

Exhibit B
(Bond Resolution)

**AUTHORIZATION OF SPECIAL TAX
REVENUE REFUNDING BONDS
(CITY OF PHILADELPHIA FUNDING
PROGRAM), SERIES OF 2003**

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

**Resolution No. 2003 - 04
March 25, 2003**

AUTHORIZING THE ISSUANCE AND SALE OF A NEW SERIES OF REFUNDING BONDS OF THE AUTHORITY TO REFUND THE OUTSTANDING SPECIAL TAX REVENUE REFUNDING BONDS (CITY OF PHILADELPHIA FUNDING PROGRAM), SERIES OF 1993A OF THE AUTHORITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENT TO THE AMENDED AND RESTATED INDENTURE OF TRUST, A BOND PURCHASE CONTRACT AND OTHER AGREEMENTS AND DOCUMENTS NECESSARY OR APPROPRIATE IN CONNECTION WITH THE ISSUANCE OF THE BONDS AND THE REFUNDING; AUTHORIZING THE PREPARATION, DISTRIBUTION AND EXECUTION OF A PRELIMINARY AND FINAL OFFICIAL STATEMENT RELATING TO THE BONDS; DETERMINING THAT A PRIVATE NEGOTIATED SALE OF THE BONDS IS IN THE BEST INTEREST OF THE AUTHORITY; APPROVING THE SALE OF THE BONDS; AUTHORIZING THE APPLICATION FOR MUNICIPAL BOND INSURANCE WITH RESPECT TO THE BONDS; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS DEEMED NECESSARY OR APPROPRIATE FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

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WHEREAS, pursuant to the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (Act of June 5, 1991, P.L. 9, No. 6), as amended (the "Act"), the Pennsylvania Intergovernmental Cooperation Authority (the "Authority") is authorized to issue its bonds for the purpose of, among other things, refunding any outstanding indebtedness of the Authority; and

WHEREAS, on December 6, 2001, the Authority and JPMorgan Chase Bank (the "Swap Counterparty") entered into a \$163,185,000 notional amount interest rate swaption transaction (the "Swaption Transaction") relating to the Authority's Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program), Series of 1993A, currently outstanding in the aggregate principal amount of \$163,185,000 (the "Refunded 1993A Bonds"); and

WHEREAS, the Authority has been notified that the Swap Counterparty has exercised its option to cause the interest rate swap that is the subject of the Swaption Transaction to become effective on or about June 16, 2003; and

WHEREAS, in light of the foregoing, the Authority desires to issue and sell its Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program), Series of 2003 (the "Bonds") to refund the entire outstanding aggregate principal amount of the Refunded 1993A Bonds (the "Refunding"); and

WHEREAS, the Authority has determined that the public interest will be best served and that the purpose of the Act can be most advantageously achieved by the Authority's issuance of the Bonds in order to obtain funds to be used for the Refunding; and

WHEREAS, the Authority has determined that, because of the complexity of this financing, a private negotiated sale of the Bonds is in the best interest of the Authority; and

WHEREAS, the Authority deems it necessary, in connection with the issuance, sale and delivery of the Bonds, to authorize and direct the execution and delivery of the Bonds and to authorize the execution and delivery of all such other agreements, instruments, certificates, documents and papers and the performance of all such other acts as may be necessary or appropriate in connection with the issuance and sale of the Bonds and the implementation of this Resolution and the transactions authorized hereby;

NOW, THEREFORE, BE IT RESOLVED BY THE PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY AS FOLLOWS:

Section 1. In addition to the words and terms defined in the recitals above, the following words and terms used in this Resolution shall have the following respective meanings:

"Amended and Restated Indenture" means the Amended and Restated Indenture of Trust, dated as of December 1, 1994, as amended and supplemented by the First Supplement to the Amended and Restated Indenture of Trust, dated as of May 15, 1996, and as further amended and supplemented by the Second Supplement to the Amended and Restated Indenture of Trust, dated as of April 1, 1999, each between the Authority and the Trustee (or a predecessor trustee).

"Board" means the governing board of the Authority.

"Bond Committee" means the Executive Director, the Chairperson and the Treasurer of the Authority, acting unanimously.

"Bond Purchase Contract" means the Bond Purchase Contract to be entered into between the Authority and the Underwriters (or a representative of the Underwriters), providing for the sale and purchase of the Bonds.

“Chairperson” means the Chairperson of the Board, including any official authorized to carry out the duties of the Chairperson in the Chairperson’s absence (including without limitation any acting Chairperson or temporary Chairperson).

“City” means the City of Philadelphia.

“Commonwealth” means the Commonwealth of Pennsylvania.

