

Notice of Public Hearing

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

Notice is hereby given that a public hearing will be conducted by the Massachusetts Development Finance Agency (“MassDevelopment”) at 10:00 a.m. on December 9, 2015 at 99 High Street, 11<sup>th</sup> Floor, Boston, Massachusetts, on the proposal of UMass Memorial Medical Center, Inc. (the “Medical Center”) and UMass Memorial Health Care, Inc. (the “Parent” and together with the Medical Center, the “Institution”), that MassDevelopment approve a plan of financing and refinancing for the benefit of the Institution for a project (the “Project”), owned and/or operated by the Institution and its respective affiliates as described below, generally consisting of the following:

(A) refinancing HEFA’s Revenue Bonds, UMass Memorial Issue, Series A, which financed and/or refinanced the following projects owned and operated by the Institution, generally consisting of:

(1) capital equipment and capital equipment leases used in connection with healthcare and related services and for various construction, improvement, renovation and equipment acquisitions for the benefit of the Parent and/or the Medical Center, at their principal facilities at 55 Lake Avenue, Worcester, Massachusetts (the “University Campus”), at 119 Belmont Street, Worcester, Massachusetts and the area bounded by Belmont Street, Oak Avenue, Catherine and Hooper Streets, Worcester, Massachusetts (collectively the “Memorial Campus”), and on property bounded by Lincoln Street, Shaffner Street, Duxbury Road and Uxbridge Street, all in Worcester, Massachusetts (the “Hahnemann Campus”);

(2) refinancing HEFA’s Revenue Bonds, The Medical Center of Central Massachusetts Issue, Series A, which financed and/or refinanced facilities owned and operated by the Medical Center (formerly known as the Medical Center of Central Massachusetts, Inc.) located on the Memorial Campus, the Hahnemann Campus and at 67 Belmont Street, Worcester, Massachusetts, at 52 Boyden Road, Holden, Massachusetts, 151 Worcester Road, Barre, Massachusetts and other addresses in Worcester noted below, generally consisting of:

i. construction of a 654-car parking garage of approximately 209,630 square feet at Kendall and Channing Streets on the Memorial Campus, including land acquisition, demolition and other site preparations, and architectural, engineering and planning services;

ii. renovations on the Memorial Campus in connection with the establishment of a long-term care skilled nursing facility, upgrading of the cafeterias, upgrading of the Sterile Processing Department, improvements to a medical/surgical nursing unit and postpartum obstetrical unit in the Grosvenor Building, and consolidation of obstetrical services, and other construction and renovations on the Memorial Campus, and architectural, engineering and planning services in connection with such construction

- and renovations;
- iii. renovation in connection with the establishment of clinical office space at 67 Belmont Street, other construction and renovations at such location, and architectural, engineering and planning services in connection with such construction and renovations; renovations on the Hahnemann Campus in connection with the establishment of a renal dialysis center, consolidation of rehabilitation services at 11 Shattuck Street, establishment of a specialty eye care center, improvements to the Grosvenor Building and improvements to a medical/surgical nursing unit in the McEvoy Building, and other construction;
  - iv. renovations on the Hahnemann Campus, and architectural, engineering and planning services in connection with such construction and renovations;
  - v. architectural, engineering and planning services in connection with renovations to the East Building on the Memorial Campus and in connection with the expansion and upgrading of the clinical facilities on the Memorial Campus;
  - vi. acquisition of approximately 6,023 square feet of land and an approximately 9,300 square foot building at 135 Belmont Street, and construction, renovations, and architectural, engineering and planning services in connection with converting such property to hospital use;
  - vii. purchase of capital equipment, including a telecommunications system, a gamma camera, CT scanner, approximately 400 hospital beds for all patient areas at the Memorial and Hahnemann Campuses, a gas sterilizer, an x-ray image intensifier, replacement of radiographic and fluoroscopic room equipment on the Hahnemann Campus, equipment for the specialty eye care center, upgrades to an existing gamma camera, CT scanner and steam sterilizer, and other purchases and upgrades of capital equipment;
  - viii. routine capital expenditures made in fiscal years 1992 and 1993;
  - ix. refinancing the outstanding HEFA Revenue Bonds, Worcester Memorial Hospital Issue, Series A, the proceeds of which were used for construction and renovation of a 150,000 square foot hospital facility at the South Wing Building of the Memorial Campus, equipment purchases and other capital expenditures;
  - x. prepayment of the outstanding principal amount of the loan made by HEFA to The Medical Center of Central Massachusetts from proceeds of HEFA's Variable Rate Demand Revenue Bonds, Capital Asset Program Issue, Series G-1 and used for renovation of the Memorial Campus Neonatal Intensive Care Unit and obstetrics facilities, construction and renovations in connection with a one and one-half floor, 17,000 square foot addition to the North Wing Building, other construction and renovations, equipment purchases and other capital expenditures; and
  - xi. refinancing mortgage notes payable to the Farmers Home Administration,

used for the acquisition of Barre Regional Health Center at 151 Worcester Road, Barre, Massachusetts, and related construction, renovations, equipment purchases and other capital expenditures; and refinancing of indebtedness to Shawmut Bank, N.A., used for construction and renovation of hospital facilities at the Holden Medical Records Modular Building and the WHHA Modular Building at 52 Boyden Road, Holden, Massachusetts; and

