

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

June 22, 2021

Chair Evelyn Smalls presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, June 22, 2021, at 5:00 p.m. via Zoom.

Other Members attending:

David Hyman
Malcolm Ingram
Christina Wong
Thomas A. K. Queenan

Attending from PIDC staff:

Anne Bovaird Nevins, President
Ilene Burak, Esq., Senior Vice President and General Counsel
Kate McNamara, Senior Vice President, Navy Yard
Nicole I. Krippel, Director, Tax Exempt Financing
Cassie Gardner, Executive Assistant to the President

Upon a motion duly made and seconded the Minutes of the meeting held on June 8, 2021, were unanimously approved.

Chair Smalls requested approval of the following Resolutions:

- I. A Resolution authorizing PAID to submit a Letter of Intent (LOI) to purchase a property located 1646 S. 51st St. (Property). If accepted, PAID will enter into an Agreement of Sale with PBF Logistics (Seller) to acquire approximately 12.4 acres of land for an amount not to exceed \$8,250,000. This offer will include a non-refundable deposit subject payable upon execution of an Agreement of Sale.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary and desired documents and agreements, and do such other acts necessary 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.

- II. A Resolution authorizing PAID to enter into a lease with Architecture, Urban Design, and Policy, LLC, for 305 rentable square feet in 4605 South Broad Street, Philadelphia, PA 19112, known as Quarters M-3, Suite 110 for \$1,500.00 per month for a term of 60 months.

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.

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

- III. A Resolution authorizing PAID to enter into a lease with The Carlin Collaborative, LLC, for 2,022 rentable square feet in 4747 South Broad Street, Philadelphia, PA 19112, known as Building 101, Suite 232 for \$28.00 per square foot for a term of 24 months.

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.

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

- IV. A Resolution, in the form attached as Enclosure 1, authorizing PAID to consent to the issuance of a bank qualified tax-exempt note not to exceed \$4,000,000 through the Horsham Industrial and Commercial Development Authority on behalf of the Settlement Music School of Philadelphia. HICDA is a qualified small issuer and eligible issuer of bank-qualified tax-exempt notes. The proceeds of the proposed financing will finance the refunding of the Borrower's existing bank qualified tax-exempt debt issued through the Lower Salford Industrial Development Authority in 2014 and pay 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 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.

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

RESOLUTION

Philadelphia Authority for Industrial Development

Acquisition of 1646 S.51st Street, Philadelphia, PA

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to submit a Letter of Intent (LOI) to purchase a property located 1646 S. 51st St. (Property). If accepted, PAID will enter into an Agreement of Sale with PBF Logistics (Seller) to acquire approximately 12.4 acres of land for an amount not to exceed \$8,250,000. This offer will include a non-refundable deposit subject payable upon execution of an Agreement of Sale.

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

BACKGROUND

Since its release in 2013, the Lower Schuylkill Master Plan (“LSMP”) has served as a long-term framework for revitalizing 3,700 acres along the lower Schuylkill River. Early implementation has focused on assembling and preparing market-ready sites to support advanced manufacturing companies growing out of University City or seeking to locate near it.

The Property PAID seeks to acquire is an industrially-zoned site located adjacent to the remainder of PAID’s Bartram North assemblage. Acquisition of the Property will advance several strategic goals for the LSMP: (1) it will expand PAID’s Bartram North holdings from 18 to 30 acres; (2) it will consolidate ownership of the entire area bounded by adjacent two CSX rail lines to the south and west, the Schuylkill River and the Grays Ferry Ave. Bridge into public ownership creating a contiguous, unified campus setting along the Schuylkill River Trail; (3) it will prevent the introduction of incompatible industrial uses adjacent to the proposed advanced manufacturing facilities targeted for Bartram North, and; (4) it will allow for removal of unsightly pipeline infrastructure from the riverfront entrance that leads to Bartram’s Garden.

PAID proposes to acquire the Property using funds from the Industrial and Commercial Revolving Fund (more commonly referred to as the Industrial Landbank). PAID’s acquisition of properties with Industrial Landbank funds are contingent on approval by the Philadelphia Commerce Director, passage of an ordinance authorizing acquisition by the Philadelphia City Council and sign-off by the Mayor of the City of Philadelphia.

June 22, 2021

RESOLUTION

Philadelphia Authority for Industrial Development

Architecture, Urban Design, and Policy, LLC

BACKGROUND

Tenant is a Philadelphia-based design firm that specializes in architecture, urban design, engineering, and construction management. Tenant is MBE certified, and will be using the space as a new satellite office for 3 employees. Tenant has decided to establish a location at the Navy Yard due to its geographical convenience for employees and to foster future client relationships in and around the Navy Yard.

