

PHILADELPHIA REDEVELOPMENT AUTHORITY

**1234 MARKET STREET, 16TH FLOOR
PHILADELPHIA, PA 19107**

**BOARD MEETING
WEDNESDAY, NOVEMBER 9, 2016**

Open Session – 4:00 P.M.

A G E N D A

APPROVAL OF BOARD MINUTES

- (a) Meeting of October 20, 2016

I. EXECUTIVE DIRECTOR’S REPORT

II. ADMINISTRATIVE

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- (a) **Conveyance of PRA Properties to Philadelphia Land Bank** (1)
- (b) Philadelphia Housing Authority
PHA Norris Square Condemnation
Cooperation Agreement (5)
- (c) 1001 Vine Street, LP (7)
1001-1011 Vine Street &
314 N. 10th Street
Amendment to Redevelopment Agreement

III. DEVELOPMENT

- (a) Model Cities Urban Renewal Area (11)
Mosaic Development Partners, LLC
3101 Cecil B. Moore Avenue
Selection of Redeveloper
- (b) Model Cities Urban Renewal Area (17)
Walter Davis
1900 N. 23rd Street
**Selection of Redeveloper and
Self-Amortizing Loan**

AGENDA

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- (c) 1734 S. 24th Street (21)
Joseph A. Headley, Jr.
Sale of Renovated Single Family Property

IV. HOUSING FINANCE / NSP

- (a) **Modification of Cost Containment Policy** (25)
- (b) Roberto Clemente Condominium (27)
Nueva Esperanza, Inc.
3921-61 N. 5th Street
**Non-Recourse Construction/Permanent Loan
Agreements**

V. REAL ESTATE

- Vacant Property Review Committee (40)
Conveyance of Properties

VI. ADD ON ITEMS

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- (a) Philadelphia Housing Authority (1)
3210-12 Arlington Street, 3211-19 Arlington Street,
3216 Arlington Street, 3220-26 Arlington Street,
3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington
Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street,
3210-14 Monument Street, 3217 Monument Street,
3220 Monument Street, 3223-25 Monument Street,
3224 Monument Street, 3228 Monument Street,
3229 Monument Street, 3232-34 Monument Street and
3233-37 Monument Street
Amendment to Redevelopment Agreement
- (b) People for People Community Development Corporation (6)
Replacement of NEWCO, LLC as Borrower
Modification to Resolution No. 2015-129

PHILADELPHIA REDEVELOPMENT AUTHORITY

BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Thursday, October 20, 2016, commencing at 4:03 P.M. in the offices of the Philadelphia Redevelopment Authority, being its regular meeting place, 16th floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

ROLL CALL

The following members of the Board of Directors reported present: Anne Fadullon, Chairman; James Cuorato, Vice Chairman; Cynthia Figueroa, 2nd Vice Chair and Assistant Secretary; and Duane Bumb, Secretary.

The following member of the Board of Directors was not present: Rob Dubow, Treasurer.

The following members of the Authority staff were present: Gregory Heller, Ryan D. Harmon, Esquire, David Thomas, Julia Guerrero, Susan Callanen, Jessie Lawrence, Darci Bauer, and Elizabeth Bonaccorso.

Also in attendance: Jihad Ali, Resident; Jacqueline Dunn, City Finance; Carl Primavera, Klehr Harrison; and Martine DeCamp, PCPC.

ANNOUNCEMENTS

Prior to voting by the Board, Ms. Fadullon provided the public opportunity to comment.



MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of September 14, 2016.

Upon motion made and duly seconded, the minutes of September 14, 2016 were approved.



ADMINISTRATIVE

Ms. Guerrero presented "Item I (a) – Revisions to the PRA's Percent for the Art Program Policy" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Heller thanked the Board for their continued support of the Authority's Percent for the Art Program.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-105

PERCENT FOR ART PROGRAM – RESOLUTION AUTHORIZING THE AMENDMENT TO THE PROGRAM POLICIES AND PROCEDURES

WHEREAS, The Redevelopment Authority of the City of Philadelphia approved expanded Policies and Procedures for the operation of its Percent for Art Program by Resolution No. 12,382, adopted on April 18, 1984; and

WHEREAS, The Redevelopment Authority of the City of Philadelphia approved a second amendment to the Percent for Art Program Policies and Procedures, by Resolution No. 13,022, adopted on October 8, 1986; and

