MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
July 14, 2020

Vice Chair David Hyman presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, July 14, 2020 at 5:00 p.m. via teleconference.

Other Members attending:

Malcolm Ingram
Thomas A. K. Queenan

Attending from PIDC staff:

Anne Bovaird Nevins, President
Ilene Burak, Esq., Senior Vice President and General Counsel
Cassie Gardner, Executive Assistant to the President

Upon a motion duly made and seconded the Minutes of the meeting held on June 16, 2020 were unanimously approved.

Vice Chair Hyman requested approval of the following Resolutions:

I. A Resolution, in the form attached as Enclosure 1, authorizing approval of a tax-exempt financing through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”), in an amount not to exceed $18,000,000, on behalf of the Byerschool Foundation.

The proceeds of the bonds will be used to finance (i) the refunding of all or a portion of the Authority’s Revenue Bonds (Russell Byers Charter School Project) Series A and B of 2017; (ii) capital improvements to the Russell Byers School facility located at 1911-13 Arch Street; (iii) capitalized interest on the bonds, if deemed necessary; (iv) funding any required reserves, if deemed necessary; and (iii) 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 Foundation 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, in the form attached as Enclosure 2, authorizing issuance of Multifamily Housing Revenue Bonds, Series 2020 through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”), on behalf of the Susquehanna Net Zero Housing, LP in an amount up to $14,000,000.

The project is anticipated to consist of (i) the acquisition of a long-term leasehold interest in the site known as Susquehanna Townhome Apartments, a 78-unit low-income housing residential
facility located at 2201 N. 27th Street, in the City of Philadelphia (the “Leased Premises”), (ii) the acquisition, construction, renovation, equipping of and capital improvements to the buildings located on the Leased Premises and (iii) 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 PAID

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

III. A Resolution, in the form attached as Enclosure 3, 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 $6,695,000, on behalf of The Philadelphia Protestant Home.

The proceeds of the Bonds will be used to finance renovations and miscellaneous capital expenditures with respect to the Borrower’s continuing care retirement community located at 6500 Tabor Avenue, in the City of Philadelphia: and 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.

IV. A Resolution in the form attached as Enclosure 4, authorizing the Authority to sponsor a proposed project and submit an application in an amount up to $52,000,000 to the Pennsylvania Economic Development Financing Authority (“PEDFA”) on behalf Philadelphia Project Finance, LLC, (the “Borrower”).

The Authority will submit an application on behalf of the Borrower to PEDFA and serve as the local sponsor of the project. The proposed project includes (i) the refunding of the PEDFA Sewage Sludge Disposal Revenue Bonds (Philadelphia Biosolids Facility Project), Series 2009, currently outstanding in the aggregate principal amount of $51,320,000 (the "2009 Bonds") the proceeds of which were used to finance the design and construction of a biosolids processing and disposal facility located at 7800 Penrose Ferry Road, in the City of Philadelphia (the "Facility")(ii) fund a debt service reserve, if necessary, (iii) 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.

With Mr. Hyman abstaining, (see enclosure 5), resulting in the absence of a quorum, the Members agreed to table the above resolution until the next regularly scheduled meeting.

V. A Resolution, in the form attached as Enclosure 6, authorizing the redemption and/or defeasance of the Authority’s $8,540,000 Revenue Bonds (The Architecture & Design Charter High School
Project), Series of 2013 (the “2013 Bonds”), and to execute certain documents in connection with the redemption and/or defeasance of the 2013 Bonds.

The proceeds of the Series 2013 Bonds were used to finance (1) the refinancing of taxable debt which refinanced taxable debt originally incurred to purchase an approximately 120,801 square foot, 5 story building (the “Building”) located at 105-17 South 7th Street and 675 Sansom Street, in the City of Philadelphia; (2) the payment of the costs of renovations to the Building and other capital expenses, including capitalized interest, if any; (3) a deposit to a debt service reserve fund, if required; and (4) costs of issuance.

The Building is owned by Designing Futures Foundation, an affiliated 501(c)3 not-for-profit corporation, through its wholly owned subsidiary L-A Liberty Square Associates, L.P. The Building is leased to CHAD.

