

# MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

**MAY 3, 2016**

Chairman Thomas A.K. Queenan presided at the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, May 3, 2016 at 5 p.m. in PIDC's offices, 2600 Centre Square West, 1500 Market Street, Philadelphia, PA.

Other Members attending:

David L. Hyman, Esquire  
Dennis J. Pagliotti  
Evelyn Smalls

Attending from PIDC staff:

John Grady, President  
Sam Rhoads, Executive Vice President  
Ilene Burak, Esquire, Senior Vice President/General Counsel  
Anthony Simonetta, Senior Vice President  
Cassie Gardner, Executive Assistant to the President

Upon a motion duly made and seconded the Minutes of the meeting held on April 19, 2016 were unanimously approved.

Mr. Grady requested approval of the following Resolution:

A Resolution, in the form attached as Enclosure 1, authorizing Philadelphia Authority for Industrial Development ("PAID" or the "Authority") consent for the issuance of a tax-exempt financing in an amount up to \$50,000,000 through the Lehigh County General Purpose Authority ("LCGPA"), on behalf of the The Good Shepherd Home Long Term Care Facility, Inc., The Good Shepherd Rehabilitation Hospital, and Good Shepherd Rehabilitation Network (jointly and severally the "Borrowers" and or the "Obligated Group") and certain affiliates.

The proposed bonds will finance (i) the advance refunding of LCGPA's outstanding Revenue Bonds (The Good Shepherd Group), Series A of 2007 (the "2007A Bonds"), issued for the benefit of the Obligated Group; and (ii) the funding of any required reserve funds and (iii) the costs of issuance.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrowers upon such terms and conditions as they deem to be in the best interests of the Authority.

Upon motion duly made and seconded, the Members unanimously approved the above resolution.

There being no further items presented to the Board, the meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

APPROVING THE FINANCING BY THE LEHIGH COUNTY  
GENERAL PURPOSE AUTHORITY OF A PROJECT ON  
BEHALF OF THE GOOD SHEPHERD OBLIGATED GROUP

WHEREAS, The Good Shepherd Rehabilitation Hospital, Good Shepherd Rehabilitation Network, and The Good Shepherd Home Long Term Care Facility, Inc. (collectively, the "*Obligated Group*"), each a Pennsylvania nonprofit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"), have requested financing from the Lehigh County General Purpose Authority (the "*Lehigh Authority*") in connection with a project consisting generally of (1) advance refunding the Lehigh Authority's outstanding Revenue Bonds (The Good Shepherd Group), Series A of 2007 (the "*2007A Bonds*"), issued for the benefit of the Obligated Group; and (2) funding of any required reserve funds and payment of costs of issuance of the bonds (the "*Project*"), and has requested that the Lehigh Authority issue up to \$50,000,000 of its tax-exempt revenue bonds for the purpose of funding the costs of the Project; and

WHEREAS, the proceeds of the 2007A Bonds were used in part to fund a project which consisted of the reimbursement and financing of (1) funding and financing for the capital investment requirements to create a Long Term Acute Care Hospital and an Inpatient Rehabilitation Unit through prepaid lease arrangements to provide for the renovation and construction of (a) one and one-half floors of a building for the Inpatient Rehabilitation Unit located at 18th and Lombard Streets in Philadelphia, Pennsylvania, (b) one floor of such building for the creation of the Long Term Acute Care Hospital, (c) administrative offices on the first floor of such building, and (d) capital equipment required for the Inpatient Rehabilitation Unit and the Long Term Acute Care Hospital at such building; (2) funding interest on the 2007A Bonds; and (3) funding of any required debt service reserve funds and payment of costs of issuance or insurance of the 2007A Bonds; and

WHEREAS, the Lehigh Authority desires to approve and undertake the Project with the consent and approval of PAID; and

WHEREAS, in connection with the financing by the Lehigh Authority of the Project, PAID will be required to cooperate with appropriate officials of the City of Philadelphia to conduct a public hearing for the purpose of securing the necessary public approval required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "*Code*"); and

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Authority for Industrial Development as follows:

1. PAID hereby consents and approves the financing of the Project by the Lehigh Authority as described herein.

2. The appropriate officers of PAID are hereby authorized and directed to take such action as may be necessary or desirable to do and perform for or on behalf of PAID to assist the Lehigh Authority in connection with the Project including, without limitation conducting a public hearing with respect to the Project and the issuance of bonds by the Lehigh Authority and to report thereon to the Mayor of the City of Philadelphia, all as required by Section 147 of the Code.

3. All costs of the Project, including fees and expenses of PAID shall be paid by the Obligated Group from the proceeds of the financing or otherwise from its available funds, and PAID shall have no responsibility therefor.

4. This Resolution shall take effect immediately upon adoption.

Adopted this 3rd day of May, 2016.

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Secretary