WHEREAS, The Redevelopment Authority of the City of Philadelphia approved a third amendment to the Percent for Art Program Policies and Procedures, by Resolution No. 13,146, adopted on May 12, 1987; and

WHEREAS, The Redevelopment Authority of the City of Philadelphia approved a fourth amendment to the Percent for Art Program Policies and Procedures, by Resolution No. 19,044, adopted on August 10, 2010; and

WHEREAS, The Redevelopment Authority of the City of Philadelphia approved a fifth amendment to the Percent for Art Program Policies and Procedures, by Resolution No. 2015-79, adopted on August 13, 2015; and

BE IT RESOLVED, By the Board of Directors of the Philadelphia Redevelopment Authority, that the attached Policies and Procedures for the Percent for Art Program, dated October, 2016, are hereby established effective immediately.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Harmon presented "Item I (b) – Conveyance of PRA Properties to Philadelphia Land Bank" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Cuorato asked if these properties are residential only. Mr. Harmon replied the properties are either residential or vacant lots. There are no commercial properties being conveyed to the Land Bank.

Mr. Ali asked when staff anticipates the conveyance of properties to Philadelphia Land Bank. Mr. Heller responded that various agencies such as PHDC and the City have conveyed properties. Mr. Heller stated that the Authority has approved and will continue to approve properties to be conveyed to the Land Bank but is waiting until the land valuation component of the Authority's audit is completed before any actual conveyances will occur.

Mr. Ali asked if these properties will eventually be offered to sale to the public. Mr. Heller replied that once the properties are conveyed to the Land Bank the Authority has no jurisdiction and that such decisions will go through the Land Bank Board of Directors.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-106

PHILADELPHIA LAND BANK – RESOLUTION AUTHORIZING THE CONVEYANCE OF CERTAIN PROPERTIES OWNED BY THE PHILADELPHIA REDEVELOPMENT AUTHORITY TO THE PHILADELPHIA LAND BANK

WHEREAS, Act 153 of 2012, 68 Pa. C.S.A. § 2101, *et seq.* (the "Land Bank Act") authorized the City of Philadelphia ("City") to create a land bank in accordance with the Land Bank Act; and

WHEREAS, the City, in Bill No. 130156-A (approved December 18, 2013), authorized the creation of the Philadelphia Land Bank and provided for its appointment, powers and duties; and

WHEREAS, under Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), a redevelopment authority, with the consent of the local governing body and without a redevelopment contract, may convey title to certain redevelopment authority property to a land bank; and

WHEREAS, the properties identified on Exhibit "A" to this Resolution which are owned by the Philadelphia Redevelopment Authority qualify for transfer from the Philadelphia Redevelopment Authority to the Philadelphia Land Bank as provided by Section 2109 of the Land Bank Act; and

WHEREAS, the transfer of the properties identified on Exhibit "A" to this Resolution to the Philadelphia Land Bank will promote the public purposes for which the City created the Philadelphia Land Bank;

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Philadelphia Redevelopment Authority to convey title to those properties identified on Exhibit "A" hereto, to the Philadelphia Land Bank, and for the preparation, execution, acknowledgment and delivery of deeds to the Philadelphia Land Bank, without consideration, pursuant to Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), and to obtain the appropriate councilmanic action.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

EXHIBIT "A"

Properties Owned by Philadelphia Redevelopment Authority to be Transferred to Philadelphia Land Bank

2nd Councilmanic District Properties

2002-04 Annin Street
1110-12 S 20th Street

1118 S 20th Street
1124 S 20th Street
1248-52 S 23rd Street (originally approved as 1252 S 23rd St)
1314-20 S 28th Street, including 1314-20 S 28th Street and 1309-23 S
Newkirk Street (originally approved as 1316 S 28th St and 1313, 1315,
1317, 1321 S Newkirk St)
2529-31 S 77th Street (originally approved as 2529 S 77th St)

5th Councilmanic District Properties

632 N 11th Street
645-47 N 11th Street
2203 N 26th Street, including 2520-32 W Fletcher Street and 2201-27 N 26th
Street (*originally approved as 2532 W Fletcher St*)
3854 N Delhi Street
2610-16 W Fletcher Street (*originally approved as 2612, 2614 and 2616 W
Fletcher St*)
2603-51 W Susquehanna Avenue, including 2601-05 W Sedgley Avenue, aka
2200 N 26th Street; 2206-26 N 26th Street; 2602-08 and 2218-32 W
Fletcher Street; 2201-07 and 2213-17 N 27th Street; and 2607-43 W
Susquehanna Avenue, also known as 2603-51 W Susquehanna Avenue
(*originally approved as 2603-51 W Susquehanna*)
1019 Wallace Street

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



DEVELOPMENT

Mr. Lawrence presented "Item II (a) – Selection of Redeveloper, Justin and Meagan Moody" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Ali asked if the redeveloper is planning on building on the property. Mr. Lawrence responded that the redeveloper paid fair market value and will use the property for green and open space.