CHAD’s charter has been in nonrenewal status since June 21, 2017, which has caused an event of default under certain bond documents.

On June 13, 2019, CHAD and The School District of Philadelphia (the “School District”) entered into an Agreement to Close Charter School and Cancel Nonrenewal Hearing (the “Closure Agreement”), whereby CHAD irrevocably agreed to surrender its charter to the School District to cease operations.

A purchase and sale agreement has been executed between L-A Liberty, as seller, and Seventh & Sansom, LLC, as buyer. The proceeds from the sale of the Building, together with funds available under the Loan and Trust Agreement and other available funds of the Foundation and L-A Liberty, will be applied to redeem and/or defease all of the 2013 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 Foundation and the School, upon such terms and conditions as they deem to be in the best interest 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.
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

AMENDED AND RESTATED RESOLUTION

Adopted: July 14, 2020


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 Communities and Economic Development; and

WHEREAS, Byerschool Foundation (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 owns, develops, leases (as landlord) and/or operates school facilities in the Commonwealth, including a public charter school facility located at 1911-13 Arch Street, Philadelphia, PA 19103 (the “Charter School Facility”), which is leased to Russell Byers Charter School (the “Charter School”), a Pennsylvania nonprofit corporation operating a public charter school pursuant to the Pennsylvania Charter School Law (24 P.S. §17-1701-A, et seq.), as tenant, under the Fourth Amended and Restated Lease Agreement to be entered into in connection with the Project (the “Lease Agreement”); and

WHEREAS, the Borrower has made application to the Authority requesting that the Authority undertake a project (the “Project”) that consists of:

(1) paying, or reimbursing the Borrower for, all or a portion of the costs of acquisition, construction and/or equipping of certain improvements to the Charter School Facility;
(2) refunding all or a portion of (i) the Authority’s Revenue Refunding Bonds (Russell Byers Charter School Project) Series A of 2017; and (ii) the Authority’s Revenue Bonds (Russell Byers Charter School Project), Series B of 2017;

(3) paying capitalized interest on the Bonds, if deemed necessary in connection with the sale of the Bonds;

(4) funding any required reserves, if deemed necessary in connection with the sale of the Bonds; and

(5) paying certain issuance costs of the Bonds; and

WHEREAS, to finance the Project, the Authority, at the Borrower’s request, has determined to issue one or more series of its tax-exempt or taxable revenue bonds (the “Bonds”), pursuant to one or more trust indentures or trust agreements (the “Indenture”) between the Authority and U.S. Bank National Association, or another bank or trust company designated by the Borrower (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 (the “Loan Agreement”) 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 relating to the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, the Borrower and the Charter School will enter into the Lease Agreement to provide that the Borrower will lease the Charter School Facility to the Charter School for the operation of a charter school; 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, guaranties, revenue pledges or other security, pursuant to one or more security agreements, including the Lease Agreement, an Open-End Mortgage, Assignment of Leases and Income, Security Agreement and Fixture Filing by the Borrower in favor of the Authority, and the Assignment of Leases, Rents and Profits from the Borrower in favor of the Authority encumbering the Charter School Facility (the “Security Agreements”), as may be necessary in connection with the offering and sale of the Bonds, and the Authority shall assign its rights under the Loan Agreement 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 PNC Capital Markets LLC, as underwriter (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 Charter School, 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 Assignment, 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; and

WHEREAS, on January 28, 2020, the Authority adopted a resolution (the “Prior Financing Resolution”) authorizing the transactions described above and the Authority now desires to amend and restate the Prior Financing Resolution.

