



Philadelphia Authority for
Industrial Development

AGENDA

TO: THE MEMBERS OF THE BOARD OF DIRECTORS OF THE PHILADELPHIA AUTHORITY
FOR INDUSTRIAL DEVELOPMENT

FROM: ILENE BURAK, ESQ., SECRETARY

The following is the Agenda for the Meeting of the Board of Directors of the Philadelphia Authority for Industrial Development (PAID) and its affiliates, to be held on Tuesday, August 20, 2024, 5:00 p.m. via Zoom. <https://zoom.us/j/98677306381?pwd=Z3U4TTVrR21Ma2tuYVJ6RlY2M0lVQT09>

Meeting ID: 986 7730 6381
Passcode: 973395

- I. Approval of the Minutes of the Authority for the meeting held on Tuesday July 9 and August 6, 2024.
- II. Public Comments
- III. Consider and Approve Resolutions authorizing PAID to:
 - A. issue a tax-exempt and or taxable bonds (the “Bonds”) through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”) in the form attached hereto, in an amount not to exceed \$750,000,000, on behalf of The Children’s Hospital of Philadelphia Foundation.

RESOLUTION

Philadelphia Authority for Industrial Development (the “Authority”)

The Children’s Hospital of Philadelphia (the “Hospital”) and The Children’s Hospital of Philadelphia Foundation (collectively the “Borrowers”)

A Resolution authorizing the issuance of tax-exempt and or taxable bonds (the “Bonds”) through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”) in the form attached hereto, in an amount not to exceed \$750,000,000, on behalf of the Borrowers.

The proceeds of the Bonds will be used by the Borrowers (i) the reimbursement and financing of the construction, acquisition, renovation and installation of capital improvements and the acquisition and installation of equipment in facilities, including, without limitation, in connection with the construction of the New Patient Tower and the Morgan Center for Research & Innovation, and (ii) 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.

BACKGROUND

The Children's Hospital of Philadelphia (“CHOP”), founded in 1855, is the first pediatric hospital in in the United States. CHOP currently has 667 beds and provides care to more than 1 million outpatient and inpatient visitors annually. CHOP’s primary campus is located in West Philadelphia and its’ healthcare network includes approximately 50 sites throughout Pennsylvania and New Jersey. CHOP’s network includes, one of the largest pediatric research facilities in the United States and Children's Seashore House, a comprehensive pediatric rehabilitation center.

On April 19, 2022 the PAID board authorized the issuance of tax exempt bonds in an amount not to exceed \$210,000,000 to finance the refunding of the Authority’s Hospital Revenue Bonds (The Children’s Hospital of Philadelphia Project), Series A of 2014 and (ii) costs of issuance. This financing closed on May 18, 2022 in an amount of \$201,580,000.

On May 18, 2021, the PAID Board adopted a Resolution which amended the plan of finance originally contemplated in connection with the Series 2021 Bonds (as described below), which was adopted on September 25, 2020, by the PAID Board. The Borrowers requested the plan of finance be revised to allow for all or a any portion of the Series 2021 Bonds to be sold directly to one or more commercial banks.

On September 25, 2020 the PAID Board authorized two tax exempt financings in an amount not to exceed \$975,000,000, known as the Series 2020 and Series 2021 Bonds. In October of 2020, CHOP proceeded with a taxable financing and did not issue the proposed Series 2020 bonds on a tax exempt basis. The financing closed on October 13, 2020 and was in the amount of \$500,000.00.

On September 25, 2020, the PAID Board authorized the issuance of tax exempt bonds in an amount not to exceed \$475,000,000 to finance (i) the current refunding of some or all of The

Hospitals and Higher Education Facilities Authority Hospital Revenue Bonds (The Children's Hospital of Philadelphia Project), Series A and B of 2002, and The Hospitals and Higher Education Facilities Authority Hospital Revenue Bonds (The Children's Hospital of Philadelphia Project), Series A, B, C and D of 2011 (ii) paying the cost to terminate any interest rate swap entered into related to such refundings, if applicable and (iii) costs of issuance. This financing closed on July 1, 2021 in the amount of \$365,500,000 and are known as the Series 2021 Bonds.

On March 10, 2020 the PAID Board adopted a resolution authorizing the execution and delivery of a Second Supplemental Loan and Trust Agreement in connection with the Original Loan and Trust Agreement dated as of September 1, 2014 with the Authority and The Bank of New York Mellon Trust Company, N. A., as trustee. This was completed on March 11, 2020.

