

Legislation Text

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Declaring that it is desirable for the health, safety and welfare of the people in the area served by Thomas Jefferson University Hospitals, Inc. (the "Hospital") and its affiliates for The Hospitals and Higher Education Facilities Authority of Philadelphia to participate with the Hospital in the refinancing or restructuring of certain outstanding indebtedness of the Hospital and its affiliates and the acquisition and construction of capital improvements to the facilities of the Hospital and its affiliates.

WHEREAS, The Hospitals and Higher Education Facilities Authority of Philadelphia (the "Authority") a body politic and corporate, was incorporated on February 19, 1974, pursuant to an ordinance duly approved on January 28, 1974, under the Municipality Authorities Act of 1945, being the Act of May 2, 1945, P.L. 382, now codified as 53 PA. C.S. Ch. 56, as amended (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, Thomas Jefferson University Hospitals, Inc. (the "Hospital") has requested that the Authority issue its Revenue Bonds (the "Bonds") in an aggregate principal amount not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000), net of original issue discount, if any, for the purpose of providing financing for the constructing and equipping of improvements to the existing facilities of the Hospital and its affiliates as more fully described in Exhibit A to this Ordinance and refinancing certain existing indebtedness of the Hospital, Methodist Hospital Nursing Center and their affiliates; 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 serving substantially the same purposes; and

WHEREAS, The Act further provides that the foregoing limitations relating to duplicative or competitive projects shall not apply to hospital projects or health centers to be financed by loans to public hospitals or non-profit hospital corporations serving the public, if the municipality organizing the authority for such projects 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 financed by 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 areas served by the Thomas Jefferson University Hospital (the "Hospital") for The Hospitals and Higher Education Facilities Authority of Philadelphia (the "Authority") to provide financing for the constructing and equipping of improvements to the facilities of the Hospital and its affiliates as more fully described in Exhibit A attached to this Ordinance and made a part hereof, and the refinancing of

certain existing indebtedness of the Hospital, Methodist Hospital Nursing Center and their affiliates originally incurred to fund capital projects at the Hospital's Methodist Hospital Division and Methodist Hospital Nursing Center, through the issuance of the Authority's Revenue Bonds (the "Bonds") in an aggregate principal amount not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000), net of original issue discount, if any. The financing of all of the foregoing purposes by the Authority is hereby approved.

SECTION 2. The declaration and approval made in Section 1 hereof shall extend to bonds or other obligations which may be issued by the Authority to refund the Bonds or to provide funds to complete the facilities originally financed or refinanced by the bonds of the Authority, as described in Exhibit A hereof (the "Projects"); provided, however, that such declaration and approval shall not be deemed to authorize changes which increase the scope of the Projects.

SECTION 3. This Ordinance shall be effective immediately upon adoption. All prior inconsistent ordinances are hereby repealed to the extent of such inconsistency.

EXHIBIT A

The purposes of the financing by The Hospitals and Higher Education Facilities Authority of Philadelphia ("Authority"), as authorized in the foregoing Ordinance and including all costs and expenses of the financing, are:

A. Construction by Thomas Jefferson University Hospitals, Inc. (the "Hospital") of renovations to the existing facilities of the Hospital and its affiliates and the purchase and installation of new operating room and other equipment at the following locations:

(a) Center City Campus: Area bounded by Chestnut Street to the north, Irving Street to the south, Ninth Street to the east and Twelfth Street to the west.

(b) Methodist Hospital Division
2301 South Broad Street
(area on the east side of Broad Street between Ritner and Wolf Streets)
Philadelphia, PA 19148

(c) Methodist Hospital Nursing Center
2513-15 South 4th Street
Philadelphia, PA 19131

(d) Ford Road Campus
3905 Ford Road
Philadelphia, PA 19131

B. Refinancing of certain existing indebtedness of the Hospital, Methodist Hospital Nursing Center and their affiliates.