

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
September 10, 2019**

Chairperson Evelyn Smalls presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, September 10, 2019 at 5:00 p.m. in PIDC's Board Room, 35th floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

Other Members attending:

Kate Hagedorn
David Hyman
Thomas A. K. Queenan

Attending from PIDC staff:

John Grady, President
Ilene Burak, Esq., Senior Vice President and General Counsel
Cassie Gardner, Executive Assistant

Upon a motion duly made and seconded the Minutes of the meeting held on August 20, 2019 were unanimously approved.

Chairperson Smalls requested approval of the following Resolutions:

- I. A Resolution authorizing PAID to submit Redevelopment Assistance Capital Program (RACP) Grant Applications to the Commonwealth of Pennsylvania's Office of the Budget for an aggregate amount not to exceed \$24,442,000; and to enter into Grant Agreements with the Office of the Budget on behalf of the grant recipients; and to enter into Sub-grant Agreements with the appropriate entities of several individual projects.

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.

- II. A resolution, in the form attached as Enclosure 1, authorizing PAID, at the direction of the City of Philadelphia to terminate, amend or modify all or a portion of the basis swap transaction between the Authority and Merrill Lynch Capital Services, Inc. completed on June 30, 2004, which was subsequently amended in connection with a partial termination pursuant to an amended confirmation dated July 14, 2006.

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

Upon a motion duly made and seconded, with Mr. Hyman abstaining (see Enclosure 2), the Members unanimously approved the above Resolution.

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

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

Adopted September 10, 2019

AUTHORIZING APPROPRIATE OFFICERS OF THE AUTHORITY TO AGREE TO ANY TERMINATION, AMENDMENT OR OTHER MODIFICATION OF ALL OR ANY PORTION OF THE AUTHORITY'S BASIS SWAP (THE "BASIS SWAP") RELATED TO CERTAIN OF ITS LEASE REVENUE/LEASE REVENUE REFUNDING BONDS ISSUED IN CONNECTION WITH THE PHILADELPHIA SPORTS STADIUM PROJECTS; AUTHORIZING THE INCLUSION OF REINSTATEMENT PROVISIONS IN SWAP DOCUMENTATION RELATING TO ANY TERMINATION OF THE BASIS SWAP OR ANY OTHER SWAP RELATED TO ANY OF THE EXISTING BONDS ISSUED IN CONNECTION WITH THE PHILADELPHIA SPORTS STADIUMS PROJECTS; AND AUTHORIZING OTHER NECESSARY ACTION

WHEREAS, 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, as amended (the "Act"), with all powers necessary or appropriate to carry out and effectuate the purposes and provisions of the Act including, *inter alia*, the power to finance projects, including recreational facilities, sports facilities, and public facilities and to refund its bonds issued to finance such projects; and

WHEREAS, at the request of The City of Philadelphia, Pennsylvania (the "City"), the Authority previously issued certain series of Lease Revenue Bonds and Lease Revenue Refunding Bonds (collectively, the "Prior Bonds") to finance or refinance projects related to the Philadelphia sports stadiums used by the Philadelphia Eagles and the Philadelphia Phillies; and

WHEREAS, the Prior Bonds were issued pursuant to a certain Trust Indenture dated as of April 1, 2001, as previously amended and supplemented (the "Existing Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee; and

WHEREAS, in connection with certain of the Prior Bonds, the Authority and Merrill Lynch Capital Services, Inc. (together with any successors or assigns, "MLCS") entered into a basis swap transaction on June 30, 2004, which was subsequently amended in connection with a partial termination pursuant to an amended confirmation dated July 14, 2006 (as amended and currently in effect, the "Basis Swap"); and

WHEREAS, the Authority is willing, pursuant to the request of the City, to terminate all or a portion of the Basis Swap and to apply any payment from MLCS in accordance with the provisions of the Indenture and the request of the City; and