The lease is a gross lease, meaning that Navy Yard CAM, Operating Expenses, and Taxes are included in the Rent. Tenant will receive six months of reduced rent at the beginning of the term, and the Rent will increase by 3% each year.

Leased Office Premises will be delivered to Tenant in “as-is” condition and PAID shall have no financial obligation to improve the Leased Office Space.

June 14, 2021

RESOLUTION

Philadelphia Authority for Industrial Development

The Carlin Collaborative, LLC

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with The Carlin Collaborative, LLC (Tenant), for 2,022 rentable square feet in 4747 South Broad Street, Philadelphia, PA 19112, known as Building 101, Suite 232 (Leased Office Space) for \$28.00 per square foot for a term of 24 months.

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 New Jersey-based project management firm that specializes in architecture, interior design, engineering, and construction. Tenant is WBE and MBE certified, and will be using the space as their new office in Philadelphia for 6 employees. Tenant has decided to establish a location at the Navy Yard due to its geographical convenience for employees and to foster future client relationships in Philadelphia.

The lease is a triple net lease, meaning that the Tenant will be responsible for their proportionate share of Navy Yard CAM, Operating Expenses, and Taxes billed as Additional Rent.” Tenant will receive two months of free Base Rent at the beginning of the term, and the Base Rent will increase by 3% for the second year.

Leased Office Premises will be delivered to Tenant in “as-is” condition and PAID shall have no financial obligation to improve the Leased Office Space.

RESOLUTION

Philadelphia Authority for Industrial Development

*Settlement Music School of Philadelphia (the "Borrower")
Outside Authority Bond Issue*

A Resolution authorizing the Philadelphia Authority for Industrial Development's ("PAID" or the "Authority") consent for the issuance of a bank qualified tax-exempt note not to exceed \$4,000,000 through the Horsham Industrial and Commercial Development Authority ("HICDA"), on behalf of the Borrower.

HICDA is a qualified small issuer and eligible issuer of bank-qualified tax-exempt notes. The proceeds of the proposed financing will finance the refunding of the Borrower's existing bank qualified tax-exempt debt issued through the Lower Salford Industrial Development Authority in 2014 and pay 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 upon such terms and conditions as they deem to be in the best interests of the Authority.

BACKGROUND

Settlement Music School of Philadelphia is the largest community school of the arts in the United States. The School provides a wide range of music, dance and art programs for preschool, school age children, adults and seniors. Settlement Music School has five locations, including four in Philadelphia and surrounding suburbs, as well as an online program. The School serves more than 7,800 students each year without regard to age, race or financial circumstances, and awards more than \$2 million annually in financial aid and scholarships.

On July 15, 2014, the PAID Board authorized the issuance of a bank qualified tax exempt issuance through the Lower Salford Industrial Development Authority in an amount not to exceed \$7,400,000. The proceeds were used to refund PAID's Series 2009 Bonds as described below and pay the costs of issuance. This financing closed on August 26, 2014, and will be refunded upon completion of the above contemplated financing.

On October 13, 2009, the PAID Board authorized a resolution for the issuance of a tax-exempt financing in an amount up to \$10,000,000. The proceeds financed (i) the repayment of a taxable loan, which refunded the Authority's Variable Rate Demand Revenue Bonds, Series of 2004, (ii) capital projects of the School and (iii) costs of issuance (the "2009 Bonds"). This financing closed on November 30, 2009 and was underwritten by PNC Bank. This financing is no longer outstanding

On February 24, 2004, PAID authorized a resolution for the issuance of a tax-exempt financing in an amount of \$6,000,000. The proceeds of this issuance were used to finance various capital projects including the expansion and renovation of facilities in South Philadelphia (Mary Louise Curtis branch), Germantown and Jenkintown. This issuance closed on March 24, 2004 and was underwritten by PNC Bank. This financing is no longer outstanding.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

APPROVING THE FINANCING BY THE HORSHAM INDUSTRIAL AND COMMERCIAL
DEVELOPMENT AUTHORITY OF A PROJECT ON BEHALF OF
SETTLEMENT MUSIC SCHOOL OF PHILADELPHIA

WHEREAS, the Philadelphia Authority for the Industrial Development (“PAID”) is organized under the Pennsylvania Economic Development Financing Law (the “Act”) and is empowered under the Act to acquire, by purchase or otherwise, any lands or interest therein or other property which it may determine is reasonably necessary for any project (as defined in the Act) and to enter into contracts with respect to the financing for any project (as defined in the Act); and