NOW THEREFORE, BE IT RESOLVED by the Authority that the Prior Financing Resolution is hereby amended and restated in its entirety to read as this Amended and Restated Resolution (this “Resolution”), and in confirmation thereof be it further resolved by 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 $18,000,000. The Bonds shall be designated “Philadelphia Authority for Industrial Development Revenue Bonds (Russell Byers Charter School Project) Series 2020.” The Bonds shall have a final maturity not exceeding 30 years and shall bear interest at a fixed rate or rates not to exceed 7.0% per annum and/or a variable rate to be established as provided in 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, 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, 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 Document and Offering Document. The Authority hereby authorizes and approves the distribution and execution of a Preliminary Offering Document and an Offering Document (if any) 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.” 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 Officer to execute and deliver the Bonds, the Indenture, the Loan Agreement, the Purchase Agreement, the Preliminary Offering Document, the Offering Document, and, subject to the approval thereof by counsel to the Authority and the Authorized Officer executing the same, to execute and deliver any other document, agreement, instrument or certificate required to be executed by the Authority in connection with the issuance 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 other document, certificate or instrument required in connection with the sale and issuance of the Bonds and to attest the signature of any Authorized Officer where required.

Section 6. **Appointment of Bond Counsel, Trustee and Underwriter.** Saul Ewing Arnstein & Lehr LLP is hereby appointed Bond Counsel; U.S. Bank National Association, is hereby appointed as Trustee; and PNC Capital Markets LLC (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 Bonds.

Section 7. **Further Action.** The Authorized Officers are hereby authorized and directed, jointly and severally, to take such further actions and execute such additional documents 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 8. **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 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. **Repeal.** This Resolution shall take effect immediately upon its adoption, and all prior resolutions, including the Prior Financing Resolution, or parts thereof inconsistent herewith are hereby repealed.

Section 11. **Effective Date of Resolution.** This Resolution shall take effect immediately.
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
Philadelphia, Pennsylvania

BOND RESOLUTION

Adopted: July 14, 2020

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 Act of August 23, 1967, P.L. 251, as amended (the “Act”); and

WHEREAS, Susquehanna Net Zero Housing, LP, limited partnership organized under the laws of the Commonwealth of Pennsylvania (the “Borrower”), has entered into an agreement to acquire a long-term leasehold interest in the property located at 2201 N. 27th Street, Philadelphia, Pennsylvania and will construct, own and operate the Susquehanna Townhome Apartments, which will consist of a 78-unit housing facility (the “Facility”); and

WHEREAS, the Borrower has requested the Authority to issue a series of bonds consisting of the Philadelphia Authority for Industrial Development Multifamily Housing Revenue Bonds (Susquehanna Townhome Apartments), Series 2020 (the “Bonds”), in an aggregate principal amount not to exceed $14,000,000, the proceeds of which will be used by the Borrower to finance the costs of a project (the “Project”) consisting of the acquisition, construction and equipping of the Facility; and

WHEREAS, the Bonds are to be issued under and secured pursuant to a Trust Indenture (the “Trust Indenture”) between the Authority and The Huntington National Bank, as trustee, or such other bank that has corporate trust powers (the “Trustee”); and

WHEREAS, pursuant to the terms of a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower, the Authority will make a loan (the “Loan”) in an amount equal to the principal amount of the Bonds to the Borrower, and the Borrower will agree to repay the Loan in installments sufficient to pay when due the principal and redemption premium, if any, of, and interest on, the Bonds; and

WHEREAS, the Loan will be evidenced by a promissory note (the “Note”) from the Borrower to the Trustee, as assignee of the Authority; and the Note will be secured by, among other interests granted by the Borrower to the Trustee, a mortgage and a security interest in certain assets of the Borrower granted by the Borrower for the benefit of the Trustee; and

WHEREAS, the Facility shall also be subject to a Land Use Restriction and Tax Regulatory Agreement (the “Tax Regulatory Agreement”) among the Authority, the Borrower and the Trustee to preserve the excludability from gross income for federal income tax purposes of interest on the Bonds by complying with, among other things, applicable low and moderate income set-aside requirements; and
WHEREAS, FMSbonds, Inc. or a designee of Red Stone A7 LLC (the “Purchaser”), will purchase the Bonds pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Authority, the Borrower and the Purchaser; and

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

Section 1. PLAN OF FINANCING. The financing of the Project, as described herein and in the Trust Indenture, and the issuance of the Bonds are hereby approved (collectively, the “Plan of Finance”), provided that (a) the Bonds shall not exceed $14,000,000 in aggregate principal amount, (b) the Bonds shall mature not later than July 1, 2065, (c) the maximum interest rate on the Bonds shall not exceed 10% per annum, and (d) the Bonds shall be placed directly with the Purchaser. The final terms of each series of Bonds shall be conclusively evidenced by the execution by authorized officers of the Authority of the Bond Purchase Agreement.

