

No. 04-18-RE

A RESOLUTION

A Resolution approving a Project for the benefit of Carlow University (the "University") to be financed by the Authority for Improvements in Municipalities by the issuance of the Authority's tax-exempt or taxable bonds and/or notes, to be issued in one or more series, in the aggregate principal amount not in excess of \$36,000,000 (but expected to be approximately \$31,000,000), provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds (hereinafter defined), and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania.

Whereas, the University, a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania, desires to undertake a project consisting of financing, through the issuance of one or more series of tax-exempt and/or taxable bonds and/or notes in an aggregate principal amount not in excess of \$36,000,000 (but expected to be approximately \$31,000,000) (the "Bonds") by the Authority for Improvements in Municipalities (the "Authority"); and

Whereas, the Project ("Project") shall consist of all or any portions (as determined by the University) of the following:

- (a) Financing: (i) all or a portion of the costs of constructing, renovating, equipping, and furnishing: (a) St. Joseph's Hall Fitness Center; (b) Curran Hall Simulation Space; and (c) miscellaneous capital projects on the University's main campus devoted to the University's exempt activities; (ii) the funding of capitalized interest, as necessary or desired; (iii) the funding of any necessary debt service reserves; and (iv) all or a portion of the costs of such financing, including the cost of any credit enhancement and/or costs of issuance of such financing; and
- (b) Financing: (i) the advance refunding of all or a portion of the Allegheny County Higher Education Building Authority University Revenue Bonds, Series of 2011 (Carlow University Project); (ii) the funding of any necessary debt service reserves; and (iii) all or a portion of the costs of such financing, including the cost of any credit enhancement and/or costs of issuance of such financing.

Whereas, the Authority was created by the County of Allegheny, Pennsylvania (the "County") under the Municipality Authorities Act, Act No. 22 of 2001, as amended by Act No. 110 of 2001, 53 Pa.C.S. Section 5601 *et seq.* (the "Act"), and is authorized under the Act to issue its bonds for the purposes aforesaid, and the Authority has determined that the public interest will be served and that the purposes of the Act can be furthered by the Authority's issuance of bonds in order to obtain funds to loan to the University for the foregoing purposes; and

Whereas, Section 5607(b)(2)(iv) of the Act provides, among other things, school building projects and facilities to be leased to or financed with loans to private, nonprofit, nonsectarian secondary schools, colleges, and universities, state-related universities and community colleges may be financed by an authority created under the Act, if the municipality organizing such authority declares by resolution or ordinance that it is desirable for the health, safety, and welfare of the people in the area served by such projects and facilities to have such projects and facilities provided by, or financed through, such authority; and

Whereas, the facilities included in the Project are substantially located in Allegheny County, at (or in the vicinity of) the University campus located at 3333 Fifth Avenue, Pittsburgh, Pennsylvania 15213, and some of the facilities refinanced by the Project are also located at 3333 Forbes Avenue, Pittsburgh, Pennsylvania 15213 and at 120 Robinson Street, Pittsburgh, Pennsylvania 15213, all of which are owned or leased by the University; and

Whereas, the following resolutions are also adopted to give effect to the provisions of the Act, including without limitation Section 5607(a)(15) thereof; and

Whereas, neither the Bonds nor the approval granted hereby shall obligate taxing power of the County of Allegheny in any way, and shall be limited obligations of the Authority, payable solely from the revenues pledged by the Authority for such payment.

The Council of the County of Allegheny hereby resolves as follows:

SECTION 1. Incorporation of Preamble.

The provisions set forth in the preamble to this Resolution are incorporated by reference in their entirety herein.

SECTION 2. Terms Defined.

Terms used in the Recitals to this Resolution are herein used as therein defined.

SECTION 3. Approval of Project and Bonds.

For the purposes set forth in the Recitals, and subject to the limitations set forth in the last Recital stated above, the County of Allegheny, Pennsylvania, acting by and through its County Council, hereby declares that it is desirable for the health, safety and welfare of the people of the County of Allegheny to have the Project financed through the Authority, and approves the Project and the Bonds.

SECTION 4. Severability. If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.


SECTION 5. Repealer. Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.

Enacted in Council, this 20th day of March, 2018

Council Agenda No. 10537-18



John DeFazio
President of Council

Attest: 

Jared Barker
Chief Clerk of Council

Chief Executive Office April 2, 2018

Approved: 

Rich Fitzgerald
County Executive

Attest: 

Sonya Dietz
Executive's Secretary

SUMMARY OF LEGISLATION
CARLOW UNIVERSITY
SUBMITTED FOR COUNCIL MEETING MARCH 6, 2018

On behalf of Carlow University (the "University"), a non-profit corporation, the Authority for Improvements in Municipalities (the "Authority") intends to issue one or more series of not more than \$36,000,000 (but expected to be approximately \$31,000,000) of taxable and/or tax-exempt bonds (the "Bonds"). The Project shall consist of all or any portions (as determined by the University) of the following:

- (a) Financing: (i) all or a portion of the costs of constructing, renovating, equipping, and furnishing: (a) St. Joseph's Hall Fitness Center; (b) Curran Hall Simulation Space; and (c) miscellaneous capital projects on the University's main campus devoted to the University's exempt activities; (ii) the funding of capitalized interest, as necessary or desired; (iii) the funding of any necessary debt service reserves; and (iv) all or a portion of the costs of such financing, including the cost of any credit enhancement and/or costs of issuance of such financing; and
- (b) Financing: (i) the advance refunding of all or a portion of the Allegheny County Higher Education Building Authority University Revenue Bonds, Series of 2011 (Carlow University Project); (ii) the funding of any necessary debt service reserves; and (iii) all or a portion of the costs of such financing, including the cost of any credit enhancement and/or costs of issuance of such financing.

As is typical with these transactions issued through the Authority, the Bonds are limited obligations of the Authority, payable solely from the project or from the University. Neither the Bonds nor the approval granted by the County of Allegheny shall obligate the taxing power of the County in any way.

M E M O R A N D U M
OFFICE OF THE COUNTY MANAGER

TO: Jared E. Barker
Allegheny County Council

FROM: William D. McKain CPA
County Manager

DATE: March 1, 2018

RE: Proposed Resolution

Attached is a Resolution approving a Project for the benefit of Carlow University (the "University") to be financed by the Authority for Improvements in Municipalities by the issuance of the Authority's tax-exempt or taxable bonds and/or notes, to be issued in one or more series, in the aggregate principal amount not in excess of \$36,000,000 (but expected to be approximately \$31,000,000), provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds (hereinafter defined), and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania.

The Allegheny County Law Department has reviewed this legislation prior to submitting it to Council.

I am requesting that this item be placed on the agenda at the next Regular Meeting of Council.

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