

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be conducted by the Massachusetts Development Finance Agency (the “Agency”) at 9:00 a.m. on August 13, 2015 at the offices of Hinckley, Allen & Snyder LLP, 28 State Street, 29th Floor, Boston, MA 02109 (“28 State Street, Boston”) on the proposal of Lahey Clinic Foundation, Inc., Lahey Clinic, Inc., Lahey Clinic Hospital, Inc. and Lahey Health System, Inc. (collectively with any affiliates, “Lahey”) that the Agency:

(I) Approve the following projects owned or leased and operated by Lahey for healthcare purposes including:

1. The financing of the renovation and expansion of the Emergency Department at Lahey Clinic Hospital and Medical Center’s main campus located at 41 Mall Road, Burlington, MA (“41 Mall Road”), including the provision of a rooftop helipad with connective elevator, separate ambulance entrance ramp and drop off, and the creation of shell space for the future relocation of the Radiation Oncology Center, which includes approximately 105,366 gross square feet of new construction and 2,131 gross square feet of renovation.

2. The financing of the renovation, furnishing and equipping of an approximately 59,370 rentable square foot building located at 63 Third Avenue, Northwest Park, Burlington, MA (“63 Third Avenue”) to house the relocation of Lahey’s general internal medicine services.

3. The financing of capital costs associated with future strategic initiatives and routine capital expenditures included in Lahey’s budgets for fiscal years 2013, 2014, 2015, 2016 and 2017 at each address listed herein.

4. The refinancing of the Massachusetts Health and Educational Facilities Authority (“HEFA”) Revenue Bonds, Lahey Clinic Medical Center Issue Series C (2005), which:

(i) refinanced HEFA’s Revenue Bonds, Lahey Clinic Medical Center Issue, Series B, issued to finance or refinance the following at 31 Mall Road, Burlington, MA (“31 Mall Road”), 41 Mall Road, and One Kimball Road, Burlington, MA (“One Kimball Road”): (i) the acquisition, construction and equipping of a 200-bed hospital and ambulatory care center, (ii) the acquisition of an existing building, (iii) the construction of a new facility to house 72 new beds and related support facilities, (iv) the construction of a facility to house administrative, support services and clinical areas, including 40 new physician offices, (v) the acquisition of additional medical equipment and furnishings and (vi) the refinancing of medical equipment;

(ii) financed various construction and renovation projects and capital equipment acquisitions at 41 Mall Road, 29 Mall Road, Burlington, MA, 31 Mall Road and One Kimball Road; and

(iii) financed the construction and equipping of an approximately 398,440 gross square foot parking garage designed to include approximately 1,165 parking spaces on four levels located at 41 Mall Road.

5. The refinancing of HEFA's Revenue Bonds, Lahey Clinic Medical Center Issue Series D (2007), which financed:

(i) the construction, furnishing and equipping of an approximately 64,000 square foot, three-story ambulatory care center addition to North Shore facilities at 1 Essex Center Drive, Peabody, MA to house physician offices and diagnostic, treatment and ancillary services, and the renovation, furnishing and equipping of the existing facilities at such location; and

(ii) various construction and renovation projects and capital equipment and furniture acquisitions for existing facilities located at 29, 31 and 41 Mall Road, and One Kimball Road.

6. The refinancing of HEFA's Revenue Bonds, Northeast Health Issue, Series G (2004), which:

(i) refinanced the projects financed and refinanced by the proceeds of HEFA's Revenue Bonds, Addison Gilbert Hospital Issue, Series C which consisted of: (a) construction of an approximately 36,000 square foot, two-story addition over the two-story Steele Building located on the Addison Gilbert Hospital ("Addison Hospital") campus; (b) relocation of surgical services and central sterile supply to the new third floor of the Steele Building and renovation of the former surgical suite and adjacent ground-floor area for rehabilitation services, emergency services, and radiology departments; (c) construction of a vault housing mechanical system and telephone switching equipment on the ground floor attached to the North Building and upgrade of the Addison Hospital's electrical heating and ventilating system; (d) improvements of the access to and egress from the Addison Hospital campus and reconfiguration of the parking lot in the rear of the Addison Hospital to improve traffic flow and increase available parking; (e) acquisition of various capital equipment and renovations to portions of the Addison Hospital facilities; (f) the projects financed by HEFA's Revenue Bonds, Addison Gilbert Hospital Issue, Series B, the proceeds of which were used to refinance the outstanding portion of HEFA's Revenue Bonds, Addison Gilbert Hospital Issue, Series A, the proceeds of which were used for the renovation of approximately 52,600 square feet of space in the existing facilities of the Addison Hospital; construction of approximately 6,800 square feet of new construction; and refinancing of the construction of the Steele Wing of the Main Hospital Complex; (g) the projects financed by the Addison Hospital's loan from HEFA's Revenue Bonds, Capital Asset Program, Series B, the proceeds of which were used for the acquisition of various capital equipment and renovations to portions of the Addison Hospital facilities; all of which aforementioned projects are located on the Addison Hospital campus at 298 Washington Street, Gloucester, MA; and