On May 9, 2017 the PAID Board authorized a tax-exempt financing on behalf of the Borrowers in amount not to exceed \$210,000,000. The proceeds were used finance the current refunding, of all of the Hospital and Higher Education Facilities Authority of Philadelphia's Hospital Revenue Bonds (The Children's Hospital of Philadelphia Project), Series A of 2007 and pay the costs of issuance. This financing closed on June 29, 2017 in the amount of \$179,080,000.

On July 15, 2014 the PAID Board authorized a tax-exempt financing on behalf of the Borrowers in an amount not to exceed \$250,000,000 the proceeds of which were used for costs associated with the construction of an ambulatory care facility located at 34th Street and Civic Center Boulevard known as the Buerger Center. This financing closed on September 4, 2014, in the amount of \$190,420,000. This financing is the aforementioned project from March 10, 2020 in which the Authority and the Borrowers executed a Second Supplemental Loan and Trust Agreement. This financing has been refunded in full.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

BOND RESOLUTION

ADOPTED: August 20, 2024

APPROVING A PROJECT FOR THE CHILDREN'S HOSPITAL OF PHILADELPHIA; APPOINTING AUTHORIZED OFFICERS OF THE AUTHORITY; AUTHORIZING THE ISSUANCE OF UP TO \$750,000,000 AGGREGATE PRINCIPAL AMOUNT OF HOSPITAL REVENUE BONDS (THE CHILDREN'S HOSPITAL OF PHILADELPHIA PROJECT), SERIES OF 2024 IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND INDENTURES, LOAN AGREEMENTS SUPPLEMENTS TO THE MASTER TRUST INDENTURE, AND/OR BOND PURCHASE AGREEMENTS AND/OR DIRECT AGREEMENTS IN CONNECTION WITH THE ISSUANCE AND SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF THE BONDS; PROVIDING FOR THE PRINCIPAL AMOUNT OF, MATURITY OF, AND RATE OF INTEREST ON, SUCH BONDS; AUTHORIZING THE DISTRIBUTION OF ONE OR MORE PRELIMINARY OFFERING DOCUMENTS AND FINAL OFFERING DOCUMENTS; REQUESTING THE TRUSTEE TO AUTHENTICATE THE BONDS; AUTHORIZING THE IMPRINTING OF CUSIP NUMBERS ON THE BONDS; AUTHORIZING INCIDENTAL ACTION; APPOINTMENT OF PROFESSIONAL ADVISORS AND UNDERWRITERS; AUTHORIZING ELECTRONIC SIGNATURES; AND REPEALING PRIOR INCONSISTENT RESOLUTIONS.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is a body corporate and politic and is organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") pursuant to the Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the "Act"); and

WHEREAS, The Children's Hospital of Philadelphia (the "Hospital") and The Children's Hospital of Philadelphia Foundation (the "Foundation") are each a Pennsylvania nonprofit corporation, organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Hospital and the Foundation (collectively, the "Obligated Group") have requested the Authority to provide funds for a project consisting of: (A) the reimbursement and financing of the construction, acquisition, renovation and installation of capital improvements and the acquisition and installation of equipment in facilities, including, without limitation, in connection with the construction of the New Patient Tower and the Morgan Center for Research & Innovation, and (B) paying the issuance costs of the Bonds (the "Project"); and

WHEREAS, the Authority, at the request of the Obligated Group, intends to issue its Tax-Exempt and/or Taxable Revenue Bonds (the "Bonds") in one or more series in an aggregate principal amount not to exceed \$750,000,000, the proceeds of which will be used to provide funds to finance the Project.

WHEREAS, the Authority, at the Obligated Group's request, has determined to issue the Bonds, pursuant to one or more bond indentures (the "Trust Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Trustee"), and will loan the proceeds of

the Bonds to the Obligated Group pursuant to one or more loan agreements (the “Loan Agreement”) between the Authority and the Obligated Group, to pay all or a portion of the costs of the Project. The Bonds will be the joint and several obligation of the Obligated Group and be secured by one or more master note obligations (the “Master Note”) issued by the Corporation on behalf of itself and each member of the Obligated Group pursuant to one or more supplements to the Master Trust Indenture, supplementing the Master Trust Indenture, dated as of October 1, 2020 (the “Original Master Indenture”), as supplemented from time to time, the “Master Indenture” and, together with the Trust Indenture, the Loan Agreement, the Bonds, and the Master Note, the “Bond Documents”), among the Corporation, the Foundation and The Bank of New York Mellon Trust Company, N.A., as master trustee; and