Section 2. APPROVAL AND EXECUTION OF DOCUMENTS. The Chairman or Vice Chairman of the Authority (together, the “Authorized Officers”) are hereby authorized and directed to execute or accept and deliver, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to attest and affix the corporate seal of the Authority, to the Bonds, the Trust Indenture, the Loan Agreement, the Tax Regulatory Agreement and the Bond Purchase Agreement, and such other documents required to be executed in connection therewith, in such forms as counsel may advise and the officers executing the same may approve, such approval to be conclusively evidenced by their execution thereof.

Section 3. APPOINTMENT OF TRUSTEE AND BOND COUNSEL. The Authority hereby approves the appointment by the Borrower of The Huntington National Bank, as trustee, and Greenberg Traurig LLP, as Bond Counsel in connection with the issuance of the Bonds. At the request of the Borrower, the Authorized Officers are authorized to appoint a duly qualified firm as replacement Bond Counsel or replacement Trustee; 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 4. INCIDENTAL ACTION. The officers of the Authority are hereby authorized and directed to execute and deliver such other documents, certificates and instruments, including without limitation such intercreditor, subordination or other security agreements reasonably requested by the Purchaser, and to take such other action as may be necessary or appropriate in order to effectuate and consummate: (i) the Project and the Plan of Finance, (ii) the execution, delivery and receipt of the Trust Indenture, the Loan Agreement, the Bond Purchase Agreement, and the Tax Regulatory Agreement, and (iii) the issuance, sale, and delivery of the Bonds, all in accordance with the foregoing Sections hereof.

Section 5. AUTHENTICATION. The Trustee is hereby authorized, directed and requested to authenticate the Bonds and to deliver them to or upon the order of the Chairman or Vice Chairman.
Section 6. CUSIP NUMBERS. In accordance with the recommendation of the American Bankers Association Committee on Uniform Security Identification Procedures ("CUSIP"), a CUSIP number may be imprinted on each of the Bonds in definitive form.

Section 7. INVESTMENT OF FUNDS. The Trustee shall be, 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 Trust Indenture, which by the terms of the Trust Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Trust Indenture, all subject to the terms and limitations contained in such Trust Indenture.

Section 8. LIMITATION OF LIABILITY. The issuance and sale of the Bonds shall not be construed so as to give rise to any 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 of such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Indenture and Loan Agreement. The Bonds shall not be in any way a debt or liability of the Commonwealth, the City of Philadelphia nor of any other political subdivision thereof. Neither the general credit or taxing power of the Commonwealth, the City of Philadelphia nor any other political subdivision thereof is pledged to the payment of the principal or purchase price of the Bonds or interest thereon or any premium or other cost incident thereto. The Authority has no taxing power.

Section 9. RATIFICATION. All actions heretofore taken by the officers of the Authority in connection with the Project and the Plan of Finance and the negotiation of the documents referred to in the foregoing provisions of this resolution are hereby ratified, confirmed and approved.

Section 10. REPEAL. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of any such inconsistencies.

[The remainder of this page is left blank intentionally.]
I, the undersigned Secretary or 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 July 14, 2020 after the giving of the required public notice and at which a quorum was present.

