPRINGS HOSPITAL FOUNDATION, INC. RELATING TO HELEN ELLIS MEMORIAL HOSPITAL; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, The City of Tarpon Springs ("City") has leased hospital facilities known as Helen Ellis Memorial Hospital ("Hospital") to Tarpon Springs Hospital Foundation, Inc. ("Foundation") under a lease dated August 31, 2000; and

WHEREAS, University Community Hospital, Inc. ("UCH") is the sole member of the Foundation; and

WHEREAS, Adventist Health System Sunbelt Healthcare Corporation ("AHS") and UCH propose to merge their health care systems resulting in AHS being appointed the sole member of UCH; and

WHEREAS, AHS has, by letter dated July 27, 2010 to the City Manager, explained that the Hospital cannot be accepted into the AHS health system unless it can be operated in a manner consistent with the polices and practices of AHS; and

WHEREAS, in view of the foregoing, AHS requests that the City waive the provisions of Section 10.1(g) of the lease between the City and the Foundation so that the Hospital can be operated in a manner consistent with the polices and practices of AHS; and

WHEREAS, AHS is unwilling to accept the Foundation as a subsidiary unless the City waives the provisions of Section 10.1(g) of the lease between the City and the Foundation; and

WHEREAS, the lease between the City and the Foundation gives the Board of Commissioners the authority to waive the provisions of Section 10.1(g) of the lease between the City and the Foundation; and

WHEREAS, the continued operation of the Hospital as a local community hospital providing medical care to residents of the City and upper Pinellas County is vital to the health, safety and welfare of the residents of the City and upper Pinellas County; and

WHEREAS, the City will receive significant revenue from continuing to rent the Hospital; and

WHEREAS, the City acknowledges that AHS is relying on this waiver as an indispensable condition of its merger with UCH.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF TARPON SPRINGS, FLORIDA:

Section 1. The Board of Commissioners waives the provisions of the Section 10.1(g) of the lease between the City and the Foundation to enable the Hospital to operate after the merger of UCH and AHS in a manner consistent with the policies and practices of AHS;

Section 2. The Board of Commissioners finds that waiving the provisions of Section 10.1(g) of the lease between the City and the Foundation (i) serves the purely secular purposes of assuring the continued operation of the Hospital as a local community hospital providing medical care to residents of the City and upper Pinellas County and generating revenue for the City from renting the Hospital facilities and (ii) is commercially reasonable in view of all relevant circumstances;

Section 3. The Board of Commissioners authorizes the City Manager, in consultation with counsel, to execute such other agreements or consents as may be advisable for the effectuation, enforcement and implementation of this Resolution.

Section 4. This Resolution shall become effective immediately upon final passage and adoption.