“Executive Director” means the Executive Director of the Authority, including any official authorized to carry out the duties of the Executive Director in the Executive Director’s absence (including without limitation any acting Executive Director or the Deputy Executive Director).

“Indenture” means the Amended and Restated Indenture, as amended and supplemented by the Third Supplement to the Amended and Restated Indenture.

“Official Statement” means the final official statement (or other appropriate form of securities disclosure document) of the Authority with respect to the Bonds.

“Preliminary Official Statement” means the preliminary official statement (or other appropriate form of securities disclosure document) of the Authority with respect to the Bonds.

“Resolution” means this Resolution.

“Secretary” or “Assistant Secretary” means the Secretary or Assistant Secretary of the Board or any official authorized to carry out the duties of the Secretary or the Assistant Secretary in the Secretary’s or the Assistant Secretary’s absence (including, without limitation, any acting Secretary or acting Assistant Secretary of the Authority).

“Third Supplement to the Amended and Restated Indenture” means the Third Supplement to the Amended and Restated Indenture to be entered into between the Authority and the Trustee, amending and supplementing the Amended and Restated Indenture.

“Treasurer” means the Treasurer of the Authority, including any official authorized to carry out the duties of the Treasurer in the Treasurer’s absence (including without limitation any acting Treasurer or Assistant Treasurer).

“Trustee” means Wachovia Bank, National Association, as trustee under the Indenture, and its successors and assigns as such trustee.

“Underwriters” means the underwriters party to, or named in, the Bond Purchase Contract, to be selected by the Authority.

“Vice Chairperson” means the Vice Chairperson of the Board, including any official authorized to carry out the duties of the Vice Chairperson in the Vice Chairperson’s absence (including without limitation any acting Vice Chairperson or temporary Vice Chairperson).

Section 2. The Authority hereby finds and determines that the issuance and sale of the Bonds under the Indenture and the use of the proceeds of the Bonds for the Refunding is in furtherance of the public purposes set forth in the Act and is in compliance with the provisions of the Act.

Section 3. The sale of the Bonds to the Underwriters at a private negotiated sale is hereby determined to be in the best interest of the Authority and the Commonwealth, to best fulfill the objectives of the Act and to be necessary and appropriate in light of the circumstances under which the financing for the Refunding is being arranged. A public or invited sale of the Bonds is hereby determined to be impracticable and inadvisable. The complexity of the Refunding and the Bonds, the existence of the Swaption Transaction, and the corresponding necessity of careful and thorough disclosure in the Preliminary Official Statement and the Official Statement in connection with the offering and the sale of the Bonds will necessitate the ongoing participation of the Underwriters and their counsel in the planning and structuring of the financing for the Refunding and in the preparation of the Preliminary Official Statement, the Official Statement and the other financing documents and in the marketing of the Bonds. Such participation cannot be obtained in the absence of a commitment by the Authority to sell the Bonds to the Underwriters at a private negotiated sale.

Section 4. The Bond Committee is hereby expressly granted and delegated the full power and authority, for and on behalf of the Board, to review and approve the final terms, conditions and details of the Bonds and the issuance, sale and delivery thereof, pursuant to the Act and in accordance with and subject to the terms, conditions and limitations established in this Resolution, such approval to be conclusively evidenced by the execution and delivery of the Bonds at the closing therefor in the manner provided herein, provided, however, that the aggregate principal amount of the Bonds shall not exceed \$175,000,000, the final maturity date for the Bonds shall not be later than June 15, 2028, and the Underwriters' discount or fee in connection with the purchase of the Bonds shall not exceed 2.00% of the aggregate principal amount of the Bonds. The Bonds shall be designated "Pennsylvania Intergovernmental Cooperation Authority Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program), Series of 2003." The proceeds of the Bonds shall be used for the Refunding and to pay all or a portion of the costs and expenses incurred by the Authority in connection with the issuance of the Bonds, including without limitation costs of credit and liquidity enhancement and deposits to any reserve funds.

Section 5. The Bonds shall be issued in fully registered form. The Bonds shall be dated; shall mature in such principal amounts on such dates; shall bear interest at such floating, variable, auction, adjustable or fixed rates of interest; shall be subject to redemption or mandatory or optional tender for purchase prior to maturity; and shall otherwise be subject to such additional terms, conditions and provisions, all as are approved by the Bond Committee and specified in the Bond Purchase Contract or the Third Supplement to the Amended and Restated Indenture. The form of the Third Supplement to the Amended and Restated Indenture is hereby incorporated herein by this reference, subject to appropriate insertions and revisions in order to comply with the provisions of the Third Supplement to the Amended and Restated Indenture, and the provisions for the signatures, authentication, payment, place of payment, medium of payment, transfer, exchange, registration, number, denominations and other provisions thereof, to the extent not provided herein, shall be as set forth in the Third Supplement to the Amended and Restated Indenture, as finally executed, and are hereby approved and incorporated herein by this reference. The Bonds, when the same shall be executed on behalf of the Authority in the manner contemplated by the Third Supplement to the Amended and Restated Indenture and this Resolution, shall represent the approved form of the Bonds.