__________________________________________

(Assistant) Secretary

[SEAL]
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

Adopted July 14, 2020

APPROVING A PROJECT FOR THE PHILADELPHIA PROTESTANT HOME; AUTHORIZING AND DIRECTING THE ISSUANCE OF THE AUTHORITY’S REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $6,695,000; APPROVING THE EXECUTION OF CERTAIN FINANCING DOCUMENTS RELATING TO THE ISSUANCE AND SALE OF THE BOND; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF THE BOND; AUTHORIZING INCIDENTAL ACTION; AND REPEALING INCONSISTENT RESOLUTIONS

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

WHEREAS, The Philadelphia Protestant Home, a Pennsylvania non-profit corporation (the “Borrower”), has requested the Authority to undertake the financing of a project (the “Project”) consisting of: (i) the financing of renovations and miscellaneous capital expenditures with respect to the Borrower’s continuing care retirement community located at 6500 Tabor Avenue, Philadelphia, PA 19111 in the City of Philadelphia, Pennsylvania (the “Project Facilities”); and (ii) the payment of certain costs of issuing the Bond; and

WHEREAS, the Borrower has represented that the Project will promote the public purposes of the Act and the health, safety and general welfare of the people of the Commonwealth of Pennsylvania (the “Commonwealth”) by alleviating unemployment and maintaining employment at a high level and by creating and developing business in the Commonwealth; and

WHEREAS, it is proposed that the Authority finance, refinance or refinance the costs of the Project through the issuance of a bond or bonds of the Authority (the “Bond”) in one or more series in an aggregate principal amount not to exceed $6,695,000; and

WHEREAS, the Bond will be issued pursuant to the terms of a Second Supplemental Loan and Trust Agreement (the “Second Supplemental Loan and Trust Agreement”), amending and supplementing a Loan and Trust Agreement dated as of June 1, 2008 (as previously amended and supplemented, the “Loan and Trust Agreement”), by and among the Authority, the Borrower and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.), as trustee (the “Trustee”); and
WHEREAS, the Bond is expected to be purchased by Citizens Bank of Pennsylvania (the “Bond Purchaser”) pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Authority, the Borrower and the Bond Purchaser; and

WHEREAS, pursuant to the Second Supplemental Loan and Trust Agreement, the Borrower will agree to make payments sufficient to pay when due, inter alia, the principal of and interest on the Bond; and

WHEREAS, the Authority has determined that the Project represents an authorized undertaking by the Authority pursuant to the Act; and

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

NOW, THEREFORE BE IT RESOLVED by Philadelphia Authority for Industrial Development, that:

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

Section 2. APPROVAL OF SECOND SUPPLEMENTAL LOAN AND TRUST AGREEMENT AND BOND PURCHASE AGREEMENT. Subject to the further provisions hereof (including without limitation the provisions of Section 4 below), the Chairperson or Vice Chairperson is hereby authorized and directed to execute and deliver, and (if applicable) the Secretary or Assistant Secretary is hereby authorized and directed to affix the corporate seal of the Authority and attest, the Second Supplemental Loan and Trust Agreement and the Bond Purchase Agreement in such forms 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.

Section 3. FORM AND EXECUTION OF THE BONDS. The form of the Bond shall be contained in the Second Supplemental Loan and Trust Agreement. The execution of the Bond by the manual or facsimile signatures of the Chairperson or Vice Chairperson is hereby authorized and directed, and the Secretary or Assistant Secretary is hereby authorized and directed to affix or imprint the corporate seal of the Authority (or a facsimile thereof) to, and attest, the Bond, 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. The Chairperson or Vice Chairperson is hereby authorized and directed to deliver the Bond or cause them to be delivered to the Bond Purchaser in accordance with the terms of the Second Supplemental Loan and Trust Agreement and the Bond Purchase Agreement.

Section 4. TERMS OF THE BOND. The aggregate principal amount of the Bond shall not exceed $6,695,000 and the Bond shall have a final maturity not exceeding 10 years from the date of issuance thereof. The Bond shall bear interest at a variable rate to be determined as set forth in the Bond. The Bond shall be in registered form carrying the exchangeability privileges, be payable in the medium of payment and at such places and be subject to optional redemption.
prior to maturity and mandatory and optional tender for purchase, all as provided therein or in the
Second Supplemental Loan and Trust Agreement.

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 its duties hereunder.

