

# City of Philadelphia



(Bill No. 060928)

## AN ORDINANCE

Declaring that it is desirable for the health, safety and welfare of the people in the area served by The Children’s Hospital of Philadelphia, The Children’s Hospital Foundation and The Children’s Seashore House of The Children’s Hospital of Philadelphia, Inc. for The Hospitals and Higher Education Facilities Authority of Philadelphia to participate with such institutions in certain improvement and expansion projects to such institutions’ facilities, primarily at their campus located at Thirty-fourth Street and Civic Center Boulevard, Philadelphia, Pennsylvania.

WHEREAS, The Hospitals and Higher Education Facilities Authority of Philadelphia (the “Authority”), a body politic and corporate, was incorporated on February 9, 1974, pursuant to an Ordinance dated January 28, 1974, under the Municipality Authorities Act, now codified at 53 Pa. C.S., Ch. 56 (the “Act”); and

WHEREAS, the Act specifies, *inter alia*, that the purpose of an Authority shall be for “acquiring, holding, constructing, financing, improving, maintaining and operating, owning or leasing, either in the capacity of lessor or lessee, projects of the following kind and character . . . hospitals and health centers”; and

WHEREAS, The Children’s Hospital of Philadelphia, a Pennsylvania nonprofit corporation, The Children’s Hospital Foundation, a Pennsylvania nonprofit corporation and The Children’s Seashore House of The Children’s Hospital of Philadelphia, Inc., a New Jersey nonprofit corporation (collectively, the “Institutions”) plan to undertake a project (the “Project”) primarily at the Institutions’ campus located at Thirty-fourth Street and Civic Center Boulevard, Philadelphia, Pennsylvania, consisting of the (a) completion of the West Tower Building (to be used for operating rooms, clinical laboratories, patient rooms, cafeteria, radiology, emergency room extension and administrative/physician offices); (b) construction of the new South Campus (vivarium, research building, central utility plant and design and planning for other facilities); (c) other miscellaneous capital projects, equipment purchases and campus renovations; (d) loaning certain funds to PGH Development Corporation to enable it to refund all or a portion of the Philadelphia Authority for Industrial Development’s \$22,745,000 Project Revenue Refunding Bonds (PGH Development Corporation), Series 1993; and (e) funding of reserves, payment of capitalized interest costs during construction, payment of bond issuance expenses (including any credit enhancement and/or liquidity) and reimbursing the Institutions for certain costs heretofore incurred in connection with such Project; and

WHEREAS, the Institutions have requested that the Authority issue its Hospital Revenue Bonds in the aggregate principal amount (exclusive of original issue discount/premium)

# City of Philadelphia

BILL NO. 060928 continued

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not to exceed Two Hundred Twenty-Five Million Dollars (\$225,000,000) for the purpose of financing the costs of the Project; and

WHEREAS, the Act provides that none of the powers granted thereby shall be exercised in the construction, financing, improvement, maintenance, extension or operation of any project or projects which in whole or in part shall duplicate or compete with existing enterprises servicing substantially the same purpose; and

WHEREAS, the Act further provides that the foregoing limitation shall not apply to hospital projects or health centers to be leased to, or financed with loans to, public hospitals, nonprofit corporation health centers or nonprofit hospital corporations serving the public, if the municipality organizing the authority for such project shall declare by resolution or ordinance that it is desirable for the health, safety and welfare of the people in the area served by such facilities to have such facilities provided by or financed through such authority.

NOW THEREFORE,

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

Section 1. It is hereby declared desirable for the health, safety and welfare of the people in the area served by The Children's Hospital of Philadelphia, a Pennsylvania nonprofit corporation, The Children's Hospital Foundation, a Pennsylvania nonprofit corporation and The Children's Seashore House of The Children's Hospital of Philadelphia, Inc., a New Jersey nonprofit corporation (collectively, the "Institutions"), to have The Hospitals and Higher Education Facilities Authority of Philadelphia (the "Authority") issue its Hospital Revenue Bonds, in one or more series, in the aggregate principal amount not to exceed Two Hundred Twenty-Five Million Dollars (\$225,000,000) (exclusive of original issue discount/premium) for the purpose of financing the costs of a project (the "Project") primarily at the Institutions' campus located at Thirty-fourth Street and Civic Center Boulevard, Philadelphia, Pennsylvania, consisting of: (a) the completion of the West Tower Building (to be used for operating rooms, clinical laboratories, patient rooms, cafeteria, radiology, emergency room extension and administrative/physician offices); (b) the construction of the new South Campus (vivarium, research building, central utility plant and design and planning for other facilities); (c) other miscellaneous capital projects, equipment purchases and campus renovations; (d) loaning certain funds to PGH Development Corporation to enable it to refund all or a portion of the Philadelphia Authority for Industrial Development's \$22,745,000 Project Revenue Refunding Bonds (PGH Development Corporation), Series 1993; and (e) the funding of reserves, payment of capitalized interest costs during construction, payment of bond issuance expenses (including any credit enhancement and/or liquidity) and reimbursing the Institutions for certain costs heretofore incurred in connection with such Project.

# City of Philadelphia

BILL NO. 060928 continued

Certified Copy

SECTION 2. The declaration made in Section 1 hereof extends to additional bonds to complete the Project and refunding bonds, which may be issued by the Authority, provided, however, that such declaration shall not be deemed authority to increase the scope of the Project.

# City of Philadelphia

BILL NO. 060928 continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on February 15, 2007. The Bill was Signed by the Mayor on February 26, 2007.



Patricia Rafferty  
Chief Clerk of the City Council