Mr. Ali stated that individuals who state that the purpose is for green space do later build on lots. Mr. Ali requested that the Board take a closer look at the total costs and the Economic Opportunity Plan (EOP) for all projects.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-107

RESOLUTION SELECTING JUSTIN AND MEAGAN MOODY AS REDEVELOPERS OF 2217 SOUTH 5TH STREET LOCATED WITHIN THE WHITMAN REDEVELOPMENT AREA AND WHITMAN URBAN RENEWAL AREA

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Justin and Meagan Moody is hereby selected as Redevelopers of 2217 South 5th Street, located within the Whitman Redevelopment Area and Whitman Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Thirty Five Thousand One Hundred Dollars (\$35,100.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Harmon presented "Item II (b) – Selection of Redeveloper, 125-135 S 46th Street Associates, LP" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Ali asked if there is an EOP because it was not attached to the item. Mr. Harmon confirmed that there was and stated he would provide a copy to Mr. Ali.

Mr. Heller stated this redeveloper is a minority-owned development company.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-108

RESOLUTION SELECTING 125-135 S 46TH STREET ASSOCIATES, LP AS REDEVELOPER OF 125 AND 127-129 SOUTH 46TH STREET AND 133-135 SOUTH 46TH STREET, LOCATED IN THE 45TH AND SANSOM REDEVELOPMENT AREA, 45TH AND SANSOM URBAN RENEWAL AREA

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that 125-135 S 46th Street Associates, LP is hereby selected as Redeveloper of 125 and 127-129 South 46th Street and 133-135 South 46th Street, located within the 45th and Sansom Redevelopment Area, 45th and Sansom Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Two Hundred Seventy Thousand Dollars (\$270,000.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Lawrence presented "Item II (c) – Selection of Redeveloper & Self-Amortizing Loan, Collene Sallee" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Ali asked if there any restrictions would be imposed with building on the lot. Mr. Lawrence responded that mortgage and note would be executed simultaneously with the Redevelopment Agreement.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-109

RESOLUTION SELECTING COLLENE SALLEE AS REDEVELOPER OF 2517 SALMON STREET LOCATED IN THE NEW KENSINGTON-FISHTOWN REDEVELOPMENT AREA, NEW KENSINGTON-FISHTOWN URBAN RENEWAL AREA

WHEREAS, if the disposition price for a property is reduced from market value for an accepted community benefit, the City of Philadelphia land disposition policy requires a self-amortized mortgage for the remainder of the market value price.

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Collene Sallee is hereby selected as Redeveloper of 2517 Salmon Street located within the New Kensington-Fishtown Redevelopment Area, New Kensington-Fishtown Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Twenty Thousand Dollars (\$20,000.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

BE IT FURTHER RESOLVED, that the Philadelphia Redevelopment Authority will provide a self-amortizing loan in the amount of Fifteen Thousand Dollars (\$15,000.00) for a term of 10 years at 0% interest that will be secured by a mortgage on the property. The amount of the obligation will decrease by 10% each year for the 10 year period that the buyer remains in compliance with the Authority's Land Disposition Policy.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Ms. Callanen presented "Item II (d) – Sale of Renovated Single Family Property, 1637 S. 24th Street" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Ali asked whether the Authority tracks a buyer's race, ethnicity, income, etc. Ms. Fadullon replied the Authority follows the Fair Housing Practices guidelines. Ms. Fadullon stated that decisions are based solely on income qualifications.

Mr. Ali asked how this sale was advertised in the community. Ms. Callanen stated that staff used a local agent in the Point Breeze area as well as holding community meetings. The property was also listed on MLS Trend and local churches were made aware of the property.