(b) The Board of the Authority hereby authorizes and directs any Authorized
Officer to execute and deliver the Bond, the Second Supplemental Loan and Trust Agreement, the
Bond Purchase Agreement, 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 Bond and the financing of 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 financing of the Project, to issue and sell the Bond, or to otherwise effectuate the purposes of
this Resolution.

Section 7. APPOINTMENT OF TRUSTEE AND BOND COUNSEL. The
Authority hereby approves the appointment by the Borrower of The Bank of New York Mellon
Trust Company, N.A., as Trustee, and Ballard Spahr LLP, as Bond Counsel in connection with the
issuance of the Bond. At the request of the Borrower, the Authorized Officers are authorized to
appoint a duly qualified firm as replacement Bond Counsel or replacement Trustee; 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 8. 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 Bond are hereby ratified and approved.

Section 9. LIMITATION OF LIABILITY. The issuance and sale of the Bond
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 Bond; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Second Supplemental Loan and Trust Agreement.

Section 10. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

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 July 14, 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 amended, modified or repealed.

______________________________
(Assistant) Secretary
RESOLUTION

Philadelphia Authority for Industrial Development

Whereas, Philadelphia Authority for Industrial Development (the "Applicant") is authorized by the Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the "Act"), to approve and submit projects to the Pennsylvania Economic Development Financing Authority ("PEDFA") to promote the public purposes of the Act; and

Whereas, Philadelphia Project Finance, LLC, an entity formed by Synagro Technologies, Inc. (collectively, the "Beneficial Owner/Developer") has requested the Applicant to file an application (the "Application") with PEDFA for financing by PEDFA of certain costs of the current refunding of PEDFA’s Sewage Sludge Disposal Revenue Bonds (Philadelphia Biosolids Facility Project), Series 2009, which is a project as defined in the Act and described in the Application (the "Project"); and

Whereas, the Beneficial Owner/Developer is financially responsible and able to assume all of its obligations in connection with the Project and is engaged in certain activities in Pennsylvania requiring substantial capital and creating or retaining substantial employment opportunities in furtherance of the purposes of the Act; and

Whereas, the total costs of the Project to be financed are estimated at $58,000,000; and

Whereas, in connection with the financing of the Project, the Applicant will not be acquiring any property, issuing any bonds, or incurring any obligation.

Now, therefore, be it resolved that:

1) The Applicant hereby authorizes and approves: (i) the Project and the financing thereof by PEDFA through the issuance of its bonds in the approximate principal amount of $52,000,000 and a loan of the proceeds thereof to the Beneficial Owner/Developer; and (ii) the Application to PEDFA for such financing.

2) The Applicant hereby authorizes and directs its officers to assist and to take such action as needed in furthering the Application to PEDFA for financing of the Project.

3) The Applicant hereby authorizes a fee to be charged to the Beneficial Owner/Developer in the amount of 0.20 % of the amount of the PEDFA loan received by the Beneficial Owner/Developer. The Applicant also certifies that it will not charge the Beneficial Owner/Developer any annual fees for the PEDFA project.

This Resolution is hereby adopted by the Applicant on this 14th day of July 2020.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT, Applicant

By: ________________________________
Authorized Officer
James Leonard, Esq
Commissioner of Records
Department of Records
Room 156, City Hall
Philadelphia, PA. 19107

RE: Potential Conflicts of Interest - Chapter 20-600 Philadelphia Code

Dear Mr. Leonard:

I am a Member of the Board of Directors of the Philadelphia Authority for Industrial Development (PAID). I am also a Partner of the law firm of Kleinbard LLC.

I participated in a meeting of the PAID Board today and disclosed that Kleinbard LLC represents the Pennsylvania Economic Development Financing Authority, therefore I announced my disqualification from consideration of a Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to sponsor a proposed project and submit an application in an amount up to $52,000,000 to the Pennsylvania Economic Development Financing Authority (“PEDFA”) on behalf Philadelphia Project Finance, LLC.

