

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

DECEMBER 22, 2015

Leslie Ann Miller, Vice Chairperson, presided at the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, December 22, 2015, at 5:20 p.m. in PIDC's offices, 2600 Centre Square West, 1500 Market Street, Philadelphia, PA.

Other Members attending:

David L. Hyman, Esquire
Leslie Ann Miller
Evelyn Smalls
Harold Yaffe – by phone

Attending from PIDC staff:

John Grady, President
Sam Rhoads, Executive Vice President
Ilene Burak, Esquire, Senior Vice President/General Counsel
Anthony Simonetta, Senior Vice President
Sharon Callahan, Executive Assistant, Office of the President
Mary Corcoran, Assistant Secretary

Upon motion duly made and seconded the Minutes of the meeting held on December 8, 2015 were unanimously approved.

Mr. Grady requested approval of the following Resolutions:

1. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with Philly Shipyard, Inc. or its nominee or assignee for 8,500 square feet of space in Building 68 located in The Navy Yard's Shipyard section. The lease will have a term on two years with one-three year renewal. Annual rent is on a triple net basis with the tenant paying for its portion of all building operating expenses and The Navy Yard Common Area Maintenance Charges (CAM) in addition to the Base Rent. Base Rent commences at \$4.00 per square foot with increases of 3 percent every year thereafter. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to take such other actions as may be required to implement this Resolution.

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

2. A Resolution 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 as Enclosure 1, in an amount not to exceed \$23,000,000, on behalf of the Borrower. The proceeds of the Bonds will be used to finance (i) the current refunding of PAID’s Variable Rate Revenue Bonds, Series 2008 (the “2008 Bonds”) (ii) termination fees associated with interest rate swaps entered into for 2008 Bonds (iii) additional capital projects located at the Borrower’s facility and (iv) 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.

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

There being no further items presented to the Board, the meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

Adopted December 22, 2015

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 \$23,000,000; 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 refunding of the Authority's Variable Rate Revenue Bonds (The Philadelphia Protestant Home Project), Series 2008 (the "2008 Bonds"), the proceeds of which were applied to finance or refinance the Borrower's continuing care retirement community located at 6500 Tabor Avenue, Philadelphia, PA 19111 in the City of Philadelphia, Pennsylvania (the "Project Facilities"); (ii) the financing of a payment due in connection with the termination of an interest rate swap related to the 2008 Bonds; (iii) the financing of miscellaneous capital expenditures with respect to the Project Facilities; and (iv) the payment of certain costs of issuing the Bond described below; 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 reimburse the Borrower for 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 \$23,000,000; and

WHEREAS, the Bond will be issued pursuant to the terms of a First Supplemental Loan and Trust Agreement (the “First Supplemental Loan and Trust Agreement”), amending and supplementing a Loan and Trust Agreement dated as of June 1, 2008 (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 First Supplemental Loan and Trust Agreement, the Borrower will agree to make payments sufficient to pay when due, *inter alia*, the principal or redemption price 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 and the refunding of the 2008 Bonds;

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

Section 1. APPROVAL OF THE PROJECT; AUTHORIZATION OF ISSUANCE OF THE BOND AND REDEMPTION OF THE 2008 BONDS. 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. In connection with the refunding of the 2008 Bonds, the Authority hereby authorizes and directs the trustee for the 2008 Bonds to redeem the 2008 Bonds on such date or dates as may be directed by the Borrower in accordance with the terms of the Loan and Trust Agreement.

Section 2. APPROVAL OF FIRST 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 to and attest, the First 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 First 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 First 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 \$23,000,000 and the Bond shall have a final maturity not exceeding 12 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, with the initial rate not to exceed 2.75% per annum. 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 First Supplemental Loan and Trust Agreement.

Section 5. BOND FINANCING APPLICATION; INCIDENTAL ACTION. The appropriate officers of the Authority are hereby authorized and directed to accept and approve completed IDA Financing and Refinancing Applications (the "Applications") from the Borrower and to submit such Applications to the Department of Community and Economic Development of the Commonwealth for final approval, and to execute and deliver such other documents and instruments, including but not limited to any documentation required in connection with an interest rate hedge for the Bond, if applicable, and any tax certificates or agreements required to ensure compliance with the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, and to take or approve the taking of such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the First Supplemental Loan and Trust Agreement and the Bond Purchase Agreement, the issuance and sale of the Bond, the financing of the Project and the refunding of the 2008 Bonds.

Section 6. EFFECTIVE DATE; INCONSISTENT PRIOR RESOLUTIONS REPEALED. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith shall be repealed.

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 December 22, 2015, 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