

NOTICE OF PUBLIC HEARING

STATE OF CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

GRIFFIN HOSPITAL ISSUE, SERIES G

Notice is hereby given that a public hearing will be held by the **STATE OF CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY** (the "Authority"), on October 15, 2019, commencing at 10:00 a.m., at the offices of the Authority, 10 Columbus Boulevard, 7th Floor, Hartford, Connecticut 06106-1978, in connection with the matter described below.

THE GRIFFIN HOSPITAL (the "Institution"), a not-for-profit corporation organized and existing under the laws of the State of Connecticut, the main campus of which is located at 130, 138, 142, 144, 148, 150, 152, and 154 Division Street, Derby, Connecticut and 264, 298, 331, 335, and 350 Seymour Avenue, Derby, Connecticut (collectively, the "Main Campus"), has requested that the Authority issue its bonds in an aggregate principal amount not to exceed \$77,000,000 (the "Bonds") for the purposes of providing funds to the Institution for one or more of the following purposes: (a) the current refunding, in an amount of up to \$48,000,000 of the Authority's Revenue Bonds, The Griffin Hospital Issue, Series E and Series F (the "Series E and F Bonds"), including the payment of interest rate swap termination fees associated with such Series E and F Bonds; (b) the current refunding, in an amount of up to \$6,000,000, indebtedness owed to Winthrop Resources Corporation, the proceeds of which were applied to acquire certain equipment of the Institution, located at the Main Campus (in the amount of up to \$2,500,000), and to pay for software and consulting costs related to the Institution's electronic medical records system (in the amount of up to \$3,500,000); (c) the current refunding, in an amount of up to \$3,700,000, indebtedness owed to M&T Bank, the proceeds of which were applied to acquire certain equipment of the Institution (in the amount of up to \$1,500,000), located at the Main Campus and at the Institution's offsite imaging facility located at 300 Oxford Road, Oxford, Connecticut (in the amount of up to \$2,200,000); (d) financing the acquisition of real estate located at 198 Division Street, Derby, Connecticut, and 210 Chatfield Street, Derby, Connecticut, and the razing of buildings and construction of parking lots on those parcels (such amount not to exceed \$340,000 for the real estate located at 198 Division Street and \$1,520,000 for the real estate located at 210 Chatfield Street); (e) financing, refinancing and reimbursing the Institution for the cost of certain internal hospital improvements at the Main Campus, including, but not limited to, construction of a pharmacy clean room, refurbishment of elevators, the addition of an operating room, expansion of an operating room, construction of a locker room for the operating room suite, replacement of boilers, roof and HVAC improvements at the Child Birth Center, construction of an observation unit, replacement of an HVAC unit in the gastrointestinal department, and purchase and installation of air handlers in various locations on the Main Campus, and other hospital-related capital expenditures (such amount not to exceed \$12,500,000); and (f) the payment of all or a portion of the costs incidental to the issuance of the Bonds, capitalized interest, and any reserve funds as may be necessary to secure the Bonds.

The proceeds of the Series E and F Bonds were used for projects located at the Main Campus, including: (i) the refinancing of the Authority's outstanding Revenue Bonds, The Griffin Hospital Issue, Series B (the "Series B Bonds"), the proceeds of which were used to refinance the

Authority's then outstanding Revenue Bonds, The Griffin Hospital Issue, Series A, the proceeds of which were used for: (a) (1) the construction of a 90,630 square foot three-level addition, with basement and mechanical penthouse to house two new medical/surgical units, a step-down unit and a new 14-bed critical care center; (2) the relocation of existing mechanical equipment and new heating, ventilating and air conditioning systems; (3) the demolition of the "Russ Building" and expansion of the Institution's childbirth Center; (4) the demolition of four houses and construction of additional parking areas; (5) renovations to the existing Community Pavilion and East Wing involving approximately 40,000 square feet; and (6) the acquisition and installation of medical and other health care and related equipment for the new and renovated space; (b) to refinance a portion of the costs of the acquisition and installation of computer, telephone, major medical and other healthcare and related equipment and related renovations originally financed with the proceeds of bank loans; (c) to pay all or part of the cost of a financial insurance policy guaranteeing payment of interest and principal on the Series B Bonds; and (d) to fund various reserve funds and pay other costs of issuance of the Series B Bonds; (ii) the refinancing of the Authority's outstanding Revenue Bonds, The Griffin Hospital Issue, Series C (the "Series C Bonds"), and all or a portion of the Authority's outstanding Revenue Bonds, The Griffin Hospital Issue, Series D (the "Series D Bonds"), the proceeds of which were used for: (a) (1) the construction of an approximately 49,000 square foot ambulatory services/cancer center building that will include the Institution's physical therapy, cardiac rehabilitation, and special procedures departments; a new radiation therapy service; the Institution's medical oncology services and other support services; and approximately 9,600 square feet intended to be leased to private physicians; (2) to reimburse the Institution and Griffin Health Services Corporation ("GHSC") for a portion of the costs associated with the acquisition of the properties located on the southerly side of Division Street, the westerly side of Seymour Avenue, and the easterly side of Mohawk Avenue in Derby, Connecticut, on which the ambulatory services/cancer center building will be constructed; (3) the construction of parking areas and other improvements on the aforementioned land; (4) the interior renovations at the Institution's main facilities at 130 Division Street for the expansion and renovation of the emergency department, the re-establishment of a 14-bed inpatient medical-surgical unit, the relocation of the Institution's clinical laboratory, shell space for future expansion of the Institution's radiology department, and the expansion of the Institution's surgical suite; and (5) to finance a portion of the costs of the acquisition of and installation of medical and other healthcare and related equipment in connection with the foregoing; (b) to pay all or part of the cost of a financial insurance policy guaranteeing payment of interest and principal on the Series C Bonds and Series D Bonds; and (c) to fund various reserve funds and pay capitalized interest on and costs of issuance of the Series C Bonds and Series D Bonds; (iii) the financing of (a) the relocation of the Ambulatory Surgical Suite main entrance to provide direct access from the main lobby; (b) to expand and enhance the Ambulatory Surgical Suite waiting area; (c) to provide an additional seven pre-operative and postoperative recovery rooms and to improve the comfort and privacy of such rooms by the construction of dividing walls to separate each room; (d) to create centralized nursing stations in the Ambulatory Surgical Suite, and (e) to construct a private consultation room in the Ambulatory Surgical Suite; and (iv) (a) to finance the swap termination payment related to the Series C Bonds, (b) to fund various reserve funds, if applicable and (c) to pay other costs of issuance of the Series E and F Bonds.

The Institution and GHSC are and will be the owners and operators of the facilities financed and refinanced with the proceeds of the Bonds (collectively, the "Facilities").

If the issuance of the Bonds is approved by the Authority, it is intended that interest on such Bonds will be excluded from gross income for federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”).

The Authority will hold the public hearing on the proposed issuance of the Bonds, as required by Section 147(f) of the Code. The subject of the hearing will be the nature and location of the Facilities and the issuance of Bonds of the Authority to provide financing. Interested persons are invited to attend and will have an opportunity to make a statement regarding the Facilities or the refinancing of such Facilities with the Bonds. Written comments and general inquires may be directed to the Authority at the address indicated above, attention Executive Director.

Dated: October 7, 2019

STATE OF CONNECTICUT HEALTH AND
EDUCATIONAL FACILITIES AUTHORITY

By: Jeanette W. Weldon, Executive Director