The Authority will submit an application on behalf of the Philadelphia Project Finance, LLC to PEDFA and serve as the local sponsor of the project. The proposed project includes (i) the refunding of the PEDFA Sewage Sludge Disposal Revenue Bonds (Philadelphia Biosolids Facility Project), Series 2009, currently outstanding in the aggregate principal amount of $51,320,000 the proceeds of which were used to finance the design and construction of a biosolids processing and disposal facility located at 7800 Penrose Ferry Road, in the City of Philadelphia (the "Facility")(ii) fund a debt service reserve, if necessary, (iii) costs of issuance.

Sincerely,

DAVID L. HYMAN, ESQUIRE

DLH/jg
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

July 14, 2020

AUTHORIZING THE REDEMPTION AND/OR DEFEASANCE OF THE AUTHORITY’S REVENUE BONDS (THE ARCHITECTURE & DESIGN CHARTER HIGH SCHOOL PROJECT), SERIES OF 2013; EXERCISING THE OPTION TO CALL SAID REVENUE BONDS FOR EARLY REDEMPTION; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT; AUTHORIZING OTHER NECESSARY AND APPROPRIATE DOCUMENTS AND ACTIONS AND RESCINDING INCONSISTENT PRIOR RESOLUTIONS.

WHEREAS, the Philadelphia Authority for Development Authority (the “Authority”) is a body corporate and politic organized under the provisions of the Pennsylvania Economic Development Financing Law, 73 P.S. §371 et seq. as amended (the “Act”) and has the power and authority to issue revenue obligations to pay costs of “educational facilities” as defined in the Act; and

WHEREAS, the Authority, at the request of The Architecture & Design Charter High School (“CHAD”) and the Designing Futures Foundation (“DFF”), heretofore issued its Revenue Bonds (The Architecture & Design Charter High School Project), Series of 2013 (the “2013 Bonds”), in the original principal amount of $8,540,000, pursuant to that certain Loan and Trust Agreement dated as of March 1, 2013 (the “Loan and Trust Agreement”), among the Authority, the DFF, L-A Liberty Square Associates, L.P. (“L-A Liberty”) and UMB Bank, N.A., as successor trustee to The Bank of New York Mellon Trust Company, N.A. (the “Trustee”); and

WHEREAS, proceeds of the 2013 Bonds were applied to finance a project (the “Project”) consisting of: (1) the refinancing of taxable debt which refinanced taxable debt originally incurred to purchase an approximately 120,801 square foot, 5 story building (the “Building”) located at 105-17 South 7th Street and 675 Sansom Street, Philadelphia, Pennsylvania; (2) the payment of the costs of renovations to the Building and other capital expenses, including capitalized interest, if any; (3) a deposit to a debt service reserve fund, if required; and (4) the payment of the costs of issuing the 2013 Bonds; and

WHEREAS, the Building is owned by DFF through its wholly-owned subsidiary L-A Liberty and is primarily leased to CHAD pursuant to a lease (the “Lease”) for use as a public charter school with other portions of the Building leased to other users; and

WHEREAS, CHAD’s charter has been in nonrenewal status since June 21, 2017, which has caused an event of default under both the Lease and the Loan and Trust Agreement; and

WHEREAS, on June 13, 2019, CHAD and The School District of Philadelphia (the “School District”) entered into an Agreement to Close Charter School and Cancel Nonrenewal Hearing (the “Closure Agreement”), whereby CHAD irrevocably agreed to surrender its charter to the School District by June 30, 2020, to cease operations; and

WHEREAS, L-A Liberty, as seller, and Seventh & Sansom, LLC, as buyer, have entered into a Purchase Agreement dated June 17, 2020, for the sale and purchase of the Building; and
WHEREAS, proceeds derived from the sale of the Building, together with funds available under the Loan and Trust Agreement and other available funds of DFF and L-A Liberty, will be applied to redeem and/or defease all of the 2013 Bonds; and

WHEREAS, certain action is required to be taken by the Authority in connection with the redemption and/or defeasance of the 2013 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE AUTHORITY AS FOLLOWS:

1. Approval of Defeasance of 2013 Bonds. The officers of the Authority are hereby authorized to take all action and do all things necessary to assist CHAD, DFF and L-A Liberty in redeeming and/or defeasing the 2013 Bonds upon the sale of the Building.