(ii) refinanced: (a) construction of two new operating rooms and a day surgery suite to be attached to an existing building totaling approximately 7,200 square feet; (b) renovation of the emergency department and expansion thereto of approximately 8,360 square feet of new construction; (c) expansion of the radiology department in the amount of approximately 4,000 square feet; (d) construction of a new building shell for future outpatient clinical space in the amount of approximately 6,200 square feet; (e) renovation and construction of the lobby, interior corridors and elevators; (f) parking and site improvements, including construction of a new, 400-space parking garage; (g) various infrastructure improvements; (h) renovation of public waiting areas; (i) ventilation upgrades, asbestos abatement and nursing unit upgrades in the Johnson Building; (j) mechanical, ventilation and other infrastructure upgrades to the special care nursery, endoscopy and other third-floor facilities; and (k) furnishing and equipping of the aforementioned projects, all of which aforementioned projects are owned and operated by Northeast Hospital Corporation and located on Northeast Hospital Corporation's main campus at 85 Herrick Street, Beverly, MA ("85 Herrick Street").

7. The refinancing of HEFA's Revenue Bonds, Northeast Health Issue Series H (2006), which financed:

(i) the construction, furnishing and equipping of a new outpatient health care facility totaling approximately 99,000 square feet and located on the site of the former Danvers State Hospital at 480 Maple Street, Danvers, MA (a.k.a. Lot 7A Danvers State Hospital) ("480 Maple Street"); and (b) the acquisition and installation of capital equipment and construction of improvements and renovations to existing facilities of the Northeast Hospital Corporation and other routine capital expenditures included or to be included in its capital budget over the next three years, located on the main campus at 85 Herrick Street.

8. The refinancing of Northeast Health Hospital Corporation Issue, Series J (2012), which refinanced:

(i) HEFA's Revenue Bonds, Beverly Hospital Issue, Series F-2 (Short Term Auction Rate Securities) and Series F-3 (Complementary Auction Rate Securities), the proceeds of which were used to refund HEFA's Revenue Bonds, Beverly Hospital Issue, Series D, Lot 2, which financed: (a) expansion and renovation of the Johnson Building; (b) renovations to the Obstetrics and Gynecology department at Beverly Hospital; (c) replacement of the Management Information System; and (d) acquisition and installation of capital equipment and construction improvement and renovations to existing facilities at Beverly Hospital, all of which aforementioned projects are located on the Beverly Hospital campus located at 85 Herrick Street and at 75 Lindall Street, Danvers, MA.

9. The refinancing of HEFA's Revenue Bonds, Winchester Hospital Issue, Series F (2004), which financed:

(a) the renovation and equipping of the emergency department, the construction of additional operating suites and miscellaneous health care facility renovations to

Winchester Hospital's main campus located at 41 Highland Avenue, Winchester, MA ("41 Highland Avenue");

- (b) miscellaneous renovations to and equipping of Winchester Hospital's Family Medical Center, a health care facility located at 500 Salem Street, Route 62, Wilmington, MA ("500 Salem Street");
- (c) miscellaneous renovations to and equipping of the various health care facilities of Winchester Hospital located at the following addresses in Massachusetts:
 - (i) 29 Massachusetts Avenue, Arlington;
 - (ii) 75 Riverside Avenue, Medford;
 - (iii) 20 Pond Meadow Drive, Reading;
 - (iv) 21 Main Street, North Reading;
 - (v) 133 Main Street, North Reading;
 - (vi) 203 Main Street, North Reading;
 - (vii) 3 Woodland Road, Stoneham,
 - (viii) 88 Montvale Avenue, Stoneham;
 - (ix) 2345 Main Street, Tewksbury;
 - (x) 500 Salem Street;
 - (xi) 611 Main Street, Winchester;
 - (xii) 955 Main Street, Winchester;
 - (xiii) 7 McKay Avenue, Winchester;
 - (xiv) 162 Cross Street, Winchester;
 - (xv) 259 Swanton Street, Winchester,
 - (xvi) 8 Winchester Place, Winchester;
 - (xvii) 12 Alfred Street, Woburn;
 - (xviii) 7 Alfred Street, Woburn;
 - (xix) 23 Warren Avenue, Woburn,
 - (xx) 150 Presidential Way, Woburn, and
 - (xxi) 444 Washington Street, Woburn.

