

## A RESOLUTION

Approving a Project for the benefit of West Penn Allegheny Health System, Inc. and certain members of an obligated group, including Allegheny General Hospital, Allegheny Medical Practice Network, Allegheny Specialty Practice Network, Allegheny-Singer Research Institute, Canonsburg General Hospital, Alle-Kiski Medical Center, The Western Pennsylvania Hospital, The Western Pennsylvania Hospital Foundation, and West Penn Corporate Medical Services, Inc. (collectively, the "Obligated Group"), to be financed by the Allegheny County Hospital Development Authority by the issuance of one or more series, from time to time, of the Authority's Health Facilities Revenue Bonds (West Penn Allegheny Health System), Series 2007 (or similar designation) (collectively, the "West Penn Bonds") to be issued in the approximate amounts described below, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the West Penn Bonds and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania.

**Whereas**, West Penn Allegheny Health System, Inc. ("WPAHS") will request that the Allegheny County Hospital Development Authority ("Authority") finance the "West Penn Project" hereafter described by the issuance of the Authority's West Penn Bonds in the approximate amounts described below; provided, however, the Authority initially will be asked to issue only the 2007 Bonds for the 2007 Project, both as hereinafter described; and

**Whereas**, the Project (defined below) shall consist of all or any portions (as determined by the WPAHS) of the following capital and refunding projects including:

(a) approximately \$643 million expected to be used to (i) refund the outstanding Authority Health System Revenue Bonds (West Penn Allegheny Health System), Series 2000 and certain other series of bonds and loans (the "2007 Refunding Bonds"), (ii) pay costs of issuance, credit and liquidity support, if any, and other costs related to the issuance of the 2007 Refunding Bonds and (iii) fund reasonable bond reserves, if appropriate; and

(b) approximately \$259 million to (i) finance or refinance the acquisition, construction, improvement, renovation and equipping of capital improvements on the respective campuses of the health and related facilities owned and operated by the Obligated Group, including reimbursement for expenditures made in anticipation of the issuances of these bonds (the "2007 New Money Bonds" and together with the 2007 Refunding Bonds, the "2007 Bonds"; the project financed with the 2007 Bonds is hereinafter referred to as the "2007 Project"), (ii) pay costs of issuance, credit and liquidity support, if any, and other costs related to the issuance of the 2007 New Money Bonds and (iii) fund reasonable bond reserves, if appropriate; and

(c) approximately \$85 million to (i) refinance on or before December 31, 2010, the acquisition, construction, improvement, renovation and equipping of capital improvements on the respective campuses of the health and related facilities owned and operated by the Obligated Group (the "Future New Money Bonds" and, together with the 2007 Bonds, the "West Penn Bonds"; the projects financed with the West Penn Bonds are collectively referred to herein as the "West Penn Project"), (ii) pay costs of issuance, credit and liquidity support, if any, and other costs related to the issuance of the 2007 Future New Money Bonds and (iii) fund reasonable bond reserves, if appropriate; provided that no more than an estimated aggregate principal amount of \$965 million of West Penn Bonds is expected to be outstanding at any time; and

**Whereas**, the location of the facilities included in the West Penn Project are attached on **Schedule 1** and made a part hereof; and

**Whereas**, the following resolutions are adopted to give effect to the provisions of 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"), including without limitation Section 5607(a)(14) thereof; the County Council will have to approve the Future New Money Project for purpose of the Act when the Authority is asked to issue the Future New Money Bonds; and

**Whereas**, neither the West Penn Bonds nor the approval granted hereby shall obligate the taxing power of the County of Allegheny in any way, and each series of the West Penn Bonds 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 enacts as follows:***

#### ***Section 1. Terms Defined.***

Terms used in the Recitals to these Resolutions are herein used as therein defined.

#### ***Section 2. Health, Safety and Welfare Approval.***

It is hereby determined that the health, safety and welfare of the residents of the County of Allegheny, Pennsylvania, will be improved by the financing of the 2007 Project through the Authority within the meaning of Section 5607(b)(2)(iv) of the Act.


#### ***Section 3. 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 continue in full force and effect.***

**Section 4. 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 20<sup>th</sup> day of February, 2007,


Council Agenda No. 3021-07.

  
\_\_\_\_\_  
Rich Fitzgerald  
President of Council

Attest:   
\_\_\_\_\_  
John Mascio  
Chief Clerk of Council

Chief Executive Office  February 26, 2007.

