



Philadelphia Authority for
Industrial Development

AGENDA

TO: THE MEMBERS OF THE BOARD OF DIRECTORS OF THE PHILADELPHIA
AUTHORITY FOR INDUSTRIAL DEVELOPMENT

FROM: SAM RHOADS, ASSISTANT SECRETARY

The following is the Agenda for the Meeting of the Board of Directors of the Philadelphia Authority for Industrial Development to be held on Tuesday, October 6, 2020 at 5:00 p.m. via Zoom: <https://zoom.us/j/98381855631?pwd=NHZHaEgxWjltZ3NpQjNORGk0WEZyUT09>
Meeting ID: 983 8185 5631 | Passcode: 074722

- I. Approval of the Minutes of the Authority for the meeting held on September 25, 2020.
- II. Public Comments
- III. Issue tax-exempt revenue bonds to:
 1. 199 Hunting Park.
 2. 3600 Haverford Avenue Affordable Partners LLC.

THOSE WHO WISH TO PROVIDE COMMENTS OR QUESTIONS ARE ASKED TO DO SO VIA
EMAIL, paidmeeting@gmail.com, PRIOR TO 3 PM MONDAY, OCTOBER 5, 2020.

October 6, 2020

RESOLUTION

Philadelphia Authority for Industrial Development

*199 Hunting Park (the “Borrower”)
(Esperanza Academy Charter School Project)*

A Resolution authorizing the issuance of one or more series of revenue bonds (the “Bonds”) through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”) in the form attached hereto, in an amount not to exceed \$70,000,000, on behalf of the Borrower.

The proceeds of the bonds will be used by the Borrower to finance (i) the acquisition of the property located at 191 W. Hunting Park Avenue and the demolition of the existing structure and construction of a new 3-story 60,000 square foot elementary school facility for use by Esperanza Academy Charter School; (ii) the refunding of all or a portion of the Authority’s \$32,000,000 Revenue Bonds (Nueva Esperanza Inc. – Esperanza Academy Charter School Project) Series 2013 (iii) the funding of a debt service reserve fund in connection with the Bonds; and (iv) costs of issuance.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrower upon such terms and conditions as they deem to be in the best interests of the Authority.

BACKGROUND

199 Hunting Park, formed in 2009, as a Pennsylvania 501(c)(3) corporation is a real estate holding company. 199 Hunting Park owns the property and facilities located at 4231-61 North 5th Street, 301 West Hunting Park Avenue, 404 W. Bristol Street and 300 W. Bristol Street (collectively the “Facilities”) and leases the Facilities to various not-for-profit entities, including Nueva Esperanza, Inc. and Esperanza Academy Charter School.

Nueva Esperanza, Inc., formed in 1987 by the Hispanic Clergy of Philadelphia, is a Pennsylvania 501(c)(3) corporation with the mission of supporting the Hispanic community of North Philadelphia through community development, including immigration services, career training and educational services.

Esperanza Academy Charter School (the “School”), formed in 2000, serves students in Kindergarten through twelfth grade. The original charter was issued for an initial term of four

years. Since that time the School has undergone four successful charter renewals in 2004, 2008, 2013 and 2018. The School currently serves 1,667 students, and has a waiting list of 1,595 students.

On July 16, 2013, the PAID Board authorized a tax-exempt financing in an amount of \$32,000,000 to Nueva Esperanza Inc., for (i) the acquisition of a long-term leasehold interest in the facilities located at 4231-4261 North 5th Street, 301 W. Hunting Park Avenue, 404 W. Bristol Street and 300 W. Bristol Street (the "Facilities"), (ii) certain capital improvements to the Facilities, (iii) a debt service reserve fund and (iv) payment of the costs of issuance. This financing closed on December 13, 2013 and will be refunded with the aforementioned contemplated financing.