WHEREAS, the Authority desires to authorize the termination, amendment or other modification of all or a portion of the Basis Swap (“Basis Swap Transactions”), and desires to authorize its Chairperson or Vice Chairperson to execute on behalf of the Authority, any agreements related to the Basis Swap Transactions, and such other instruments and documents as shall be necessary or appropriate in connection therewith; and

WHEREAS, the Authority has previously authorized the termination, amendment, modification or novation of all or any portion of the Amended and Restated 2007B/2014A Swaps (as defined in the Authority’s resolution adopted July 16, 2019); and

WHEREAS, at the request of the City, the Authority desires to authorize the inclusion of certain reinstatement provisions in various swap termination documentation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT AS FOLLOWS:

1. Basis Swap. The Chairperson or Vice Chairperson of the Authority are hereby authorized to execute and deliver such agreements and other instruments and documents as may be necessary or proper to accomplish the Basis Swap Transactions and the transactions in connection therewithall upon such terms and in such form as approved by the Chairperson or Vice Chairperson of the Authority, upon advice of Authority Counsel and Co-Bond Counsel, such approval to be conclusively evidenced by execution and delivery of such agreements and other instruments and documents by the Chairperson or Vice Chairperson of the Authority. The Chairperson or Vice Chairperson may delegate the acceptance of any such Basis Swap Transaction to another officer of the Authority.

2. Reinstatement Provisions. Any swap termination agreement, confirmation or other appropriate swap documentation related to the Basis Swap and/or the Amended and Restated 2007B/2014A Swaps may include provisions providing for the reinstatement in whole or in part of the Basis Swap or any of the Amended and Restated 2007B/2014A Swaps, including without limitation, provisions related to the payment of any reinstatement costs to the applicable swap counterparty (“Reinstatement Provision”).

3. 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 any document relating

to the Basis Swap Transactions or any other documents 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.

4. Approval of Director of Finance. The terms of any Basis Swap Transaction or Reinstatement Provision pursuant to this Resolution are subject to the approval of the Director of Finance of the City.

5. Further Action. The officers of the Authority are hereby authorized and directed, without limitation of Section 1 hereof, to execute and deliver such other documents and instruments in connection with the Basis Swap Transactions or any Reinstatement Provision, together with any amendments or supplements required by or at the direction of the City and satisfactory to Authority Counsel and Co-Bond Counsel after the effective date of any Basis Swap Transaction or Reinstatement Provision, and to take such other action as may be necessary or appropriate in order to effectuate the implementation and completion of the Basis Swap Transactions or Reinstatement Provision, the execution, delivery and performance of the related swap documentation, or otherwise effectuate the purposes of this Resolution, all in accordance with the provisions of this Resolution.

6. Ratification of Prior Actions. The Authority approves, ratifies and confirms all action heretofore taken by officers and other persons in the name or on behalf of the Authority in connection with the undertakings herein contemplated.

7. Effective Date. This Resolution shall take effect immediately upon its adoption.

The undersigned (Assistant) Secretary of Philadelphia Authority for Industrial Development, does hereby certify that the foregoing is a true, correct and complete copy of a resolution duly adopted by the Authority at a meeting held on September 10, 2019, 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 acting throughout; and that such resolution has not been amended, modified or repealed.

Name:

Title: (Assistant) Secretary

Dated: September ____, 2019

Enclosure 2

September 10, 2019

Mr. John S. Grady, President
Philadelphia Industrial Development Corporation
2600 Centre Square West, 1500 Market Street
Philadelphia, PA. 19102

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 City of Philadelphia Stadiums, therefore I announced my disqualification from consideration of a Resolution authorizing the Philadelphia Authority for Industrial Development (PAID), at the direction of the City of Philadelphia, to terminate, amend or modify all or a portion of the basis swap transaction between the Authority and Merrill Lynch Capital Services, Inc. completed on June 30, 2004, which was subsequently amended in connection with a partial termination pursuant to an amended confirmation dated July 14, 2006.

Sincerely,

DAVID L. HYMAN, ESQUIRE

DLH/jg