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June 16, 2003

Re: Pennsylvania Intergovernmental Cooperation Authority Special Tax Revenue  
Refunding Bonds (City of Philadelphia Funding Program), Series of 2003

To the Purchasers of the Above-Captioned Bonds

We have acted as Bond Counsel in connection with the issuance and sale by the Pennsylvania Intergovernmental Cooperation Authority (the "Authority") of \$165,550,000 aggregate principal amount of its Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program), Series of 2003 (the "2003 Bonds") pursuant to the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class, approved June 5, 1991 (P.L. 9, No. 6), as amended (the "Act"), and an Amended and Restated Indenture of Trust dated as of December 1, 1994, (the "Amended and Restated Indenture"), between the Authority and Wachovia Bank, National Association, as successor to Meridian Bank, as Trustee (the "Trustee"), as amended pursuant to the First Supplement to the Amended and Restated Indenture dated as of May 15, 1996 (the "First Supplement to the Amended and Restated Indenture"), the Second Supplement to the Amended and Restated Indenture dated as of April 1, 1999 (the "Second Supplement to the Amended and Restated Indenture") and a Third Supplement to the Amended and Restated Indenture dated as of June 1, 2003 (the "Third Supplement to the Amended and Restated Indenture," and together with the First Supplement to the Amended and Restated Indenture, the Second Supplement to the Amended and Restated Indenture and the Amended and Restated Indenture, the "Indenture").

The proceeds of the 2003 Bonds will be used, together with other available monies, to (i) currently refund the aggregate outstanding balance of the Authority's Special Tax Revenue Bonds (City of Philadelphia Funding Program), Series of 1993A (the "1993A Bonds") and (ii) pay the costs of issuing the 2003 Bonds (collectively, the "Refunding Project").

As Bond Counsel, we have reviewed the Act, the relevant provisions of the Constitution and such statutes of the Commonwealth of Pennsylvania (the "Commonwealth") and such resolutions of the Authority and ordinances of the City of Philadelphia (the "City"), and proceedings relating thereto as are contained in the transcripts of proceedings for the 1993A and 2003 Bonds. We have also reviewed and relied upon the proceedings authorizing the issuance of the 2003 Bonds and certain certifications and agreements (including a Tax Compliance Agreement intended to satisfy certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations), affidavits, receipts and other documents, agreements, certificates and opinions, all as executed and delivered in connection with the issuance of the 2003 Bonds. We have also reviewed a specimen of the 2003 Bonds and have relied on the certification of the Trustee as to its authentication of the 2003 Bonds.

As expressly stated in the form of the 2003 Bonds and in the Indenture, the 2003 Bonds are limited obligations of the Authority payable solely from the Pledged Revenues (as defined in the Indenture). The 2003 Bonds do not otherwise constitute a pledge of the general credit of the Authority. Further, the 2003 Bonds do not constitute a pledge of the credit of the Commonwealth or any political subdivision thereof (including the City), nor do the 2003 Bonds constitute a pledge of the taxing power of the Commonwealth or any political subdivision thereof (including the City). The Authority has no taxing power. Neither the

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Commonwealth nor any political subdivision thereof (including the City) is liable for the payment of the principal of, redemption premium, if any, or interest on, the 2003 Bonds.

As to questions of fact material to our opinion, we have relied upon the representations of the Authority contained in the proceedings relating to the issuance of the 2003 Bonds and other certifications furnished to us without undertaking to verify the same by independent investigation.

Based and in reliance upon the foregoing, our attendance at the closing held this day and subject to the caveats, qualifications, exceptions and assumptions set forth herein, it is our opinion that, as of the date hereof, under existing law:

1. The Authority is a body corporate and politic validly existing under the laws of the Commonwealth, and has the full power and authority under the Act to undertake the Refunding Project, to execute and deliver the Third Supplement to the Amended and Restated Indenture and to issue the 2003 Bonds.

2. The Third Supplement to the Amended and Restated Indenture has been duly authorized, executed and delivered by the Authority and the obligations of the Authority under the Third Supplement to the Amended and Restated Indenture constitute legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their terms.

3. The 2003 Bonds have been duly authorized, executed, issued and delivered by the Authority and are the legal, valid and binding limited obligations of the Authority, entitled to the benefit and security of the Indenture, and are enforceable against the Authority in accordance with their terms.

4. The Indenture creates a valid pledge to the Trustee for the benefit of the holders of the 2003 Bonds of, and a valid and binding security interest in, the Pledged Revenues (as defined in the Indenture) which it purports to create.

5. Under existing law, interest on the 2003 Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference within the meaning of Section 57 of the Code, for purposes of the alternative minimum tax imposed by Section 55 of the Code on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), such interest and accruals are taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. The opinion set forth in the preceding sentence is subject to the condition that the Authority comply with all the requirements of the Code that must be satisfied subsequent to the issuance of the 2003 Bonds in order that interest on the 2003 Bonds be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the 2003 Bonds to be included in gross income retroactively to the date of issuance of the 2003 Bonds. The Authority has covenanted in the Indenture to comply with all such requirements. We express no opinion regarding other federal tax consequences arising with respect to the 2003 Bonds.

6. Under the laws of the Commonwealth as presently enacted and construed, the interest on the 2003 Bonds is exempt from Commonwealth personal income tax and Commonwealth corporate net income tax and the 2003 Bonds are exempt from personal property taxes in the Commonwealth; provided, however, under the laws of the Commonwealth as presently enacted and

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construed, any profits, gains or income derived from the sale, exchange or other disposition of the 2003 Bonds, shall be subject to state and local taxation within the Commonwealth.

It is to be understood that the rights of the owners of the 2003 Bonds and the enforceability of the 2003 Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore and hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is rendered solely for the benefit of the addressee hereof in connection with the initial issuance of the 2003 Bonds. The addressee may not rely on this opinion letter for any other purpose and no other person may rely on this opinion letter for any purpose without the express written consent of the undersigned. This opinion letter is limited to the matters set forth herein. This opinion is subject to future changes in applicable law and we do not undertake any obligation to update any of the opinions expressed in this letter. No opinion may be inferred or implied beyond the matters expressly stated herein, and our opinions expressed herein must be read in conjunction with the assumptions, limitations, exceptions and qualifications set forth herein. The law covered by the opinions expressed herein is limited to the laws of the Commonwealth and the federal law of the United States of America.

Very truly yours,



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