October 22, 2013 the PAID Board amended its July authorization to include 199 Hunting Park as an additional borrower to the financing. Proceeds of the financing were used to defease Nueva Esperanza's New Market Tax Credit transaction executed during December 2007, of which 199 Hunting Park was a party.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

AUTHORIZING THE UNDERTAKING BY THE AUTHORITY OF THE FINANCING OF A PROJECT FOR THE BENEFIT OF 199 HUNTING PARK; AUTHORIZING THE ISSUANCE OF UP TO \$70,000,000 AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF CHARTER SCHOOL REVENUE BONDS OF THE AUTHORITY FOR THE BENEFIT OF ESPERANZA ACADEMY CHARTER SCHOOL, NUEVA ESPERANZA, INC., ESPERANZA CYBER CHARTER SCHOOL, ESPERANZA IMMIGRATION LEGAL SERVICES, NUEVA ESPERANZA HOUSING AND ECONOMIC DEVELOPMENT, PHILADELPHIA WORKS, INC., AND ARTISTAS Y MUSICOS LATINO AMERICANOS; AUTHORIZING ALL ACTIONS OF THE AUTHORIZED OFFICERS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION THE APPROVAL, EXECUTION AND DELIVERY OF ALL FINANCING DOCUMENTS, NECESSARY AND APPROPRIATE TO EFFECTUATE THE ISSUANCE AND SALE OF THE BONDS AND FINANCING OF THE PROJECT.

WHEREAS, the Philadelphia Authority for Industrial Development (the “Authority”) is organized and existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”) pursuant to the Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the “Act”); and

WHEREAS, pursuant to the Act, the Authority has the power to issue revenue obligations to pay costs of “educational facilities” as defined in the Act, pending approval by the Department of Community and Economic Development; and

WHEREAS, 199 Hunting Park (the “Borrower”) is a nonprofit corporation duly organized and existing under the laws of the Commonwealth and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Borrower has made application to the Authority requesting that the Authority issue its revenue bonds, tax-exempt or taxable, in one or more series (collectively, the “Bonds”) to finance the costs of a project (the “Project”) that consists of:

- (i) the acquisition of the property located at 191 W. Hunting Park Avenue (the “New Campus”) and the demolition of the existing structure and construction of a new 3-story 60,000 square foot elementary school facility for use by Esperanza Academy Charter School (the “Charter School”);
- (ii) the refunding of all or a portion of the Authority’s \$32,000,000 Revenue Bonds (Nueva Esperanza Inc. – Esperanza Academy Charter School Project) Series 2013 (the “Refunded Bonds”) the proceeds of which were used to (a) fund the refinance of existing loans, (b) fund certain renovations and improvements to the facilities located at 301 W. Hunting Park Avenue, 4231-4261 N. 5th Street, 406 W. Bristol Street and 300 W. Bristol Street

(collectively, the “Existing Campus” and together with the New Campus, the “Facilities”), including the construction of an education center, community gymnasium, cultural performance space and parking, for lease to the Tenants (as herein defined) and certain other tenants, (c) fund a debt service reserve fund in connection with the Refunded Bonds, and (d) payment of capitalized interest and the costs of issuance of the Refunded Bonds;

- (iii) the funding of a debt service reserve fund in connection with the Bonds; and
- (iv) paying allowable issuance costs of the Bonds; and

WHEREAS, to finance the Project, the Authority, at the Borrower’s request, has determined to issue the Bonds, pursuant to one or more trust indentures or trust agreements (as may be amended or supplemented from time to time, the “Indenture”) between the Authority and a commercial bank or trust company designated by the Borrower, as trustee for the holders on the Bonds (the “Trustee”), and to loan the proceeds of the Bonds (the “Loan”) to the Borrower to pay costs of the Project; and

WHEREAS, pursuant to one or more loan agreements (as may be amended or supplemented from time to time, the “Loan Agreement”) between the Authority and the Borrower, the Authority will make the Loan to the Borrower to pay costs of the Project and the Borrower will (i) repay the principal and interest on the Loan in the amounts and at the times necessary for the Authority to timely pay debt service on the Bonds and (ii) pay other amounts as required under the Loan Agreement and the Indenture, including without limitation periodic payments to the Authority in amounts sufficient to pay the Authority’s administrative expenses; and

