

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
May 7, 2019**

Chairperson Smalls presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, March 26, 2019 at 5:00 p.m. in PIDC's Board Room, 35th floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

Other Members attending:

David Hyman
Kate Hagedorn
Thomas A. K. Queenan

Attending from PIDC staff:

John Grady, President
Shayne Moore, Vice President
Cassie Gardner, Executive Assistant

Upon a motion duly made and seconded the Minutes of the meeting held on April 23, 2019 were unanimously approved.

Chairperson Smalls requested approval of the following Resolutions:

- I. A Resolution authorizing Evelyn Smalls, as Chair of the Board of the Philadelphia Authority for Industrial Development (PAID), to execute all necessary documents and agreements, and to take such other actions upon such terms and conditions as she determines to be in the best interests of PAID with respect to executing a federal aid reimbursement agreement for a Congestion Mitigation and Air Quality Improvement Program (CMAQ) grant of \$416,280 in connection with additional shuttle bus service at The Navy Yard.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

- II. A Resolution, in for form attached as Enclosure 1, authorizing the re-issuance of a bank qualified tax-exempt revenue Note (the "Note") through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") in the form attached hereto, in an amount not to exceed \$7,500,000 on behalf of Friends of West Oak Lane Charter School, LLC.

The proceeds of the Note will be used by the Borrower in connection with the issuance, reissuance and refinancing of the Friends of West Oak Lane Charter School, LLC Project Series of 2010 Note, issued in the original principal amount of \$9,836,250, and payment of the costs associated with this project.

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 PAID.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

- III. A Resolution, authorizing the Philadelphia Authority for Industrial Development (PAID) to amend a contract with Urban Engineers to increase the amount to not exceed \$641,380. The contract is to provide engineering services for roadway, streetscape, deck replacement, and associated utility improvements to the Quay wall located along Broad Street at The Navy Yard.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements and do such other acts necessary to assist Urban Engineers and their nominees or assignees upon such terms and conditions as they deem to be in the best interests of this PAID.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

- IV. A Resolution, in the form attached as Enclosure 2, authorizing the Philadelphia Authority for Industrial Development (PAID) to adopt the PENNDOT modified consultant selection policies and procedures to select a consultant for demolition and reconstruction of The Navy Yard Quay Wall ("Project").

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements and do such other acts necessary as they deem to be in the best interests of this Corporation to implement this Resolution.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

There being no further business before the Board, the meeting was adjourned.

RESOLUTION OF THE PHILADELPHIA AUTHORITY
FOR INDUSTRIAL DEVELOPMENT
PHILADELPHIA, PENNSYLVANIA
ADOPTED: May 7, 2019

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”), for the purposes set forth therein; and

WHEREAS, the Borrower (herein defined) has requested that the Authority modify and extend its (Friends of West Oak Lane Charter School, LLC Project) Series of 2010 Note, in the original principal amount of \$9,836,250 (the “Series of 2010 Note”) for the benefit of Friends of West Oak Lane Charter School, LLC, a single member Pennsylvania limited liability company (the “Borrower”);

WHEREAS, a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) was held on April 6, 2010, and the Mayor of the City of Philadelphia approved the issuance of the Series of 2010 Note on April 16, 2010;

WHEREAS, the Borrower used the proceeds of the Series of 2010 Note, along with other funds available therefor, to finance a project consisting of:

- (i) the payment of the costs of acquisition, financing, development, construction, leasing and upgrades to the real estate and improvements located on the 7100 block of Stenton Avenue, Philadelphia Pennsylvania, for use as a charter school the “Facilities”); and
- (ii) the payment of certain costs of issuance of the Series of 2010 Note (collectively, (i) and (ii) are referred to herein as the “Original Project”); and

WHEREAS, Fulton Bank (the “Lender”) purchased the Series of 2010 Note from the Authority, and the Authority loaned the proceeds of the Series of 2010 Note to the Borrower pursuant to a certain Note Purchase Agreement/Construction Rider dated November 29, 2010 (the “Original Note Purchase Agreement”) as amended by a certain First Amendment to Note Purchase Agreement dated March 28, 2017 (the “First Amendment to Note Purchase Agreement” and together with the Original Note Purchase Agreement, the “Note Purchase Agreement”); and