Section 6. The Chairperson or Vice Chairperson is hereby authorized and directed to execute the Bonds in the name and on behalf of the Authority by his or her manual or facsimile signature, and the Secretary or Assistant Secretary is hereby authorized and directed to affix the corporate seal of the Authority or a facsimile thereof to the Bonds when so executed and to attest the same by his or her manual or facsimile signature, and each such officer is hereby authorized and directed to deliver the Bonds to the Trustee for authentication pursuant to the Third Supplement to the Amended and Restated Indenture.

Section 7. The Bonds are and shall be limited obligations of the Authority payable by the Authority solely from the sources specified or described in the Third Supplement to the Amended and Restated Indenture. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER. NO MEMBER OF THE BOARD SHALL BE LIABLE PERSONALLY ON THE BONDS OR ON ANY DOCUMENT OR INSTRUMENT EXECUTED IN CONNECTION THEREWITH.

Section 8. The Authority is hereby authorized to enter into the Third Supplement to the Amended and Restated Indenture. The Chairperson or Vice Chairperson is hereby authorized and directed to execute and deliver the Third Supplement to the Amended and Restated Indenture in the name and on behalf of the Authority, such document to be in such form and to contain such terms and conditions (not inconsistent with any of the other requirements of this Resolution) as shall be approved by either such officer with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of the Third Supplement to the Amended and Restated Indenture by either such officer.

Section 9. The Authority is hereby authorized to enter into the Bond Purchase Contract and to sell the Bonds by private negotiated sale to the Underwriters pursuant thereto. The Chairperson or Vice Chairperson is hereby authorized and directed to execute and deliver the Bond Purchase Contract in the name and on behalf of the Authority, such document to be in such form and to contain such terms and conditions (not inconsistent with any of the other requirements or conditions of this Resolution) as shall be approved by the Chairperson or Vice Chairperson with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of the Bond Purchase Contract by either such officer.

Section 10. By virtue of this Resolution and without further authorization from the Authority, the Trustee shall be authorized, directed and requested to apply the proceeds of the Bonds pursuant to the terms of the Indenture and to invest and reinvest, at the direction of the Authority, all moneys which by the terms of the Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.

Section 11. The Chairperson, the Vice Chairperson or the Executive Director is hereby authorized to negotiate on behalf of the Authority and, if such officer determines that they will be beneficial to the Authority, to accept in the name and on behalf of the Authority, commitments for the issuance of a policy of municipal bond insurance with respect to the Bonds, an insurance policy, surety bond or other credit facility for all or a portion of any reserve fund for the Bonds, and a credit facility providing liquidity support for the Bonds. The Chairperson, the Vice Chairperson or the Executive Director is hereby authorized, in the name and on behalf of the Authority, to execute and deliver all such documents, instruments and agreements as any such officer may deem to be necessary or appropriate in connection with any such policy, surety bond or credit facility, such documents to be in such form and to contain such terms and conditions (not inconsistent with any of the other requirements of this Resolution) as shall be approved by any such officer with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of such documents by any such officer.

Section 12. The preparation and distribution of the Preliminary Official Statement in connection with the marketing of the Bonds to investors is hereby authorized and

approved. The Preliminary Official Statement shall be in such form and shall contain such information as shall be approved by the Executive Director of the Authority with the advice of the Authority's legal counsel and financial advisors, such approval to be conclusively evidenced by the mailing of the Preliminary Official Statement. The Executive Director is hereby expressly granted full power and authority on behalf of the Board to represent and warrant that the Preliminary Official Statement has been "deemed final" as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The preparation and distribution of the Official Statement is hereby authorized and approved in connection with the sale and delivery of the Bonds, and the Chairperson or Vice Chairperson is hereby authorized and directed to execute said Official Statement with such changes, omissions, inserts, deletions and variations from the Preliminary Official Statement as shall be approved by either such officer with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of the Official Statement by either such officer.

