

No. 24-17-RE

A RESOLUTION

A Resolution approving a project for the benefit of Allegheny Health Network, a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania, to be financed by the Allegheny County Hospital Development Authority (the "Authority") by the issuance of one or more series, from time to time, of the Authority's Health Facilities Revenue Bonds (Allegheny Health Network), Series 2017 (or similar designation) (collectively, the "Bonds") to be issued in an aggregate principal amount not to exceed \$1,000,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania.

Whereas, Allegheny Health Network will request that the Authority finance the "Allegheny Health Network Project" hereafter described by the issuance of the Bonds in an amount not to exceed \$1,000,000,000; and

Whereas, the Allegheny Health Network Project (the "Project") shall consist of all or any portions (as determined by Allegheny Health Network) of the following capital and refunding projects including:

(a) refunding the Authority's outstanding (i) Variable Rate Demand Hospital Revenue Bonds, Series A of 2010 (Jefferson Regional Medical Center), (ii) Variable Rate Demand Hospital Revenue Bonds Series A of 2008 (Jefferson Regional Medical Center), (iii) Hospital Revenue Bonds, Series A of 2007 (Jefferson Regional Medical Center), (iv) Hospital Revenue Bonds, Series B of 2006 (Jefferson Regional Medical Center), (v) Variable Rate Demand Hospital Revenue Bonds, Series A of 2006 (Jefferson Regional Medical Center), (vi) Variable Rate Demand Hospital Revenue Bonds, Series A of 2000 (South Hills Health System), and (vii) Hospital Revenue Refunding Bonds, Series A of 1998 (South Hills Health System);

(b) refunding the Erie County Hospital Authority's outstanding (i) Hospital Revenue Bonds, Series 2011A (Saint Vincent Health Center Project), (ii) Variable Rate Hospital Revenue Bonds, Series 2010B (Saint Vincent Health Center Project), (iii) Hospital Revenue Bonds, Series 2010A (Saint Vincent Health Center Project), and (iv) Hospital Revenue Bonds, Series 2009 (Saint Vincent Health Center Project);

(c) refunding a taxable loan that refinanced the Authority's Health System Revenue Bonds (West Penn Allegheny Health System), Series 2007A; and

(d) (i) the financing of the acquisition, construction, improvement, renovation and equipping of capital improvements by Allegheny Health Network and various

affiliates of the Borrower at their respective hospital campuses or other facilities as permitted by the Act, (ii) the funding of any necessary reserves, (iii) funding of capitalized interest and (iv) the payment of costs of issuance.

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; and

Whereas, the following resolution is also adopted to give effect to the provisions of the Act, including without limitation Sections 5607(a)(14) and (15) thereof; and

Whereas, neither the Bonds nor the approval granted hereby shall obligate the taxing power of the County of Allegheny in any way, and shall be limited obligations of the Authority, payable solely from the revenues from Allegheny Health Network pledged 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 these Resolutions are herein used as therein defined.

SECTION 3. Declaration Regarding Financing of the Projects.

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, including the facilities related thereto, financed through the Authority. The Project, including the buildings and facilities related thereto, are hereby approved and such approval shall not in any way obligate the taxing power of the County.

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 5th day of December, 2017

Council Agenda No. 10411-17



John DeFazio
President of Council

Attest: 

Jared Barker
Chief Clerk of Council

Chief Executive Office December 6, 2017

Approved: 

Rich Fitzgerald
County Executive

Attest: 

Sonya Dietz
Executive's Secretary

SUMMARY PAGE
ALLEGHENY HEALTH NETWORK
SUBMITTED FOR COUNCIL MEETING 11/21/17

On behalf of the Allegheny Health Network, a non-profit corporation, the Allegheny County Hospital Development Authority (the "Authority") intends to issue up to \$1,000,000,000 of Tax-Exempt Revenue Bonds (the "Bonds"). The Bonds will finance all or portion of the following:

1. Costs of the outstanding indebtedness of Allegheny Health Network and its affiliates;
2. Cost of new capital projects; and
3. Paying all or a portion of the related financing costs.

M E M O R A N D U M

OFFICE OF THE COUNTY MANAGER

TO: Jared E. Barker
Allegheny County Council

FROM: ^{WDM} William D. McKain CPA
County Manager

DATE: November 21, 2017

RE: Proposed Resolution

Attached is a Resolution approving a project for the benefit of Allegheny Health Network, a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania, to be financed by the Allegheny County Hospital Development Authority (the "Authority") by the issuance of one or more series, from time to time, of the Authority's Health Facilities Revenue Bonds (Allegheny Health Network), Series 2017 (or similar designation) (collectively, the "Bonds") to be issued in an aggregate principal amount not to exceed \$1,000,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds 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.