WHEREAS, to evidence its payment obligations under the Note Purchase Agreement, the Borrower executed and delivered a promissory note in the original principal amount of \$9,836,250 dated as of November 29, 2010 (the “Promissory Note”) in favor of the Authority and the obligations of the Borrower under the Promissory Note are secured by (i) a lien on and security

interest in the Facilities pursuant to an Open-End Leasehold Mortgage and Security Agreement of even date therewith, made by the Borrower in favor of the Authority and assigned to the Lender (the “Original Mortgage”), and (ii) a certain Accommodation Open-End Mortgage and Security Agreement dated March 28, 2017 made by Ogontz Avenue Revitalization Corporation, a Pennsylvania non-profit corporation and sole member of the Borrower in favor of the Authority and assigned to Lender (the “Ogontz Mortgage”), and (iii) a certain Accommodation Open-End Mortgage and Security Agreement dated March 28, 2017 made by Haines Eastburn Stenton Corporation, a Pennsylvania non-profit corporation in favor of the Authority and assigned to Lender (the “Haines Mortgage” and together with the Original Mortgage and the Ogontz Mortgage, the “Mortgage”); and

WHEREAS, the Lender and the Borrower have executed allonges to the Series of 2010 Note and the Promissory Note from time to time in order to extend the respective terms thereof, the Series of 2010 Note, the Promissory Note, the Note Purchase Agreement, the Mortgage, and ancillary documents executed in connection therewith, all as amended to date, are collectively referred to herein as the “Original Documents”; and

WHEREAS, the Lender and the Borrower intend to further amend the terms of the Original Documents in order to extend the term to December 31, 2023, and to make other changes to the terms thereof in the currently outstanding principal amount of not to exceed \$7,500,000, such amendments and modifications constitute a reissuance under the Code (the “Refinancing Project”);

WHEREAS, the Borrower requests that the Authority reissue its Series of 2010 Note in a principal amount of not to exceed \$7,500,000 including payment of all or a portion of the costs such reissuance;

WHEREAS, after inquiry, and based upon the representations of the Borrower, the Authority has determined that undertaking the Refinancing Project through the reissuance of the Series of 2010 Note will serve the public purposes of the Act by providing financing for a charter school.

NOW THEREFORE, BE IT RESOLVED by the Board of the Authority, that;

1. Based upon representations of the Borrower in its application to the Authority, the Authority hereby finds and determines that:

(a) the financing of the Project was, and the undertaking of the Refinancing Project is, a “project” within the meaning of that term as defined in the Act;

(b) the financing of the Project through the issuance or reissuance by the Authority under the Act of its Series of 2010 Note and the Refinancing Project is consistent with the public purposes of the Act.

2. The Authority hereby authorizes the issuance, reissuance and refinancing of the Series of 2010 Note in original principal amount of \$9,836,250 (and the current outstanding

principal amount of which is not to exceed \$7,500,000, including a portion of the costs of issuance or reissuance. The terms and conditions of such Series of 2010 Note, as amended or reissued in connection with the Refinancing Project (including, without limiting the generality of the foregoing, the denomination thereof, interest rates, interest payment dates, conversion provisions, maturity dates and redemption provisions thereof) and the form of such reissued Series of 2010 Note shall be as approved by Bond Counsel (as hereinafter appointed) and shall be approved by the officers of the Authority who execute and deliver such Series of 2010 Note, after consultation with Bond Counsel to the Authority, the execution and delivery of such Series of 2010 Note by officers of the Authority to constitute conclusive evidence of such approval. It is anticipated that the interest rate on the Series of 2010 Note shall be a bank-qualified, tax-free rate, which will be set five (5) days prior to closing at eighty percent (80%) of the five (5) year ICE SWAP Benchmark plus 282 basis points.

3. The Authority shall enter into a Second Amendment to Note Purchase Agreement (the "Second Amendment to NPA") which shall provide that the Lender will purchase the Series of 2010 Note from the Authority, that the Authority will lend the proceeds of the Series of 2010 Note to the Borrower and that the Borrower will agree, among other things, to make loan repayments in amounts and at times sufficient to timely pay the principal of, premium, if any, and interest on the Series of 2010 Note.

4. The Chairman or Vice Chairman, Secretary or Assistant Secretary or any other proper officer of the Authority is hereby authorized, empowered and directed to execute attest, acknowledge, and deliver, as applicable, the Second Amendment to NPA substantially in the form approved by the officer executing the same after consultation with Bond Counsel to the Authority, execution and delivery of such documents to constitute conclusive evidence of such approval.

5. The Authority shall deposit or cause to be deposited with the Borrower, for use in accordance with the provisions of the Note Purchase Agreement, as amended by the Second Amendment to NPA, the loan proceeds realized by the Authority. Any officer of the Authority is authorized and directed to execute and deliver appropriate closing certifications or other certificates, instruments, elections, letters, financing statements, documents and agreements in connection with the issuance or reissuance of the Series of 2010 Note and the use, deposit and disposition of the proceeds of the Series of 2010 Note as may be required by Bond Counsel to the Authority.