Ms. Fadullon stated that she understood Mr. Ali's point with regards to diversity.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-110

RESOLUTION AUTHORIZING THE SALE OF 1637 S. 24th STREET

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Authorization is given for the sale of property owned by the Authority located at 1637 S. 24th Street to Kampee Chumsri for the purchase price of One Hundred Fifty Five Thousand Dollars (\$155,000), with a \$2,500 seller's assist; the purchase being consistent with the fair market value of the property.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Harmon presented "Item II (e) – Lease and Redevelopment Agreement with Roxborough Dog Park Association" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Heller advised the Board that this project went before the Real Estate Review Committee ("RERC") and RERC recommended approval with a ten (10) year lease.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-111

RESOLUTION APPROVING: (i) THAT CERTAIN LEASE AGREEMENT WITH ROXBOROUGH DOG PARK ASSOCIATION; AND (ii) THAT CERTAIN REDEVELOPMENT AGREEMENT WITH ROXBOROUGH DOG PARK ASSOCIATION

WHEREAS, the Philadelphia Redevelopment Authority ("Authority") is the current owner of the premises located at 4117-45 Mitchell Street, Philadelphia, Pennsylvania (the "Premises"), which is currently licensed by the Authority to Roxborough Dog Park Association ("RDPA") for use as a dog park;

WHEREAS, RDPA seeks to lease the Premises from the Authority and construct a fenced and gated dog park with drinking fountains, paving, landscaping and an open-air pavilion with seating on the Premises to serve surrounding neighborhoods and community (the "Redevelopment Project");

WHEREAS, to effectuate construction of the Redevelopment Project, RDPA and the Authority have agreed, subject to Board approval, to enter into a Lease Agreement ("Lease") to provide, among other things, the terms of occupancy of the Premises;

WHEREAS, as a condition of the Lease, the Authority seeks to have RDPA enter into a Redevelopment Agreement ("Redevelopment Agreement") relative to the construction of the Redevelopment Project;

WHEREAS, the Board is willing to authorize Authority staff to pursue further negotiation with RDPA in order to reach final agreement on all terms of the Lease and Redevelopment Agreement;

NOW THEREFORE, BE IT RESOLVED BY THE PHILADELPHIA REDEVELOPMENT AUTHORITY, that approval is given for the Authority to finalize negotiations and enter into (i) the Lease, and (ii) the Redevelopment Agreement, upon terms and conditions substantially in conformance with the Fact Sheet presented to the Board and upon such other terms and conditions consistent therewith acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director is hereby authorized, empowered and directed to perform any and all such acts and things, and to execute, acknowledge, deliver, file or record in any appropriate public offices, all ancillary agreements, documents, instruments and certifications as may be necessary or desirable in connection with accomplishing the purpose of this Resolution.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



HOUSING FINANCE / NSP

Ms. Bauer presented "Item III (a) – Loan Modification" in substance consistent with the attached Fact Sheet hereto.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-112

RESOLUTION AUTHORIZING THE AUTHORITY TO AMEND THE AUTHORITY'S LOAN WITH CALCUTTA HOUSE TO CHANGE THE PERMITTED OCCUPANCY OF THE RENTAL UNITS

WHEREAS, pursuant to Resolution No. 17,147, adopted on January 28, 2003, the Authority entered into two (2) non-recourse construction permanent loans with Calcutta House ("Borrower") in the aggregate amount of One Million Four Hundred Seventy-Two Thousand Seven Hundred Fifty-Six Dollars (\$1,472,756) ("Authority Loan"). The proceeds of the Authority Loan were used to assist in the construction of nine (9) affordable rental units ("Units") located at 1827-43 W. Cabot Street and 1221-33 N. 19th Street, Philadelphia, Pennsylvania (the "Project");

WHEREAS, the Authority Loan was partially funded with HOPWA funding and required that the Units be occupied by homeless individuals with HIV/AIDS;

WHEREAS, the ten (10) year regulatory compliance period for the HOPWA funding has expired and the Borrower has requested that the Authority Loan documents be amended to permit the Units to be occupied by homeless individuals.

NOW BE IT RESOLVED, by the Philadelphia Redevelopment Authority ("Authority"), that the Authority is authorized to take the following action:

1. Modify the terms of the financing to remove the requirement that the Units be leased to homeless individuals with HIV/AIDS and require instead that the Units be leased to homeless individuals.
2. All other terms and conditions of Resolution No. 17,147, adopted on January 28, 2003, shall remain in full force and effect.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Ms. Bauer presented "Item III (b) – Modification of Loans with St. Christopher's Associates, L.P. V and St. Christopher's Associates, L.P. VIII" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Ms. Bauer advised the Board that today's action would provide thirty (30) additional years of affordable housing.