Section 13. The Authority is hereby authorized to enter into such remarketing agreements, escrow deposit agreements, auction agency agreements, market agent agreements, broker-dealer agreements, standby bond purchase agreements, continuing disclosure agreements, tax compliance agreements, agreements with the Commonwealth or the State Treasurer or any other department or agency of the Commonwealth, agreements with the City or any department or agency of the City, agreements providing for the registration of the Bonds to be maintained in the name of a securities depository or its nominee pursuant to a book entry-only system, and all other agreements relating to or concerning the Bonds, the Refunding, and any liquidity support or credit enhancement for the Bonds, all as may be required under the Bond Purchase Contract or as may otherwise be necessary or appropriate for the proper, lawful and efficient consummation of the transactions contemplated by this Resolution. The Chairperson, the Vice Chairperson or the Executive Director is hereby authorized, in the name and on behalf of the Authority, to execute and deliver any and all such documents, which documents shall be in form and substance as shall be approved by any such officer with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of such documents by any such officer.

Section 14. The redemption of the Refunded 1993 Bonds on or about June 16, 2003 (or such other date as may be necessary or appropriate under the circumstances) pursuant to rights of optional redemption by the Authority under the Amended and Restated Indenture is hereby authorized and approved, and the Chairperson, the Vice Chairperson and the Executive Director are each hereby authorized to take all such action as may be required under the Amended and Restated Indenture in order to effect such redemption of the Refunded 1993 Bonds, including the giving of all necessary notices.

Section 15. The Authority is hereby authorized to enter into one or more additional interest rate swap, cap, floor, collar, basis cap or similar interest rate hedging agreements or one or more amendments or supplements to the Swaption Transaction (collectively, "Additional Hedge Transactions"), as the Bond Committee may determine to be necessary or appropriate in connection with the Bonds and in the best financial interest of the Authority in managing the interest costs of the Authority with respect to the Bonds. The Bond Committee is hereby authorized and directed to approve all terms and details relating to such Additional Hedge Transactions, including without limitation identity of counterparty, interest rates, term, notional amount, amortization, collateral security and options as to commencement and termination of payments. The Chairperson, the Vice Chairperson or the Executive Director is hereby authorized, in the name and on behalf of the Authority, to execute and deliver all such documents, instruments and agreements as any such officer may deem to be necessary or

appropriate in connection with any such Additional Hedge Transactions, such documents to be in such form and to contain such terms and conditions (not inconsistent with any of the other requirements of this Resolution) as shall be approved by any such officer with the advice of the Authority's legal counsel and financial advisors, such approval and the approval of the Board to be conclusively evidenced by the execution of such documents by any such officer.

Section 16. The Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, the Treasurer and the Executive Director are each hereby authorized and directed to execute, deliver and file any and all other documents, instruments, agreements, certificates and other papers of any kind whatsoever, and to do any and all other acts or things, that are necessary or appropriate in order to effect the issuance and sale of the Bonds, the Refunding, the investment of the proceeds of the Bonds, the execution, delivery and performance by the Authority of the Bond Purchase Contract, the Third Supplement to the Amended and Restated Indenture and the other financing documents relating to the Bonds, and to carry out the intent and purposes of this Resolution and the transactions contemplated hereby, including but not limited to the amendment, modification, restatement or the making of any other required changes to certain existing investment agreements or other contracts necessary or appropriate to effectuate the issuance of the Bonds, the Refunding and the transactions contemplated hereby. The Secretary or the Assistant Secretary is hereby authorized and directed, when requested, to affix the official corporate seal of the Authority to any and all documents, instruments, agreements and certificates executed on behalf of the Authority pursuant to this Resolution and to attest said seal. The Executive Director is hereby appointed as Assistant Secretary of the Authority.

Section 17. The proper officers of the Authority are hereby directed to file a copy of this Resolution for public inspection in the office of the Authority and in the office of the Chief Clerk of the Council of the City and to publish in a newspaper of general circulation published or circulating in the City a notice containing the information specified in Section 303(b)(1) through (4) of the Act.

Section 18. To the extent not paid from the proceeds of the Bonds or from other sources of funds available under the Indenture, the Treasurer is hereby authorized to pay all costs and expenses relating to the issuance and sale of the Bonds and the Refunding, including without limitation fees and costs for credit enhancement and liquidity support and deposits to funds under the Indenture, from the general funds of the Authority, including without limitation moneys previously received by the Authority from the Swap Counterparty under the Swaption Transaction.

Section 19. All prior resolutions or parts of prior resolutions inconsistent with this Resolution are hereby repealed, rescinded, cancelled and annulled insofar as they conflict herewith. Subject to the foregoing sentence, the Authority hereby ratifies and confirms any and all prior actions taken by or on behalf of the Authority consistent with the intent of this Resolution.

Section 20. This Resolution shall take effect immediately.

MOVED: William J. Leonard, Esquire

SECONDED: Gregg R. Melinson, Esquire

APPROVED: Yes

Qualified Majority Required: Yes X No _____

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Leonard	X	_____	_____
Karp	X	_____	_____
Kavulich	X	_____	_____
Melinson	X	_____	_____