

Bill No. 3273-07

No. 28-07-RE

## A RESOLUTION

Approving a project and declaring the financing of such project by the Allegheny County Higher Education Building Authority on behalf of Duquesne University of the Holy Spirit as desirable for the health, safety and welfare of the people in the county.

**Whereas**, Duquesne University of the Holy Spirit, a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania (the "University"), desires to undertake a project consisting of financing, through the issuance of one or more series of bonds in an aggregate principal amount not expected to exceed \$48,000,000 (the "Bonds") by the Allegheny County Higher Education Building Authority (the "Authority"), the costs of: (i) expansion of the Energy Center, construction of Rooney Field grandstands, renovations to the second floor of Duquesne Union, renovations to St. Martin Hall, replacement of the HVAC system(s) serving Brottier Hall and Canevin Hall, replacement and/or installation of steam and chilled water piping to A.J. Palumbo Center, and other miscellaneous capital expenditures (the "New Money Project"), (ii) the possible refinancing of all or a portion of the Authority's University Revenue Bonds, Series A of 2004 (Duquesne University) and University Revenue Bonds, Series A of 2005 (Duquesne University) (such bonds are referred to collectively as the "Prior Bonds" and the refunding of the Prior Bonds is referred to hereinafter as the "Refunding Project"), (iii) funding any necessary reserves, and (iv) issuance of the Bonds, including, but not limited to, the costs of providing credit and/or liquidity enhancement for the Bonds (collectively, the "Project"); and

**Whereas**, the Prior Bonds were issued for the purpose of financing various capital projects (together, the "Prior Projects"), all of which were previously declared by resolutions of the Council of the County of Allegheny, Pennsylvania (the "County") to be desirable for the health, safety and welfare of the people of Allegheny County (the assets and facilities financed or to be financed with proceeds of the Bonds and the Prior Bonds are referred to collectively as the "Project Facilities"); and

**Whereas**, Section 5607(a)(15) of the Act provides that the Authority may finance buildings and facilities of private non-profit colleges and universities if the municipality creating the Authority approves said buildings and facilities by resolution or ordinance and that the approval does not obligate the taxing power of the municipality in any such way; and

**Whereas**, the Authority was created by the County under the Municipality Authorities Act, as amended (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 fulfilled 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, that school building projects and facilities such as the Project Facilities to be financed with loans to private, nonprofit, nonsectarian universities such as the University may be financed by an authority created under the Act, notwithstanding that such projects and facilities may duplicate or compete with existing enterprises serving substantially the same purposes, 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.

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

***Section 1.   Approval of Projects.***

The New Money Project, the Refunding Project and the Project Facilities and the financing of the Project are hereby approved, and such approval does not obligate the taxing power of the County in any way. It is hereby declared that it is desirable for the health, safety and welfare of the people in the County to have the Project and the Project Facilities financed through the Authority.

***Section 2.   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 3.   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 3rd day of July, 2007


Council Agenda No. 3273-07

  
Rich Fitzgerald  
President of Council

Attest:   
John Mascio  
Chief Clerk of Council

Chief Executive Office July 11, 2007

Approved:   
Dan Onorato  
Chief Executive

Attest:   
Donna Beltz  
Executive's Secretary

SUMMARY OF LEGISLATION  
DUQUESNE UNIVERSITY OF THE HOLY SPIRIT  
SUBMITTED FOR COUNCIL MEETING JUNE 19, 2007

On behalf of Duquesne University of The Holy Spirit, a non-profit corporation, the Allegheny County Higher Education Building Authority (the "Authority") intends to issue \$48,000,000 of Tax-Exempt Bonds (the "Bonds"). The Bonds will finance the costs of the following:

- (a) capital expenditures including the expansion of the Energy Center, construction of Rooney Field grandstands, renovations to the second floor of Duquesne Union, renovations to St. Martin Hall, and improvements to other facilities within the campus of Duquesne University;
- (b) refinancing of all or a portion of the Authority's outstanding University Revenue Bonds, Series A of 2004 and Series A of 2005 (the "Prior Bonds");
- (c) funding any necessary reserves; and
- (d) providing credit support and/or liquidity support, if necessary.

Additionally, the proceeds of the Bonds will fund any necessary reserves and pay all or a portion of the costs of issuance, including the costs of providing credit enhancement for the Bonds.

As is typical with these transactions issued through the Higher Education Building Authority, the Bonds are limited obligations of the Authority, payable solely from the project or from Duquesne University.

**M E M O R A N D U M**

**OFFICE OF THE COUNTY MANAGER**

TO: John Mascio  
Chief Clerk

ALLEGHENY COUNTY COUNCIL

FROM: James M. Flynn, Jr.  
County Manager



DATE: June 14, 2007

'07 JUN 14 AM 10:08

RE: Proposed Resolution

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Attached is a Resolution approving a project and declaring the financing of such project by the Allegheny County Higher Education Building Authority on behalf of Duquesne University of the Holy Spirit as desirable for the health, safety and welfare of the people in the county.

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

Please place this on the next agenda for County Council approval.

Thank you.