10. The refinancing of HEFA's Revenue Bonds, Winchester Hospital Issue, Series H (2010), which financed and refinanced:

(i) refinanced HEFA's Revenue Bonds, Winchester Hospital Issue, Series D (the "Series D Bonds"), including: (a) renovation of 20,816 square feet of the medical complex located 41 Highland Avenue, to provide upgraded obstetrics services, including maternity, nursery, labor and delivery, circulation and mechanical facilities, (b) construction of the New Wing Building located at 41 Highland Avenue, a five-level plus addition to the "A" Wing Building and the West Wing Building, containing approximately 103,000 square feet and housing a 28-bed adult medical/surgical acute care nursing unit, a ten-bed intensive and cardiac unit, a ten-bed medical/surgical young adult unit, an 18-bed pediatric nursing unit, a surgical day care center, a diagnostic radiology department, EKG services, lobby, admitting and discharge services and various other services, offices and mechanical spaces, (c) construction of a 92,080 square foot, three-level parking structure located at 41 Highland

Avenue with the capacity for parking 293 cars, (d) renovation of approximately 40,000 square feet of the “A” Wing, West, East, South and Laundry-Boiler Room Buildings located at 41 Highland Avenue, (e) acquisition of and renovations to the facility located at 500 Salem Street, (f) relocation and renovation of the oncology, physical therapy, emergency room and radiology departments located at 41 Highland Avenue, (g) acquisition of various capital equipment including a sleep laboratory, computer hardware and software and communications equipment for use at 41 Highland Avenue, and (h) miscellaneous renovations to and equipping of various health care facilities of Winchester Hospital located at 41 Highland Avenue, at 500 Salem Street, at 7 Alfred Street and 21 and 23 Warren Avenue, Woburn, MA, at 7 McKay Avenue, 162 Cross Street and 955 Main Street, Winchester, MA, and at 20 Pond Meadow Drive, Reading, MA;

(ii) completed projects originally refinanced with proceeds of HEFA’s Variable Rate Demand Revenue Bonds, Winchester Hospital Issue, Series F (2004) (the “Series F Bonds”), including: (a) renovation and equipping of the emergency department, the construction of additional operating suites and miscellaneous health care facility renovations to the 41 Highland Avenue, and (b) miscellaneous renovations to and equipping of the facility located on 500 Salem Street;

(iii) completed projects original financed with proceeds of HEFA’s Variable Rate Demand Revenue Bonds, Winchester Hospital Issue Series G (2004) (the “Series G Bonds”), including: (a) miscellaneous renovations to 41 Highland Avenue and the facility located on 500 Salem Street, and (b) miscellaneous renovations and equipment for various health care facilities of Winchester Hospital located at the following addresses in Massachusetts:

- a. 29 Massachusetts Avenue, Arlington;
- b. 75 Riverside Avenue, Medford;
- c. 20 Pond Meadow Drive, Reading;
- d. 21 Main Street, North Reading;
- e. 133 Main Street, North Reading;
- f. 203 Main Street, North Reading;
- g. 3 Woodland Road, Stoneham;
- h. 88 Montvale Avenue, Stoneham;
- i. 2345 Main Street, Tewksbury;
- j. 500 Salem Street;
- k. 611 Main Street, Winchester;
- l. 955 Main Street, Winchester;
- m. 7 McKay Avenue, Winchester;
- n. 162 Cross Street, Winchester;
- o. 259 Swanton Street, Winchester;
- p. 8 Winchester Place, Winchester;
- q. 12 Alfred Street, Woburn;
- r. 7 Alfred Street, Woburn;
- s. 21 Warren Avenue, Woburn;