WHEREAS, the Borrower desires to lease, as landlord, all or a portion of the Facilities to each of (i) the Charter School, a public charter school duly organized and validly existing under the Pennsylvania Charter School Law (24 P.S. §17- 1701-A, et seq.), a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto, (ii) Nueva Esperanza, Inc., a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto (“NEI”), (iii) Esperanza Cyber Charter School, a public charter school duly organized and validly existing under the Pennsylvania Charter School Law (24 P.S. §17- 1701-A, et seq.), a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto (“ECCS”), (iv) Esperanza Immigration Legal Services, a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto (“EILS”), (v) Nueva Esperanza Housing and Economic Development, a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto (“NEH”), (vi) Philadelphia Works, Inc., a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Code, or an affiliate thereof or successor thereto (“PWI”), and (vii) Artistas y Musicos Latino Americanos (“AMLA” and together with the Charter School, NEI, ECCS, EILS, NEH and PWI, each a “Tenant” and collectively, the “Tenants”), each as a tenant, under lease agreements between the Borrower and each of the Tenants (as may be amended or supplemented from time to time, the “Lease Agreements”); and

WHEREAS, the Charter School and each of the other Tenants are each nonprofit corporations duly created and validly existing under the laws of the Commonwealth and a tax-exempt organization under Section 501(c)(3) of the Code; and

WHEREAS, to secure its obligations under the Loan Agreement, the Borrower may deliver to the Authority or to the Trustee, for the benefit of the bondholders, such mortgages, assignments, guaranties, revenue pledges or other security, pursuant to one or more security agreements, including its rights under

the Lease Agreements (collectively, the “Security Agreements”), as may be necessary in connection with the offering and sale of the Bonds, and the Authority may pledge and assign its rights under the Loan Agreement (including without limitation the Authority’s rights to the loan payments made by the Borrower thereunder) and any such Security Agreements to the Trustee for the benefit of Bondholders pursuant to one or more assignments (the “Assignments”); and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority will enter into a Bond Purchase Agreement (the “Purchase Agreement”) with the Borrower, the Charter School, Truist Securities, Inc., as underwriter (the “Underwriter”), and any of the other Tenants as may be deemed necessary pursuant to which the Underwriter will offer to purchase the Bonds upon the terms and conditions set forth therein; and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority may prepare and deliver for use by the Underwriter a preliminary official statement or other preliminary offering memorandum, and any supplement thereto (the “Preliminary Offering Memorandum”) and a final official statement or other final offering memorandum, and any supplement thereto (the “Offering Memorandum”) relating to the Project, the Borrower, the Charter School, the other Tenants, the Authority and the Bonds; and

WHEREAS, the Authority desires to authorize and approve the Project, the issuance, execution and delivery of the Bonds, and the execution and delivery of the Indenture, the Loan Agreement and other Security Agreements, Purchase Agreement, the Assignments, the Preliminary Offering Memorandum, the Offering Memorandum and such other instruments and documents as shall be necessary or appropriate to effectuate the purposes of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the members of the Authority as follows:

Section 1. Approval of Project and Issuance of the Bonds. The Authority hereby authorizes and approves the undertaking of the Project and the issuance of the Bonds to finance all or a portion of the costs of the Project. The Bonds shall be issued in one or more series as tax-exempt and/or taxable bonds and secured pursuant to the Indenture in an aggregate amount not to exceed \$70,000,000, including an aggregate amount not to exceed \$[_____] for new money purposes and an aggregate amount not to exceed \$[_____] for refunding purposes. The Bonds shall be designated “Philadelphia Authority for Industrial Development Revenue Bonds, (Esperanza Academy Charter School Project) Series 2020” with such further designation or sub-designation as shall be set forth in the Indenture. The Bonds shall have a final maturity not exceeding 40 years, shall bear interest at a variable or fixed rate or rates to be established as provided in the Indenture and the Bonds, and shall contain such other terms and conditions as set forth in the Indenture and permitted in the Act.

