



Philadelphia Authority for
Industrial Development

AGENDA

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

FROM: MALCOLM INGRAM, 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, November 30, 2021, at 5:00 p.m. via Zoom.

- I. Approval of the Minutes of the Authority for the meeting held on Tuesday, November 16, 2021.
- II. Public Comments
- III. Consider and approve Resolutions authorizing PAID to:
 - A. Issue tax-exempt revenue bonds to Imhotep Institute Charter School, Inc.
 - B. Enter into a lease with Marine Lubricants, Inc.

*THOSE WHO WISH TO PROVIDE COMMENTS OR QUESTIONS ARE ASKED TO DO SO VIA
Email: paidmeeting@gmail.com, PRIOR TO 3 PM Monday, November 29, 2021.*

RESOLUTION

Philadelphia Authority for Industrial Development

Imhotep Institute Charter School, Inc. (the "School" or the "Borrower")

A Resolution authorizing approval of a tax-exempt bond financing through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority"), in an amount not to exceed \$6,600,000, on behalf of the Borrower.

The proceeds of the bonds will be used by the Borrower to finance: (i) the refinancing of a loan from Reinvestment Fund, Inc. to the Borrower; (ii) the refinancing of a Secured Construction/Permanent Mortgage Note Series 2007A (Sankofa Network, Inc.) issued by Nockamixon-Bucks Industrial and Commercial Development Authority on behalf of the Borrower in the original principal amount of \$6,800,000; (iii) the funding of any required reserves, if deemed necessary and (iv) the payment of allowable issuance costs of the bonds.

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

Imhotep Institute Charter School, Inc. (formerly known as Imhotep Institute, Inc.) founded in 1998 is a public, independent, tuition-free charter school located in the West Oak Lane section of the City of Philadelphia, which serves students in grades ninth through twelfth. Imhotep's original charter was issued in 1998 for a 5-year term. Since that time the school has undergone five successful charter renewals in 2003, 2008, 2013, 2018 and 2020 respectively. Currently the school serves 583 students.

Sankofa Network, Inc. is a Pennsylvania 501(c)(3) not-for-profit corporation and was formed to own and operate the facilities in which the school is located. In 2017 Sankofa Network and Imhotep Institute, Inc. merged. The successor by merger was the Imhotep Institute, Inc.

On October 10, 2017, the PAID Board authorized a financing on behalf of the School in the amount of \$10,000,000. The proceeds of the bonds were to be used to refund (i) the refinancing of the Series 2007 Construction/Permanent Mortgage Note of the Nockamixon-Bucks Industrial Development Authority (ii) the refinancing of a note issued in 2007 by Sankofa to finance additional construction and related costs of the school's current facility; and (iii) costs of issuance. This financing never came to market.

On January 16, 2007, the PAID Board authorized a bank qualified financing through the Nockamixon-Bucks Industrial and Commercial Development Authority in the amount of \$6,800,000. This financing closed on July 25, 2007, and will be refunded with the proposed financing to be issued by PAID.

This is Imhotep's first tax-exempt bond financing through PAID.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

Adopted: November 30, 2021

AUTHORIZING THE UNDERTAKING BY THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT OF THE FINANCING OF A PROJECT FOR THE BENEFIT OF IMHOTEP INSTITUTE CHARTER SCHOOL, INC. (FORMERLY KNOWN AS IMHOTEP INSTITUTE, INC.) (THE “BORROWER”); AUTHORIZING THE ISSUANCE OF UP TO \$6,600,000 AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF CHARTER SCHOOL REVENUE REFUNDING BONDS OF THE AUTHORITY (THE “BONDS”) PURSUANT TO A PLAN OF FINANCE FOR THE BENEFIT OF THE BORROWER; AND 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 (“DCED”); and

WHEREAS, Imhotep Institute Charter School, Inc. (formerly known as Imhotep Institute, Inc.) (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 an application to the Authority requesting that the Authority issue its revenue bonds, tax-exempt and/or taxable, in one or more series pursuant to a plan of finance (the “Bonds”) to fund the costs of a project (the “Project”) that consists of:

- (1) the refinancing of (a) a loan (the “RF Loan”) from Reinvestment Fund, Inc. to the Borrower in the original principal amount of \$850,000 and currently outstanding in the amount of \$547,066.95; and (b) a Secured Construction/Permanent Mortgage Note Series 2007A (Sankofa Network, Inc.) issued by Nockamixon-Bucks Industrial and Commercial Development Authority on behalf of the Borrower evidencing a loan (together with the RF Loan, the “Prior Loans”) from Santander Bank, N.A. (formerly known as Sovereign Bank) in the original principal amount of \$6,800,000 and currently outstanding in the amount of \$4,398,456.20, the proceeds of which Prior Loans were used to finance the acquisition and construction of the school facilities located at 6201 North 21st Street, Philadelphia, PA (the “School Facility”);

