

WS/LM 6/27/12  
LAM

COUNTY OF DAUPHIN  
PENNSYLVANIA

RESOLUTION NO. 9-2012

APPROVING THE FINANCING OF CERTAIN PINNACLE HEALTH SYSTEM HEALTH CARE FACILITIES LOCATED IN DAUPHIN COUNTY, PENNSYLVANIA AND HAMPDEN TOWNSHIP, PENNSYLVANIA; AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE IN THE AREA TO BE SERVED BY SUCH FACILITIES TO HAVE SUCH FACILITIES PROVIDED BY, OR FINANCED THROUGH, THE DAUPHIN COUNTY GENERAL AUTHORITY

WHEREAS, the Dauphin County General Authority (the "Authority") is a body corporate and politic organized under the Pennsylvania Municipality Authorities Act, 53 Pa. Cons. Stat. §§ 5601-5622 (2005) (the "Act") by the Board of Commissioners (the "County Commissioners") of the County of Dauphin, Pennsylvania (the "County"), for the purpose of undertaking projects of the kind and character contemplated by law for a general purpose authority, as authorized and permitted by, and also as limited by, provisions of the Act; and

WHEREAS, Pinnacle Health Hospitals (the "Corporation") and Pinnacle Health System, the sole member of the Corporation (the "System") and Pinnacle Health Medical Services ("Services," and together with the Corporation and the System, the "Obligated Group"), have each represented to the Authority that they are Pennsylvania not-for-profit corporations and organizations described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended; and

WHEREAS, the Corporation owns and operates, among other facilities, three health care facilities and related real and personal property in Dauphin County, Pennsylvania, known as Harrisburg Hospital ("Harrisburg Hospital"), Community General Hospital Campus ("Community General Hospital Campus") and Polyclinic Campus ("Polyclinic Campus") and one health care facility and related real and personal property in Hampden Township, Cumberland County, Pennsylvania, known as the Fredricksen Campus (the "Fredricksen Campus"); and

WHEREAS, at the request of the Obligated Group, the Authority intends to undertake pursuant to the Act a project consisting of (1) the construction, equipping, and development of a new approximately 200,000 square foot, 108 bed acute care hospital on the Fredricksen Campus of the Obligated Group located in Hampden Township, Cumberland County, Pennsylvania (the "New Hospital Project"); (2) renovations and improvements to the Harrisburg Hospital ("Harrisburg Hospital Project") facilities of the Obligated Group located in Harrisburg, Dauphin County, consisting of renovations and improvements to Harrisburg Hospital's 2<sup>nd</sup> Floor Cardiovascular cath labs, 3<sup>rd</sup> floor Electrophysiology and CTICU areas, private patient room improvements, upgrades to the 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 10<sup>th</sup> floors of the Harrisburg Hospital and other related capital improvements or acquisitions; (3) renovations and improvements to the Community General Hospital (the "Community General Hospital Project") facilities of the Obligated Group located in Lower Paxton Township, Dauphin County, consisting of an addition of two private patient room floors to the existing building and other related capital improvements or acquisitions; and (4) the payment of all or a portion of the costs of issuing the 2012 Bonds (the New Hospital Project, the Harrisburg Hospital Project and the Community General Hospital Project are collectively, the "2012 Project"); and

WHEREAS, the Obligated Group has requested that the Authority issue up to \$130,000,000 in aggregate principal amount of bonds to be designated as its Health System Revenue Bonds, Series A of 2012 (Pinnacle Health System Project) (the "2012 Bonds"), estimated to be sufficient to provide for the 2012 Project; and

WHEREAS, the project facilities being financed or refinanced with the proceeds of the 2012 Bonds are or will be located at the Harrisburg Hospital Campus, 111 South Front Street, Harrisburg, Dauphin County, Pennsylvania 17101, the Community General Hospital Campus, 4300 Londonderry Road Harrisburg (Lower Paxton Township), Dauphin County, Pennsylvania 17109 and the Fredricksen Campus, 2015 Technology Parkway, Mechanicsburg, Hampden Township, Cumberland County, Pennsylvania 17050; and

WHEREAS, the Act permits an authority to undertake the financing of hospital or health care projects with loans to public hospitals, non-profit corporation health centers or non-profit hospital corporations serving the public, provided that a declaration is made by the municipality which organized an authority for such a project that it is desirable for the health, safety and welfare of the people in the area to be served by the facilities to have such facilities provided by, or financed through, an authority; and

WHEREAS, the County Commissioners have determined that the Obligated Group and its health care facilities provide significant and important services in the area, which seek to promote the health, safety and welfare of the people of the County and the region; and

WHEREAS, the Authority has conducted a public hearing (the "TEFRA Hearing") on behalf of itself, as the issuer of the 2012 Bonds, on behalf of Hampden Township, Pennsylvania as the host municipality for the New Hospital Project, and on behalf of the County, as the governmental unit on behalf of which the Authority acts, as required by and in accordance with Section 147(f) of the United States Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the TEFRA Hearing, after due and proper advertisement thereof being duly given according to law, was held on June 20, 2012; and

WHEREAS, minutes of the TEFRA Hearing were taken and a transcript thereof is attached hereto and has been provided to the County Commissioners in order for the County to issue its approval of the 2012 Bonds as required by the Code;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSIONERS OF THE COUNTY OF DAUPHIN, PENNSYLVANIA, as follows:

1. The 2012 Project and the issuance of the 2012 Bonds to finance the costs thereof are hereby approved, it being understood that such approval shall not, directly or indirectly, obligate the taxing power of the County or otherwise obligate the County in any way whatsoever. Such approval is given for the purpose of complying with the provisions of the Act and the Code relating to the undertaking of the 2012 Project by the Authority.


2. It is hereby declared desirable for the health, safety and welfare of the people in the area served by the health care facilities of the Obligated Group to have the 2012 Project financed through the Authority, and the Authority is hereby authorized to undertake the 2012 Project.

3. The County Commissioners hereby approve pursuant to Section 147(f) of the Code the financing of the 2012 Project and costs related thereto in connection with the issuance of the 2012 Bonds proposed by the Authority.

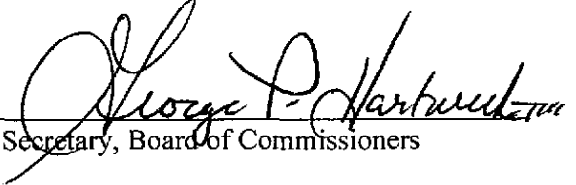
4. The County Commissioners hereby ratify and approve the undertaking by the Authority of the TEFRA Hearing on behalf of itself as the issuer of the 2012 Bonds, and on behalf of the County. The County Commissioners hereby acknowledge and confirm that a transcript of the TEFRA Hearing has been provided to this Board for the record.

5. The proper officers and representatives of the County are hereby authorized, directed and empowered on behalf of the County to execute any and all documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the purposes of this Resolution, including, but not limited to, the approval of the issuance of the 2012 Bonds.

RESOLVED BY THE BOARD OF  
COMMISSIONERS, COUNTY OF DAUPHIN,  
PENNSYLVANIA

By:   
Chair, Board of Commissioners

By:   
Vice Chairman, Board of Commissioners

By:   
Secretary, Board of Commissioners

Dated: June 27, 2012