WHEREAS, as security for the payment of the Bonds, the Authority will assign to the Trustee its right, title and interest in and to the Trust Indenture and the trust estate established thereunder; and

WHEREAS, as security for the Bonds, the Authority will cause certain of its rights under the Loan Agreement to be assigned to the Trustee concurrently with the issuance of the Bonds; and

WHEREAS, one or more series of the Bonds will be sold to J.P. Morgan Securities LLC (the “Underwriter”) pursuant to one or more bond purchase agreements (the “Bond Purchase Agreement”) among the Authority, the Obligated Group and the Underwriter; and

WHEREAS, to the extent necessary in connection with the issuance of any series of the Bonds or other indebtedness, in lieu of the Trust Indenture and Loan Agreement structure, the Authority may enter into a bond purchase and loan agreement (or other similar agreement) with one or more banking institutions or direct purchasers (the “Direct Agreement”) pursuant to which the Authority may issue one or more series of the Bonds;

WHEREAS, the Authority, the Obligated Group and the Underwriter will prepare for use by the Underwriter in connection with the offer and sale of the Bonds one or more preliminary official statements, preliminary limited offering memorandum or other offering document (together with any amendments or supplements thereto, the “Preliminary Offering Document”) and one or more final official statements, limited offering memorandum or other offering document (together with any amendments or supplements thereto, the “Offering Document”); and

WHEREAS, the Authority desires to authorize and approve the Project, the issuance, execution and delivery of the Bonds, and the execution and delivery of the Bond Documents, the Bond Purchase Agreement, any Direct Agreement, the Preliminary Offering Document, the Offering Document and such other instruments and documents as shall be necessary or appropriate to effect the purposes of this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT AS FOLLOWS:

1. Approval of the Project. The Authority hereby approves the Project and agrees to undertake the financing of the Project using the proceeds of the Bonds.

2. Appointing Authorized Officers of the Authority. For purposes of this Resolution, the Chairperson, Vice Chairperson, Secretary and Assistant Secretary of the Board of the Authority shall be deemed to be an “Authorized Officer.” Each Authorized Officer may act jointly or severally in performing its duties hereunder.

3. Authorizing the Execution and Delivery of the Bond Documents, any Direct Agreement, the Bond Purchase Agreement, and the Offering Document. Any Authorized Officer is hereby authorized and directed to execute and deliver and, if necessary, the Secretary or Assistant Secretary is hereby authorized and directed to affix the corporate seal of the Authority to, and attest, the relevant Bond

Documents, any Direct Agreement and the Bond Purchase Agreement and Offering Document in such forms as counsel to the Authority may recommend and the officer or officers of the Authority executing the same may approve, such approval to be conclusively evidenced by their execution thereof.

4. Issuance of Bonds. The Authority hereby authorizes the issuance of the Bonds in one or more series as tax-exempt and/or taxable Bonds in the form or forms to be contained in the Trust Indenture and/or any Direct Agreement. The Chairperson or Vice Chairperson of the Authority is hereby authorized to execute (by manual or electronic signature) and deliver, and the Secretary or Assistant Secretary of the Authority is hereby authorized to affix (manually or in electronic form) the corporate seal of the Authority to, and to attest (by manual or electronic form) the Bonds in substantially such form with appropriate changes, insertions and variations. The Chairperson or Vice Chairperson is authorized and directed to deliver the Bonds to the Trustee for authentication pursuant to the Trust Indenture and, when such Bonds have been authenticated, to deliver them to, or upon the order of, any Authorized Officer, against receipt of the purchase price therefor and to deposit the amount so received with the Trustee, as provided in the Trust Indenture.

5. Terms of Bonds. The Bonds shall be issued in such aggregate principal amount, mature on such dates and bear interest at such fixed and/or variable rates as shall be set forth in the Trust Indenture on terms acceptable to the Obligated Group (as evidenced by the Obligated Group's execution of the Trust Indenture); provided that the aggregate principal amount of the Bonds (exclusive of any original issue discount or premium) shall not exceed \$750,000,000. The Bonds shall be in the denominations and in registered book-entry only form carrying the exchangeability privileges, be payable in the medium of payment and at such places, be dated their respective dates of delivery, be subject to mandatory, optional and extraordinary redemption prior to maturity and be entitled to the priorities in the revenues of the Authority, as provided in the Trust Indenture.

6. Approval of the Bond Documents and the Bond Purchase Agreement. The Authority hereby authorizes and approves the execution and delivery of the Bond Documents and the Bond Purchase Agreement, containing such terms and provisions as Bond Counsel, counsel to the Authority and any Authorized Officer of the Authority executing the applicable Bond Documents and Bond Purchase Agreement shall approve, such approval to be conclusively evidenced by such officer's execution thereof.