- (3) refinancing a portion of HEFA's Revenue Bonds, Capital Asset Program Issue, Series J-2, used by the University of Massachusetts Teaching Hospital, as predecessor to the Medical Center, located at the University Campus, to finance the construction, improvement, renovation and equipping, including leasehold improvements, land acquisition and site development, of the following projects:
    - i. an approximately 11,000 square foot Cancer Center, comprising various locations throughout the facilities located at the University Campus including laboratories linking clinical and research activities, bone marrow transplant units, inpatient and ambulatory treatment areas;
    - ii. an approximately 70,000 square foot three-story Joseph Benedict Ambulatory Care Building located at the University Campus, including patient treatment areas and physician offices;
    - iii. an approximately 230,000 square foot six-story building, originally owned by the Worcester City Campus Corporation and located on the former site of the Worcester City Hospital at 26 Queen Street, Worcester, MA (the "WCCC Campus"), used for administrative offices and other not-for-profit organizations that provide community health and mental health services; and
    - iv. renovations, furnishings and equipping of other facilities at the University Campus and the WCCC Campus; and
  - (4) refunding a portion of HEFA's Variable Rate Demand Revenue Bonds, Capital Asset Program Issue, Series C, used at the Memorial Campus for the following projects:
    - i. a four-level parking garage constructed primarily of precast, pre-stressed concrete located on an approximately 8.87 acre lot used for surface parking;
    - ii. a 60-inch combination sewer/storm drain, relocation of a 6-inch water main and an oxygen farm and an access ramp constructed over the sewer line connecting the main entrance to the parking garage;
    - iii. the general renovation and upgrading of the Memorial Three Unit and the ground floor of the west building; and
    - iv. an electrical centrifugal refrigeration chiller for a chilled water plant;
- (B) refinancing HEFA's Revenue Bonds, UMass Memorial Issue, Series D (2005), which financed projects owned and operated by the Institution generally consisting of:
- (1) Completion of the Emergency Department expansion project at the University

Campus known as the Lakeside Expansion including (a) a 264,000 square-foot, three-story building addition, (b) new radiology services, (c) new operating rooms, (d) an additional surgical intensive care unit, (e) a direct link from the new Emergency Department space to existing on-site Magnetic Resonance Imaging (“MRI”) capabilities, and (f) an upgraded air ambulance landing zone directly linking to the Emergency Department through a dedicated air ambulance entrance; and

- (2) Routine capital equipment/or renovation projects at the locations listed below including (a) renovations of the Radiology Department at both 119 Belmont Street, Worcester (the “Memorial Campus”) and the University Campus, (b) an expansion of the South 4 Obstetrics area on the Memorial Campus, (c) a new Electro-Physiology Lab on the University Campus, (d) renovations to the Step-down unit on the Memorial Campus, (e) relocation of the Central Sterile Supplies Unit at 281 Lincoln Street, Worcester, the University Campus, and the Memorial Campus, (f) a Multiple Sclerosis Infusion area in the North 1 wing on the Memorial Campus, (g) a build-out of the Ear, Nose & Throat Clinic area on the University Campus and (h) relocation of the Ultrasound unit on the Memorial Campus; and
- (C) Financing the following: (1) at the University Campus: (a) construction, furnishing and equipping of a 24-bed observation and admissions unit, (b) development, relocation, construction, furnishing and equipping of a 10-station dialysis center and redevelopment of the former dialysis space into a nine private bed step-down unit, (c) testing and replacement of electrical transformers, (d) replacement of HVAC piping risers and (e) replacement of automatic transfer switches of the emergency power system; (2) at the Memorial Campus: (a) rebracing of the support beams of the employee garage, (b) construction of a public corridor and development of the atrium to connect the two primary patient and visitor entry points, including the conversion of a mechanical courtyard space into a light shaft with atrium space and stairwell, and structural support, (c) acquisition and installation of an emergency power and combined heat and power system and renovations related thereto, and (d) renovations to inpatient rooms and employee workspaces; (3) at the HealthAlliance Campuses located at 275 Nichols Road, Fitchburg, Massachusetts and 60 Hospital Road, Leominster, Massachusetts: acquisition and installation of an emergency power and combined heat and power system and renovations related thereto; and (4) routine capital improvements, equipment acquisition, renovation and construction at all of the addresses listed herein for fiscal years 2016-2018.

MassDevelopment proposes the plan of financing and refinancing the costs of the Project by the issuance by MassDevelopment, acting under and pursuant to Massachusetts General Laws, Chapters 23G and 40D, of revenue bonds in one or more series in an aggregate principal amount not to exceed \$225,000,000, 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 the Project and the proposed issuance of revenue bonds to finance the Project will be given the opportunity to do so at the public hearing or may, prior to the time of the public hearing, submit their views in writing to MassDevelopment at 99 High Street, 11<sup>th</sup> Floor, Boston, Massachusetts 02110.

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FINANCE AGENCY