6. The Chairman, Vice Chairman, Treasurer, Secretary or Assistant Secretary and any other officer of the Authority are authorized and directed to proceed with the undertakings herein contemplated. Such officers are authorized, empowered, and directed to do any and all acts and things and to execute and deliver any and all documents, agreements, instruments or certificates that may be necessary, proper or desirable to effect the transactions contemplated by this Resolution, including, but not limited to, the execution and delivery of such documents, instruments, certificates, agreements, financing statements, letters, etc. as may be reasonably requested and as may be approved by Bond Counsel for the Authority. The execution and delivery, by any officer of the Authority, of any and all documents, instruments or certificates that may be

necessary, proper or desirable to effect the transactions contemplated by this Resolution shall constitute conclusive evidence of approval by such officer.

7. The Authority hereby appoints Turner Law, P.C., Philadelphia, Pennsylvania to serve as Bond Counsel in connection with the issuance of the Note.

8. Payment of any and all attorney fees, and all other professional and advisory fees incurred in connection with the Project and the Refinancing Project shall be the responsibility of the Borrower and not of the Authority. The Authority shall have no liability with respect to such costs.

9. The officers of the Authority are hereby authorized and directed to execute and deliver such other documents including any amendments or supplements thereto, as may be necessary or appropriate to effectuate the matters contemplated by this Resolution, and to take such other action as may be necessary or appropriate in order to effectuate the financing of this Refinancing Project, the Note, the Note Purchase Agreement and all documents, instruments, certificates, agreements, financing statements, letters in accordance with the foregoing Resolution.

10. This Resolution shall become effective immediately.

11. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

12. All resolutions or parts of resolutions, inconsistent herewith are repealed, canceled and annulled.

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certify that the foregoing is the text of the Resolution adopted by said Authority at a meeting held May 7, 2019 after the giving of the required public notice and at which a quorum was present.

(Assistant) Secretary

[SEAL]

The agreement will be prepared by the Department and circulated for signatures.

It is understood that the consultant cannot begin work until the Federal authorization has been obtained, and both the engineering Agreement and the Reimbursement Agreement have been fully executed, and notification of this fact has been received by the _____ .
Municipality

The _____ will designate a person to perform liaison activities between the _____ ,
Mayor, Council, Board of Supervisors, etc. Municipality
the Department, and the consultant.

The _____ will enter into a reimbursement agreement with the Department setting forth the methods for reimbursing
Municipality
the federal funds to the _____ . The reimbursement agreement will be prepared by the Department.
Municipality

During the life of the engineering agreement, monthly (or at other appropriate times) meetings will be held with the consultant and the designated liaison person. The Department will be invited to attend these meetings. Documentation of these meetings will be included in the project file.

Partial payment invoices for work performed will be processed as provided by Publication 442. After review of the invoices by the _____ , it will be paid. The invoice will in turn be forwarded to the Department with
responsible individual of the Municipality
recommendation for reimbursement of the Federal and/or State share.

Prior to termination of services and payment of the final invoice, a joint review will be made by the Department and the _____ to insure the propriety of claims and that all terms and conditions of the contract have been satisfied.
Municipality
Documentation of these findings will be submitted to the Department with the final invoice.

The _____ designated liaison person will complete copies of the Form D-429, "Past Performance Report for
Municipality's
Consultant Engineers", see Appendix 7F or Form D-429 CI, "Past Performance Report for Consultant Engineers Construction Inspection", see Appendix 7G.

It is understood and made part of these procedures that the employees of the _____ will neither solicit nor
Municipality
accept gratuities, favors, or anything of monetary value from consultants or contractors or potential consultants or contractors. Violators of said standards will be subject to dismissal from their employment with the _____ , by order of the
Municipality

(Mayor, Council, Board of Supervisors, etc.)

Now, Therefore Be It Resolved that the _____ of the _____ have adopted these
Mayor, Supervisors, Etc. Municipality
policies and procedures for engineering by consultants and will adhere to the rules and regulations of the Department.

NOW, THEREFORE BE IT FURTHER RESOLVED that the _____ this _____ day of
Mayor, Supervisors, Etc.
_____, 20 _____ , on behalf of the _____ hereby accept the aforesaid policies and procedures.
Municipality

UPON MOTION DULY MADE and seconded, the above resolution as adopted the day and year set forth above.

ATTEST:

Municipality

BY _____

BY _____

Title

Title