Section 2. Approval of the Indenture and the Loan Agreement. The Authority hereby authorizes and approves the execution and delivery of the Indenture, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer (as defined in Section 5 hereof) of the Authority executing the Indenture shall approve, such approval to be conclusively evidenced by such officer’s execution thereof. The Authority hereby authorizes and approves the execution and delivery of the Loan Agreement, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer of the Authority executing the Loan Agreement shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 3. Sale of the Bonds; Approval of the Purchase Agreement.

(a) The Authority hereby authorizes and approves the sale of the Bonds to the Underwriter. The Bonds shall be sold at such rates and on such terms and conditions as are set forth in the Purchase Agreement.

(b) The Authority hereby authorizes and approves the execution of the Purchase Agreement containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer of the Authority executing the same shall approve, such approval to be conclusively evidenced by such officer's execution thereof.

Section 4. Approval of Preliminary Offering Memorandum and Offering Memorandum. The Authority hereby authorizes and approves the distribution and execution of a Preliminary Offering Memorandum and an Offering Memorandum, and any amendments or supplements thereto, in such forms as counsel to the Authority and the Authorized Officer of the Authority executing the same (if any) shall approve. The Authority hereby authorizes and directs any Authorized Officer to certify to the Underwriter that the Preliminary Offering Memorandum and/or the Offering Memorandum, as approved, is deemed final within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

Section 5. Direction to Authorized Officers.

(a) For purposes of this Resolution, the Chairman or Vice Chairman of the Board of the Authority shall be deemed to be an "Authorized Officer." Each Authorized Officer may act jointly or severally in performing his or her duties hereunder.

(b) The Board of the Authority hereby authorizes and directs any Authorized Officer to execute and deliver the Bonds, the Indenture, the Loan Agreement, the Assignments, the Purchase Agreement, the Preliminary Offering Memorandum, the Offering Memorandum, and any amendments or supplements thereto and, subject to the approval thereof by counsel to the Authority and the Authorized Officer executing the same, to execute and deliver any other agreement, amendment, supplement, instrument, certificate or other document required to be executed by the Authority in connection with the offering, issuance and delivery of the Bonds, and such execution and delivery shall be conclusive evidence of the approval thereof by the Board of the Authority.

(c) The Board of the Authority hereby authorizes and directs the Secretary, the Assistant Secretary or another Authorized Officer of the Authority to affix and attest the seal of the Authority to any document as may be required, and to attest the signature of any Authorized Officer where required.

Section 6. Further Action. The Authorized Officers are hereby authorized and directed, jointly and severally, to take such further actions and execute such additional documents, including any amendments or supplements thereto, as may be necessary or appropriate to effectuate the matters contemplated by this Resolution, to implement and complete the Project, to issue and sell the Bonds, or to otherwise effectuate the purposes of this Resolution.

Section 7. Prior Actions. All actions heretofore taken and all documents and instruments heretofore executed by or on behalf of the Authority in connection with the Project and the Bonds are hereby ratified and approved.

Section 8. Appointment of Bond Counsel, Underwriter and Trustee. Stradley Ronon Stevens & Young, LLP is hereby appointed Bond Counsel; and Truist Securities, Inc. (or any successor(s) to its underwriting business to be designated by the Borrower) is hereby appointed to serve as Underwriter with respect to the issuance, offering and sale of the Bonds. The Authorized Officers are authorized to appoint

a replacement Bond Counsel or Underwriter at the request of the Borrower; provided that any such replacement firm has satisfied the related application approval requirements of the Pennsylvania Department of Community and Economic Development for the issuance of bonds by the Authority under the Act. The Authorized Officers are further authorized to appoint a qualified (pursuant to the Indenture) commercial bank or trust company selected by the Borrower to serve as bond trustee for the Bonds.