- t. 23 Warren Avenue, Woburn;
- u. 150 Presidential Way, Woburn;
- v. 444 Washington Street, Woburn;
- w. 10P Commerce Way, Woburn;
- x. 800 West Cummings Park, Woburn;
- y. 1021 Main Street, Winchester;
- z. 95 Maple Street, Stoneham;
- aa. 262, 262A & 264 West Cummings Park, Woburn;
- bb. 620 Washington Street, Winchester;
- cc. 790 Boston Road, Billerica; and
- dd. 100 Bypass Road, Andover;

(iv) demolition, construction, furnishing and equipping of approximately 30,000 square feet of the existing approximately 70,000 square foot, 2-3 story radiation/oncology center located at 620 Washington Street, Winchester, MA (the “620 Washington Street”), to consolidate all oncology services in one location;

(v) renovation, construction, furnishing and equipping of an approximately 26,000 square foot, one-story addition to the existing radiation/oncology center located at 620 Washington Street, for use as a multi-specialty ambulatory surgery center;

(vi) construction of a 428-car parking lot at 95 Maple Street, Stoneham, MA (“95 Maple Street”);

(vii) renovation of a 20,815 square foot, one-story building located at 95 Maple Street for use as a supply warehouse;

(viii) certain working capital expenditures associated with the project, including costs of issuance and swap termination payments relating to the Series D Bonds and Series F Bonds; and

(ix) miscellaneous capital improvements and equipment acquisitions and installation throughout the foregoing described properties.

11. The refinancing of the loan to Northeast Hospital Corporation of a portion of the proceeds of HEFA’s Revenue Bonds, Capital Asset Program Issue, Series M-2 (the “Pool M Bonds”), which financed:

(i) (a) Endoscopy renovation; (b) the elimination of four bedrooms on the 4th floor; (c) the expansion of Special Care Nursery and Shell for Maternity beds; (d) the expansion of surgical and PACU facilities; and (e) other renovations and capital expenditures, all located at 85 Herrick Street.

12. The refinancing of the loan to CAB Health and Recovery Services, Inc. of a portion of the proceeds of HEFA’s Pool M Bonds, which (i) refinanced HEFA’s loan of a

portion of its Variable Rate Demand Revenue Bonds, Capital Asset Program Issue, Series D, which was used for construction and renovations for a treatment center owned by the Boston Public Health Commission at 784 Massachusetts Avenue, Boston, MA; and (ii) financed the construction, renovation and upgrades to existing facilities located at 100, 101-103 and 110 Green Street, Lynn, MA.

13. The refinancing of HEFA's Revenue Bonds, Cable Housing and Health Services Issue, Series A, which financed (a) construction of a 68,000 square foot, 90 unit assisted living facility at 89 Herrick Street, Beverly, MA and (b) funded site preparation, capital equipment and furnishings and operating expenses during the start-up period.

14. The refinancing of a loan to Seacoast Nursing and Rehabilitation Center, Inc. of a portion of the proceeds of HEFA's Revenue Bonds, Capital Asset Program Issue, Series J-2, which refinanced the Massachusetts Industrial Finance Agency Health Care Revenue Bonds (Seacoast Nursing and Rehabilitation Center Project, Series 1991), which financed the construction and equipping of a 142-bed nursing home located at 292 Washington Street, Gloucester, MA.

15. Refinancing bank loans that refinanced a loan to Northeast Behavioral Health Corporation, f/k/a Health & Education Services, Inc. made from the portion of HEFA's Revenue Bonds, Capital Asset Program, Series D, which financed the renovation of a mental health clinic at 162 Federal Street, Salem, MA and an adolescent residential facility and school located at 20 Bowlerly Drive, Rowley, MA.

(II) Authorize the financing and refinancing of the costs of such projects by the issuance of MassDevelopment, acting under and pursuant to Massachusetts General Law, Chapters 23G and 40D, of revenue bonds in an aggregate principal amount not to exceed \$547,000,000, pursuant to a plan of finance, which bonds will not constitute a debt or pledge of the faith and credit of MassDevelopment or of The Commonwealth of Massachusetts.

Interested persons wishing to express their views on such projects and the proposed issuance of revenue bonds to finance and refinance the projects will be given the opportunity to do so at the public hearing at 28 State Street, Boston, or may, prior to the time of the public hearing, submit their views in writing to Massachusetts Development Finance Agency, 99 High Street, 11th Floor, Boston, MA 02110.

MASSACHUSETTS DEVELOPMENT
FINANCE AGENCY