2. Exercise of Option to Call 2013 Bonds for Early Redemption. The Authority authorizes the Trustee to call the 2013 Bonds for optional redemption on March 15, 2023, or on such earlier date as may be agreed upon by DFF, L-A Liberty and the holders of the 2013 Bonds (the “Redemption Date”).

3. Authorization of Escrow Agreement. The Authority is hereby authorized to enter into an escrow agreement (the “Escrow Agreement”), among the Authority, DFF, L-A Liberty and UMB Bank, N.A., as escrow agent (the “Escrow Agent”) providing for the defeasance of the 2013 Bonds. The Escrow Agreement shall be in such form as may be acceptable to the Authority, its counsel and bond counsel (approval of such form to be evidenced by execution of the Escrow Agreement). The Escrow Agreement shall provide for the deposit with the Escrow Agent, of an amount of money which, together with interest to be earned thereon, is sufficient to pay the principal, interest and redemption price on the 2013 Bonds from the date of its execution through and including Redemption Date. The Authority, at the direction of DFF and L-A Liberty, is hereby authorized for subscribe for State and Local Government Series (SLGS) United States Treasury obligations or obtain open-market escrow securities or such other defeasance obligations as permitted under the Loan and Trust Agreement.

4. Execution and Delivery of Documents. The Chairperson, Vice Chairperson, Secretary, Assistant Secretary or Treasurer of the Authority is hereby authorized to execute and deliver, in the name of the Authority and on its behalf, the following documents and to approve the final form and substance thereof, and any amendments or supplements thereto before or after the initial execution and delivery thereof, such approvals to be conclusively evidenced by the execution thereof, and any officer or member of the Authority is hereby authorized to affix to all of the following documents the seal of the Authority and to attest to the same: (a) the Escrow Agreement; and (b) such other documents, instruments, agreements and certificates, including, but not limited to, any escrow or security agreements, financing statements, instruments and certifications (including a supplement to the Federal Tax Certificate and any remedial action notices that may be required to be filed with the Internal Revenue Service), as the executing officer or member determines to be reasonable and appropriate to provide for the redemption and/or defeasance of the 2013 Bonds as authorized by this Resolution.

5. Appointment of Bond Counsel. The appointment of Cozen O’Connor as bond counsel to the Authority in connection with the defeasance of the 2013 Bonds is hereby confirmed.

6. Binding Effect of Covenants and Agreements. All covenants, obligations and agreements of the Authority set forth in this Resolution and in the documents authorized hereby shall be deemed to be the covenants, obligations and agreements of the Authority to the full extent authorized or permitted by law, and all such covenants, obligations and agreements shall be binding upon the Authority and its successors from time to time and upon any board or body to which any powers or duties affecting the same
shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Authority or the members thereof by the provisions of this Resolution or the documents authorized hereby shall be exercised or performed by such members, officers or other representatives of the Authority as may be required or permitted by law to exercise or perform the same. No covenant, obligation or agreement herein contained or contained in any documents authorized hereby shall be deemed to be a covenant, obligation or agreement of any member, officer, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer executing the Escrow Agreement or any other document authorized by this Resolution shall be liable personally thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

7. **Ratification of Prior Actions.** All actions taken by the Authority prior to the date hereof in connection with the defeasance of the 2013 Bonds are hereby approved, ratified and confirmed.

8. **Further Action.** Any officer or member of the Authority is hereby authorized and directed to execute such additional documents, including any amendments or supplements thereto, and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

9. **Repeal of Inconsistent Resolutions.** All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

10. **Effective Date.** This Resolution shall take effect immediately.

Adopted: July 14, 2020
CERTIFICATE OF SECRETARY

The undersigned, (Assistant) Secretary of the Philadelphia Authority for Industrial Development (the “Authority”), hereby certifies that the foregoing is a true and correct copy of the Resolution which was adopted by a majority vote of the Authority, at a meeting thereof held after due public notice as required by law, on July 14, 2020.

(SEAL)

BY: ________________________________

(Assistant) Secretary