Section 9. Limitation of Liability. The issuance and sale of the Bonds shall not be construed so as to give rise to any pecuniary liability of the Authority or any of its members, officers, or employees, or to give rise to a charge upon the general credit of the Authority or such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Indenture and Loan Agreement.

Section 10. Effective Date of Resolution. This Resolution shall take effect immediately.

CERTIFICATION

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certify that this is a true and correct copy of the Resolution adopted by the Board of the Philadelphia Authority for Industrial Development on October 6, 2020 at a duly called and convened public meeting of said Board; that public notice of said meeting was given as required by law; and that such Resolution and the votes thereon have been duly recorded in the minutes.

[SEAL]

By: _____
(Assistant) Secretary

October 6, 2020

RESOLUTION

Philadelphia Authority for Industrial Development

3600 Haverford Avenue Affordable Partners LLC

A Resolution authorizing issuance of Multifamily Housing Revenue Bonds through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”), in the form attached hereto, on behalf of the Borrower in an amount up to \$5,000,000.

The project is anticipated to consist of (a) the acquisition, rehabilitation and equipping of land and buildings to develop a residential rental housing project consisting of two buildings with approximately 32 residential rental units and non-housing facilities that are functionally related and subordinate to the project, including, other necessary, convenient or desirable facilities and infrastructures, known as the Village Square on Haverford Phase II, located in the vicinity of 36th and Wallace Streets in the Mantua section of the City of Philadelphia; (ii) payment of the costs of issuance.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrower and its affiliates upon such terms and conditions as they deem to be in the best interests of the Authority.

BACKGROUND

3600 Haverford Avenue Affordable Partners LLC is a Pennsylvania Limited Liability Company whose members are Mt Vernon Manor, Inc. and LREP II, LLC. The Borrower was formed to acquire, own, construct, renovate, develop, maintain, operate, lease, manage this real estate project.

This is the Borrower’s first tax-exempt bond financing through the Philadelphia Authority for Industrial Development.

BOND RESOLUTION

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

Adopted: October 6, 2020

AUTHORIZING AND DIRECTING THE ISSUANCE OF UP TO \$5,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE AUTHORITY'S MULTIFAMILY HOUSING REVENUE BONDS TO FINANCE THE VILLAGE SQUARE AT HAVERFORD PHASE II PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AND LOAN AGREEMENT FOR THE BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS; PROVIDING FOR THE ESTABLISHMENT OF THE TERMS, AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY, OF SUCH BONDS; AND MAKING CERTAIN RELATED DETERMINATIONS AND AUTHORIZING OTHER NECESSARY OR APPROPRIATE ACTIONS.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is a public instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth") and a public body corporate and politic organized and existing under the Pennsylvania Economic Development Financing Law, Act of August 23, 1967, P.L. 251, as amended (the "Act"); and

WHEREAS, Mt. Vernon Manor, Inc., a Pennsylvania nonprofit corporation or other related entity (the "Sponsor"), is the sponsor and 3600 Haverford Avenue Affordable Partners LLC, a Pennsylvania limited liability company, or other affiliated entity (the "Borrower"), will be the owner of a residential rental housing project consisting of two buildings with approximately 32 residential rental units and non-housing facilities located in the Mantua section of Philadelphia, Pennsylvania; and

WHEREAS, the Borrower has requested the Authority to issue a taxable or tax-exempt bonds or notes, in one of more series (the "Bonds"), the proceeds of which will be used to finance the costs of a project (the "Project") consisting of (a) the acquisition, rehabilitation and equipping of land and buildings to develop a residential rental housing project consisting of two buildings with approximately 32 residential rental units and non-housing facilities that are functionally related and subordinate to the project, including, other necessary, convenient or desirable facilities and infrastructures, known as the Village Square on Haverford Phase II, located in the vicinity of 36th and Wallace Streets in the Mantua section of Philadelphia, Pennsylvania 19104 (the "Facility"), and (b) paying all or a portion of the costs of issuing the Bonds; and

