

## Legislation Text

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Declaring it is desirable for the health, safety and welfare of the people of the area served by Temple University Hospital, Inc., Jeanes Hospital, Temple Physicians, Inc., Temple Health System Transport Team, Inc., the American Oncologic Hospital, the Institute for Cancer Research and Fox Chase Network, Inc. for The Hospitals and Higher Education Facilities Authority of Philadelphia to undertake certain projects for such entities, each of which are nonprofit corporations.

WHEREAS, The Hospitals and Higher Education Facilities Authority of Philadelphia (the "Authority") was duly incorporated under the provisions of the Municipality Authorities Act of 1945 of May 2, 1945, P.L. 382, as reenacted by 53 Pa. Cons. Stat. §5601 *et seq.* (2002) (the "Act"); and

WHEREAS, Temple University Hospital, Inc. owns and operates Temple University Hospital; Jeanes Hospital owns and operates Jeanes Hospital; Temple Physicians, Inc., a not-for-profit primary physicians network, has offices throughout Philadelphia, Pennsylvania; and Temple Health System Transport Team, Inc. has an office in Philadelphia, Pennsylvania; and

WHEREAS, Temple University Hospital, Inc., Jeanes Hospital, Temple Physicians, Inc. and Temple Health System Transport Team, Inc. (collectively, the "Temple Entities") are each a controlled affiliate of Temple University Health System, Inc. ("TUHS"); and

WHEREAS, Temple University Hospital, Inc., Jeanes Hospital, Temple Physicians, Inc. and Temple Health System Transport Team, Inc. constitute nonprofit hospital corporations or nonprofit corporation health centers within the meaning of the Act; and

WHEREAS, TUHS has entered an Affiliation Agreement, dated December 15, 2011 (the "Affiliation Agreement"), with the American Oncologic Hospital, the Institute for Cancer Research, Fox Chase Network, Inc. (collectively, the "Fox Chase Entities"), FCCC Select, Fox Chase Cancer Center and Fox Chase, LTD whereby TUHS will acquire the Fox Chase Entities, together with one or more additional new entities to be

created pursuant to the Affiliation Agreement (the “New Affiliates”), and the Fox Chase Entities and one or more of the New Affiliates (the “Controlled Affiliates”) will each become a controlled affiliate of TUHS (together the Temple Entities, the Fox Chase Entities and the Controlled Affiliates are referred to herein as the “TUHS Entities”); and

WHEREAS, American Oncologic Hospital, owns and operates a hospital providing care to cancer patients; the Institute for Cancer Research, engages in research and maintains common research resources for the benefit of all Fox Chase research activities; and Fox Chase Network, Inc., provides cancer care services to community hospitals and their physicians; and

WHEREAS, The Controlled Affiliates constitute, or will constitute, nonprofit hospital corporations or nonprofit corporation health centers within the meaning of the Act; and

WHEREAS, TUHS has requested that the Authority issue its Hospital Revenue Bonds (Temple University Health System Obligated Group) in one or more series in an aggregate principal amount not to exceed \$320,000,000 and lend the proceeds thereof to TUHS for the purpose of financing all or a portion of the projects for the TUHS Entities described in Section 1 below; 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 duplicate or compete with existing enterprises serving substantially the same purposes, but that such limitation does 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 hospital or health center to have such facilities provided by, or financed through, an 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

respective areas served by the TUHS Entities to have the Authority issue its Hospital Revenue Bonds (Temple University Health System Obligated Group) (the “Bonds”) in one or more series in an aggregate principal amount not to exceed \$320,000,000 for the purposes of financing or refinancing all or any portion of the following projects: (i) the acquisition of the ownership interest of the Fox Chase Entities by TUHS; (ii) funding of capital improvements to facilities of the Fox Chase Entities; (iii) renovations to Jeanes Hospital facilities; (iv) funding various capital projects and improvements within TUHS including the replacement of a parking garage at Temple University Hospital and the purchase of equipment; (v) refunding the Authority’s outstanding Hospital Revenue Bonds, Series of 1993 (Temple University Hospital); (vi) funding a deposit to the debt service reserve fund for the Bonds; and (vii) paying the costs of issuance of the Bonds.

SECTION 2. The declaration made pursuant to Section 1 above shall extend to any bonds issued to refund the aforesaid Bonds.