Approved:   
\_\_\_\_\_  
Dan Onorato  
Chief Executive

Attest:   
\_\_\_\_\_  
Donna Beltz  
Executive Secretary

## SCHEDULE 1

<u>Affiliate/Facility</u>	<u>Approximate Amounts</u>	<u>Locations</u>
<u>Allegheny General Hospital</u>	\$205 million of bond proceeds at:	122-124, 320, 420, 490 and 621 East North Avenue, 601, 617, 625 and 1020 Madison Avenue, 47-49, One, Two and Four Allegheny Center, 1307 Federal Street, 575 Lincoln Avenue, 1217 and 1219 Sandusky Street, Pittsburgh
Suburban Campus		100 South Jackson Avenue, 637 Monroe Avenue, 607 West Avenue, 616 Cliff Street, 94 Meade Avenue, West Riverview Avenue, North Fremont Avenue, Pittsburgh
McCandless Center		9335 McKnight Road McCandless
<u>Allegheny Specialty Practice Network</u>		320 East North Avenue, Pittsburgh
<u>Allegheny Medical Practice Network</u>	Refunding only	366 Gross Street Pittsburgh; Moon Township Blk 595-G, Lot 14; Town of McCandless Blk 945-A, Lot 24
<u>Allegheny-Singer Research Institute</u>	Refunding only	320 East North Avenue, One Allegheny Square Pittsburgh
<u>Canonsburg General Hospital</u>	\$25 million of bond proceeds at:	100 Medical Blvd. Canonsburg
<u>Alle-Kiski Medical Center</u>	\$45 million of bond proceeds at:	1301 Carlisle Street, 1300 Alabama Avenue, Natrona Heights  Edgewood Town Center Pittsburgh
Citizens Ambulatory Care Center		651 Fourth Avenue New Kensington
Allegheny Valley Hospital Prolab	Refunding only	3099 Leechburg Road New Kensington

The Western Pennsylvania Hospital

\$205 million  
of bond  
proceeds at:

4800 and 4900 Friendship Avenue,  
115 South Neville Street,  
225 Penn Avenue,  
316, 322, 324, 328, 332, 336, 342 and  
349 Gross Street,  
317, 319 and 321 Millvale Avenue,  
316 Mathilda Street,  
Pittsburgh

1789 South Braddock Avenue  
Swissvale

3250 Route 130  
Irwin

Forbes Regional Campus

2570, 2579 and 2580 Haymaker Road  
Monroeville

The Western Pennsylvania Hospital Foundation

Refunding  
only

4818 Liberty Avenue  
Pittsburgh

West Penn Corporate Medical Services, Inc.

Refunding  
only

366 Gross Street  
Pittsburgh

SUMMARY FOR HDA/WPAHS RESOLUTION  
SUBMITTED FOR COUNCIL MEETING 2/6/07


On behalf of West Penn Allegheny Health System, Inc. (WPAHS), a non-profit corporation, the Allegheny County Hospital Development Authority (the "Authority") intends to issue \$902,000,000 of Authority Health Facilities Revenue Bonds (the "Bonds"). The Bonds will finance the costs of the following:

- (a) approximately \$643,000,000 of bond proceeds will be used to finance outstanding bonds issued by the Authority in 2000 on behalf of WPAHS; and
- (b) approximately \$259,000,000 of bond proceeds will be used to finance or refinance the acquisition, construction, improvement, renovation and equipping of capital improvements at various locations under the auspices of WPAHS, including but not limited to Allegheny General Hospital and The Western Pennsylvania Hospital; and
- (c) funding may also be used to pay costs of issuance, provide credit and liquidity support and any reasonable reserves.

As is typical with these transactions issued through the Hospital Development Authority, the Bonds are limited obligations of the Authority, payable solely from the project or from WPAHS.

**MEMORANDUM**  
**OFFICE OF THE COUNTY MANAGER**

TO: John Mascio  
Chief Clerk

FROM: James M. Flynn, Jr.   
County Manager

DATE: February 1, 2007

RE: Proposed Resolution

---

Attached is a Resolution Approving a Project for the benefit of West Penn Allegheny Health System, Inc. and certain members of an obligated group, including Allegheny General Hospital, Allegheny Medical Practice Network, Allegheny Specialty Practice Network, Allegheny-Singer Research Institute, Canonsburg General Hospital, Alle-Kiski Medical Center, The Western Pennsylvania Hospital, The Western Pennsylvania Hospital Foundation, and West Penn Corporate Medical Services, Inc. (collectively, the "Obligated Group"), to be financed by the Allegheny County Hospital Development Authority by the issuance of one or more series, from time to time, of the Authority's Health Facilities Revenue Bonds (West Penn Allegheny Health System), Series 2007 (or similar designation) (collectively, the "West Penn Bonds") to be issued in the approximate amounts described below, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the West Penn Bonds 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.

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

Thank you.

'07 FEB 1 AM 9:51

ALLEGHENY COUNTY COUNCIL