WHEREAS, the Authority will enter into a Bond Purchase and Loan Agreement (the “Purchase and Loan Agreement”) with Fulton Bank, N.A. (the “Lender”), under which the Lender will purchase the Bonds, the proceeds of which will be loaned to the Borrower pursuant to the terms of the Purchase and Loan Agreement to finance the costs of the Project, and which loan shall be evidenced by the note (the “Note”); and

WHEREAS, the Purchase and Loan Agreement will be secured by the collateral pledged thereunder; and

WHEREAS, pursuant to the terms of the Purchase and Loan Agreement, the Borrower will agree to make payments in amounts and at such times as will be sufficient to pay when due the principal or redemption price of, and interest on, the Bonds; and

WHEREAS, the Borrower has represented that the Project will promote the public purposes of the Act, which include but are not limited to, alleviating unemployment, maintaining employment at a high level, and creating and developing business opportunities in and for the benefit of the Commonwealth; and

WHEREAS, as security for the payments to be made under the Purchase and Loan Agreement, the Borrower will, among other things, enter into a Mortgage, Assignment of Leases and Rents and Security Agreement, or other similar document or documents with respect to the Project; and

WHEREAS, the Facility shall also be subject to a Tax Regulatory Agreement and Declaration of Restrictive Covenants among the Authority, the Borrower and the Lender (the “Regulatory Agreement”) to preserve the excludability from gross income for federal income tax purposes of interest on the Bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder (the “Code”) by complying with, among other things, applicable low and moderate income set-aside requirements; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the Notes;

NOW THEREFORE, BE IT RESOLVED BY THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT, as follows:

Section 1. APPROVAL OF PROJECT; AUTHORIZATION OF ISSUANCE OF BONDS. The Authority hereby approves the Project as an authorized undertaking by the Authority and authorizes the issuance of the Bonds and approves the application of the proceeds thereof for the purpose of financing the Project.

Section 2. REIMBURSEMENT. It is intended by this Authority, through this Resolution, to indicate its present intent to issue the Bonds to aid in financing the Project. The Authority reasonably expects that the Borrower will reimburse itself from the proceeds of the Bonds for qualifying expenditures within the meaning of Treasury Regulation Section 1.150-2(d)(3), made (from its funds which do not constitute proceeds of tax-exempt revenue Bonds or notes) not earlier than 60 days prior to the adoption of this Resolution or to be made by the Borrower in connection with the acquisition and

construction of the Project; provided that the issuance of the Bonds occurs not later than (A) eighteen (18) months after the later of: (i) the date the expenditure from a source other than the Bonds is paid; or (ii) the date the Project is “placed in service” (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in not event more than three (3) years after the expenditure is paid; or (B) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder. This is a declaration of official intent necessary to comply with the requirements of Section 1.150-2 of the United States Treasury Regulations, as required by Section 1.150-2(d)(1) of those Regulations.

Section 3. APPROVAL AND EXECUTION OF DOCUMENTS. The Chairman and Vice Chairman of the Authority are hereby severally authorized and directed to execute or accept and deliver, and, if required, the Secretary and Assistant Secretary are hereby severally authorized and directed to affix the corporate seal of the Authority thereto and to attest the same, to the Purchase and Loan Agreement, the Bonds, and the Regulatory Agreement, each of such documents to be in such form as counsel to the Authority may recommend and the officers of the Authority executing the same may approve, such approval to be conclusively evidenced by their execution thereof (together, the “Authority Documents”). Notwithstanding the foregoing, if the Borrower and the Lender should determine to make minor changes to the structure of the financing of the Project, the Authority Documents and any other documents incidental thereto may be modified, combined or supplemented, accordingly, and approved and executed as hereinabove provided.