7. Approval of the Direct Agreement. The Authority hereby authorizes and approves the execution and delivery of any Direct Agreement, containing such terms and provisions as Bond Counsel, counsel to the Authority and the Chairperson or Vice Chairperson of the Authority executing the Direct Agreement shall approve, such approval to be conclusively evidenced by such officer's execution thereof.

8. Approval of Offering Document. The distribution to prospective purchasers of the Bonds of the Preliminary Offering Document in form deemed appropriate by counsel to the Authority is hereby approved. The Chairperson or Vice Chairperson or other appropriate officer of the Authority is hereby authorized to execute the final Offering Document to be in substantially the same form(s) as the Preliminary Offering Document, with such changes therein as are necessary or appropriate to reflect the final terms of the Bonds and such other changes from the Preliminary Offering Document as are deemed necessary or appropriate by counsel to the Authority, the authorization of changes to be evidenced by the execution of the Offering Document by the Chairperson or Vice Chairperson or other appropriate officer of the Authority. The Authority hereby authorizes and directs the Chairperson, Vice Chairperson or any other Authorized Officer to certify to the Underwriter that the Preliminary Offering Document and the Offering Document, as approved, are deemed final and deemed complete, respectively, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. The distribution of the final Offering Document in connection with the offering for sale of the Bonds is hereby authorized.

9. Authentication of Bonds. The Trustee is hereby requested to authenticate the Bonds and to deliver them to or upon the order of the Chair or Vice Chair or other appropriate officer of the Authority.

10. CUSIP Numbers. In accordance with the recommendation of the American Bankers Association Committee on Uniform Security Identification Procedures (“CUSIP”), a CUSIP number may be imprinted on each of the Bonds.

11. Investment of Funds. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest in accordance with instructions from the Obligated Group all moneys available therefor pursuant to the Trust Indenture, which by the terms of the Trust Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Trust Indenture, all subject to the terms and limitations contained in the Trust Indenture.

12. Incidental Action. Any Authorized Officer is hereby authorized and directed, to accept and approve the completed bond financing application (the “Application”) from the Obligated Group and submit such Application to the Department of Community and Economic Development of the Commonwealth for final approval; to execute and deliver such other documents, including without limitation any tax certificate or agreement necessary to assure and maintain the tax-exempt status of Bonds issued as tax-exempt Bonds; any intercreditor agreement; and any other agreement, amendment, supplement, instrument, certificate or other document required to be executed by the Authority and take any other action required in connection with the offering, issuance and delivery of the Bonds or financing of the Project, and such execution and delivery shall be conclusive evidence of the approval thereof by the Board of the Authority.

13. Appointment of Professional Advisors and Underwriters. The Authority hereby approves the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the Trustee, or such other national banking association or Pennsylvania bank and trust company authorized to act as trustee for the Bonds at the direction of the Obligated Group. At the direction of the Obligated Group, the Authority hereby appoints Fox Rothschild LLP, as Bond Counsel, and J.P. Morgan Securities LLC, to act as Representative of the underwriters for the Bonds (the “Underwriters”). The Chairperson or Vice Chairperson, or other appropriate officers of the Authority are authorized to appoint a replacement Bond Counsel, Underwriters or Trustee at the request of the Obligated Group; provided that any such replacement firm has satisfied the related application approval requirements of the Pennsylvania Department of Community and Economic Development for the issuance of bonds by the Authority under the Act.

14. Electronic Signatures. The Authorized Officers, their applicable designees and other appropriate representatives of the Authority may, to the full extent permitted by applicable law, execute documents in connection with the sale and issuance of the Bonds and the transactions contemplated by this Resolution by digital or other electronic means.

15. Limited Obligation. The issuance and sale of the Bonds shall not be construed so as to give rise to any pecuniary liability of the Authority or any of its members, officers, or employees, or to give rise to a charge upon the general credit of the Authority or such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Trust Indenture and the Loan Agreement and/or any Direct Agreement. The Bonds shall be limited obligations of the Authority and will be payable solely from the trust estate held under the Indenture. There shall be no other recourse under the Bonds against the Authority or any other property now or hereafter owned by it.

16. Repeal. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development hereby certify that the foregoing is the text of a resolution adopted by said Authority at a meeting held on August 20, 2024 after the giving of the required public notice and at which a quorum was present.

[SEAL]

(Assistant) Secretary