WHEREAS, Settlement Music School of Philadelphia (the “Borrower”), is a Pennsylvania nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), formed for the purpose of engaging in charitable and education activities; and

WHEREAS, the Borrower has requested the Horsham Industrial and Commercial Development Authority (“Authority”) to issue up to Four Million Dollars (\$4,000,000.00) of bank qualified indebtedness to refund and refinance a tax-exempt note issued by Lower Salford Industrial Development Authority on August 21, 2014 in the amount of \$5,100,000 (the “Lower Salford Note”). The Lower Salford Note was issued on a tax-exempt, bank-qualified basis to finance a project consisting of (1) the refinancing of existing tax-exempt indebtedness incurred in November, 2009, the proceeds of which were used for (a) repayment of taxable indebtedness incurred by the Borrower on August 25, 2009 to repay the outstanding principal of the Philadelphia Authority for Industrial Development (“PAID”) Variable Rate Demand Revenue Bonds (Settlement Music School of Philadelphia Project), Series 2004 (the “2004 Bonds”), previously issued by PAID on behalf of the Borrower to pay all or a portion of the costs of: (i) the renovation and expansion of the Borrower’s Mary Louise Curtis (Queen Street) Branch, including the construction of an approximately 12,000 square foot addition; (ii) the implementation of a comprehensive technology upgrade, including a new telephone system, data network and custom designed software for student scheduling, billing, payroll and donor gift activity; (iii) renovation and expansion of the Borrower’s Germantown Branch, including additional parking and construction of a new entrance; (iv) acquisition, renovation and equipping of a site for the Borrower’s Jenkintown Branch, including approximately 1.7 acres of land and an approximately 12,000 square foot building thereon; and (v) other miscellaneous renovations, improvements and additions, including capital repairs, at any or all of the Borrower’s facilities, including, without limitation, roof replacement at the Queen Street, Kardon-Northeast and Germantown Branches; (b) additional funds obtained for the financing of certain additional capital projects of the Borrower including: (i) construction of a 25,000 square foot, three-story facility to replace the Jenkintown Branch in Abington Township with expanded voice and instrument teaching facilities, including additional parking to 110 cars; and (ii) renovation of the

Germantown Branch location, including the expansion of ancillary parking facilities onto adjacent vacant lots owned by the Borrower and related site work; and (iii) payment of financing costs; (2) payment of a portion of the costs of issuance of the Note and (3) other appropriate and lawful purposes (the current refunding and refinancing of the Lower Salford Note shall be referred to in these Resolutions as the “Project”); and

WHEREAS, the Authority desires to approve and undertake the Project with the consent and approval of the Philadelphia Authority for Industrial Development (“PAID”); and

WHEREAS, in connection with the financing by the Authority of the Project, PAID will be required to cooperate with appropriate officials of the City of Philadelphia to conduct a public hearing for the purpose of securing the necessary public approval required under Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Authority for Industrial Development as follows:

1. PAID hereby consents to and approves the financing of the Project by the Authority as described herein and as described in the financing application of the Authority prepared under the Pennsylvania Economic Development Financing Law, a copy of which has been provided to PAID.

2. The appropriate officers of PAID are hereby authorized and directed to take such action as may be necessary or desirable to do and perform for or on behalf of PAID to assist the Authority in connection with the Project including, without limitation, conducting a public hearing with respect to the Project and the issuance of the Bonds by the Authority and to report thereon to the Mayor of the City of Philadelphia, all as required by Section 147 of the Code.

3. The Authority has represented that it reasonably anticipates that it, Horsham Township and any other entities issuing debt on either of their behalf will not issue, in the aggregate, more than \$10,000,000 of tax-exempt obligations during calendar year 2021. The Authority has, or will, by resolution or appropriate certification, designate the Bonds as qualified tax-exempt obligations of the Authority under Section 265(b)(3)(B) of the Code.

4. All costs of the Project, including fees and expenses of PAID, shall be paid by the Borrower from the proceeds of the financing or otherwise from its available funds, and PAID shall have no responsibility therefor.

5. This Resolution shall take effect immediately upon adoption.

Adopted this 22nd day of June, 2021.

CERTIFICATION

I, the Assistant Secretary of the Philadelphia Authority for Industrial Development, do hereby certify that the foregoing is a true, correct and complete copy of the Resolution adopted by the Authority at a meeting on June 22, 2021, 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 amended, modified or repealed.

Assistant Secretary