Section 4. ISSUANCE AND SALE OF BONDS. The issuance of the Bonds in an aggregate principal amount not to exceed \$5,000,000 is authorized and approved. The form of the Bonds shall be as set forth in the Purchase and Loan Agreement; the signature of the Chairman or Vice Chairman of the Authority or facsimile thereof is hereby authorized and directed to be printed on the Bonds, and the corporate seal of the Authority or a facsimile thereof is authorized and directed to be imprinted thereon and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority. The Chairman or Vice Chairman is authorized and directed to deliver and authenticate the Bonds, to deliver it or cause it to be delivered to the Lender against receipt of the purchase price therefor plus any accrued interest due and to deposit the amount, as provided in the Purchase and Loan Agreement as applicable.

The Bonds shall be a special limited obligation of the Authority payable solely out of the payments made by the Borrower under the terms of the Purchase and Loan Agreement and out of other moneys and properties to be applied to the financing of the Project. The Bonds shall not be in any way a debt or liability of the City of Philadelphia, the Commonwealth of Pennsylvania or of any other political subdivision thereof and shall not create or constitute any indebtedness, liability or obligation of the City of Philadelphia, the Commonwealth of Pennsylvania or any other political subdivision thereof, legal, moral or otherwise, nor shall the Bonds be payable out of any funds, revenues or properties of the Authority other than those pledged therefor.

Section 5. TERMS OF BONDS. The Bonds shall have a final maturity not exceeding 40 years and shall bear interest at an average rate not exceeding 10% per annum.

The Bonds shall be in the denominations and in registered form carrying the exchangeability privileges, be payable in the medium of payment and at such places, be subject to mandatory and optional redemption prior to maturity and be entitled to the priorities in the revenues of the Authority as provided in the Purchase and Loan Agreement. All of the provisions of the Purchase and Loan Agreement, when executed and delivered as authorized herein, shall be deemed to be part of this Resolution as fully and to the same extent as if incorporated herein and shall be in full force and effect from the date of execution thereof.

Section 6. INVESTMENT OF FUNDS. By virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor pursuant to the Purchase and Loan Agreement, which by the terms of the Purchase and Loan Agreement may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted, all subject to the terms and limitations contained in the Purchase and Loan Agreement.

Section 7. BOND COUNSEL. At the request of the the Borrower, Turner Law, P.C., Philadelphia, Pennsylvania, counsel to the Borrower, is hereby appointed to serve as Bond or Note Counsel, as the case may be, for the purposes of rendering a legal opinion as to the validity, enforceability and tax-exempt status of the Bonds, it being understood that the Authority may also be represented by its counsel, Turner Law, P.C. At the request of the Borrower, the Authority may appoint a replacement bond counsel subject to Pennsylvania Department of Community and Economic Development application approval requirements.

Section 8. TEFRA HEARING; BOND FINANCING APPLICATION; ADDITIONAL ACTIONS. The conduct of the public hearing on the Project and the financing thereof with the proceeds of the Bonds, in accordance with Section 147(f) of the Code, is hereby ratified and confirmed.

The appropriate officers of the Authority are hereby authorized and directed to accept a completed Bond Financing Application (the “Application”) from the Borrower and to submit such Application to the Department of Community and Economic Development of the Commonwealth for final approval, and to execute and deliver such other documents and instruments, upon advice of Authority Counsel or Bond Counsel including, but not limited to, any tax certificates or agreements required to ensure compliance with the Code, and to take or approve the taking of such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the Authority Documents, the issuance and sale of the Notes and the financing of the Project, all in accordance with this Resolution.

Section 9. REPEAL. This Resolution shall take effect immediately upon its adoption this 6th day of October, 2020, and all prior resolutions or parts thereof related to the Project inconsistent herewith are hereby repealed and rescinded.

I, the (Assistant) Secretary of Philadelphia Authority for Industrial Development, do hereby certify that the foregoing is a true, correct and complete copy of a resolution adopted by the Authority at a meeting held on October 6, 2020, notice of which was given in accordance with the requirements of law and the by-laws of the Authority and at which a quorum of the Authority was present and acted throughout; and that such resolution has not been modified, amended, repealed or rescinded and is in full force on the date hereof.

(Assistant) Secretary

Date: _____