- (2) the funding of any required reserves, if deemed necessary in connection with the sale of the Bonds; and
- (3) the payment of 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") to be dated as of the dated date to be established (the "Dated Date"), between the Authority and UMB Bank, N.A., as trustee (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") dated as of the Dated Date, between the Authority and the Borrower, the Authority will make the Loan to the Borrower 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, 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 (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 and D.A. Davidson & Co., as purchaser of the Bonds (the "Underwriter"), 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 document (the "Preliminary Offering Document") and a final official statement or other final offering document (the "Offering Document") relating to the Project, the Borrower, the School Facility, 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, the Purchase Agreement, the Assignments, the Preliminary Offering Document, the Offering Document 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 \$6,600,000. The Bonds shall

be designated “Philadelphia Authority for Industrial Development Charter School Revenue Refunding Bonds (Imhotep Institute Charter School Project)” with such further designation or sub-designation as shall be set forth in the Indenture. The Bonds shall have a final maturity not exceeding 30 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 (as defined in Section 8 hereof), counsel to the Authority and the Authorized Officers (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 Officers 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 Document and Offering Document. The Authority hereby authorizes and approves the distribution of a Preliminary Offering Document and the distribution and execution of an Offering Document (if any), 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 Document and/or the Offering Document, 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” and collectively they are referred to herein as “Authorized Officers.” Each Authorized Officer may act jointly or severally in performing its duties hereunder.

(b) The Board of the Authority hereby authorizes and directs any Authorized Officers to deliver the Preliminary Offering Document and execute and deliver the Bonds, the Indenture, the Loan Agreement, the Assignments, the Purchase Agreement, the Offering Document, and any amendments or supplements thereto and, subject to the approval thereof by counsel to the Authority and the Authorized Officers 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, the Project, 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, Trustee and Underwriter. Ballard Spahr LLP is hereby appointed Bond Counsel; and D.A. Davidson & Co. (or any successor(s) to its underwriting business to be designated by the Underwriter) is hereby appointed to serve as Underwriter with respect to the issuance, offering and sale of the Bonds. The Authorized Officers are further authorized to appoint UMB Bank, N.A. to serve as bond trustee for the Bonds. The Authorized Officers are authorized to appoint a replacement Bond Counsel, Underwriter or Trustee at the request of the Borrower or the holders of the Bonds as described in the Indenture; 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.

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 November 30, 2021 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

November 30, 2021

RESOLUTION

Philadelphia Authority for Industrial Development

Marine Lubricants, Inc.

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with Marine Lubricants, Inc. (Tenant), for 11,966 rentable square feet in 4700 Basin Bridge Road, Philadelphia, PA 19112, known as Basin Bridge Building, 4702 Basin Bridge Road, Philadelphia, PA 19112, known as Building 738, and 4706 Basin Bridge Road, Philadelphia, PA 19112, known as Building 739 (Leased Industrial Space) for \$7.00 NNN for a 60-month term. In addition to the Leased Industrial Space, Tenant is seeking to lease 1,026 linear feet on Wharfs G & H (Leased Maritime Space) for \$70.45 per linear foot for a 60-month term. Both the Leased Industrial Space and the Leased Maritime Space shall include an option to renew for 5 years.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements with Tenant or its nominee or assignee, and to do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

Tenant is a Delaware-based maritime services company. The company sells and delivers marine lubricants to ocean-going vessels on the Delaware River. Tenant will be using the Leased Industrial Space and the Leased Maritime Space for their employees to conduct maritime operations related to bunkering, lubricating, and freight services. Tenant is taking over Vane Brothers' operations at the Navy Yard, which will result in Vane Brothers' lease being terminated prior to the commencement of Tenant's lease.

The lease will be the combination of a triple net structure, meaning that the Tenant will be responsible for their proportionate share of Navy Yard CAM, Operating Expenses, and Taxes billed as Additional Rent, and a gross lease structure, meaning that all expenses will be included in the Base Rent. The Leased Industrial Space will be a NNN-structure and the Leased Maritime Space will be structured as a gross lease. The Base Rent will increase by 3% annually, beginning in the second year.

The Leased Office Space will be delivered to Tenant in "as-is" condition and PAID shall have no financial obligation to improve the Leased Industrial Space or the Leased Maritime Space.