Mr. Ali asked if the Commonwealth was going to monitor the EOP. Ms. Bauer replied that since the Authority is not providing any new financing to the project, an EOP is not required.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-113

RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE TRANSFER, ASSUMPTION, RESTRUCTURING AND SUBORDINATION OF THE EXISTING AUTHORITY DEBT PROVIDED TO ST. CHRISTOPHER'S ASSOCIATES, L.P. V AND ST. CHRISTOPHER'S ASSOCIATES L.P. VIII

WHEREAS, the Philadelphia Housing Development Corporation ("PHDC") provided financing to St. Christopher's Associates, L.P. V ("LP 1") in the aggregate amount of \$2,905,000, of which a balance of \$1,600,000 remains (the "LP1 Loan 1") and to St. Christopher's Associates L.P. VIII ("LP 2"), in the amount of \$1,858,344 (the "LP 2 Loan") (together, the "PHDC Loans") for the rehabilitation of 2600 N. Lawrence Street ("Property 1") and 2622-46 N. Lawrence Street ("Property 2") (Property 1 and Property 2, together, "the Properties") to provide affordable rental housing for low to moderate income families; and

WHEREAS, the PHDC Loans are evidenced by notes payable to PHDC and secured by mortgages on the Properties ("PHDC Mortgages"); and

WHEREAS, the PHDC Mortgages were assigned to the Philadelphia Redevelopment Authority ("Authority"); and

WHEREAS, in 2001, the Hispanic Association of Contractors and Enterprises ("HACE") purchased the general partnership interest in both limited partnerships from the Canus Corporation and since then has been managing the Properties; and

WHEREAS, in 2011, the Authority provided financing to LP 2 for capital improvements to Property 2 by increasing the LP 2 Loan by an additional \$1,482,900 ("LP 2 Loan Modification"); and

WHEREAS, the LP 2 Loan Modification is evidenced by an Allonge and secured by an Amendment of Mortgage and Other Loan Documents; and

WHEREAS, in 2013 the Authority provided financing in the amount of \$348,300 to LP 1 ("LP 1 Loan 2") for elevator repairs for Property 1; and

WHEREAS, the LP 1 Loan 2 is evidenced by a note payable to the Authority and secured by a mortgage on Property 1; and

WHEREAS, HACE has developed a preservation plan and secured financing to combine the two (2) projects into a single 74 unit project ("Lehigh Park Project") under one owner Lehigh Park Apartments LLC ("LPA LLC"), in which HACE has 100% interest of the General Partner; and

WHEREAS, the Lehigh Park Project will be rehabilitated and maintained as low income housing for an additional thirty (30) years from the placed in service date; and

WHEREAS, LP 1 and LP 2 will convey the Properties to LPA LLC; and

WHEREAS, HACE has requested the Authority consent to the sale of the Properties and to restructure and subordinate its existing debt; and

WHEREAS, HACE has further requested the Authority to forgive the accrued interest and \$867,544 of the aggregate principal balance of the existing Authority debt to allow LPA LLC to assume the debt obligation of \$4,422,000 ("Assumed Debt").

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority that the Authority is authorized to take the following actions:

The Board is asked to consent to the following:

- Transfer of the Properties to LPA, LLC;
- Forgiveness of accrued interest and \$867,544 of the aggregate principal balance of the existing Authority debt;
- Assumption by LPA, LLC of the Assumed Debt;
- Modify the terms of the financing to extend the maturity date to thirty-two (32) years from the date of closing, accrue interest at the Applicable Federal Rate and provide that no payments shall be due and payable until the maturity date; and
- Allow the subordination of the Assumed Debt to the construction financing and permanent financing.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Thomas presented "Item III (c) – Consent to Transfer, Partial Forgiveness, Assumption and Modifications of the Existing Authority Debt" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Ali asked what the sales price amount is. Mr. Thomas responded \$900,000. Mr. Ali asked what the proceeds of sale would be used for. Mr. Thomas replied that the proceeds would be used to pay off liens and existing debt that has been incurred.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-114

RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE TRANSFER, PARTIAL FORGIVENESS, ASSUMPTION AND MODIFICATION OF THE EXISTING AUTHORITY DEBT PROVIDED TO CATON HOUSE REAL ESTATE LIMITED PARTNERSHIP

WHEREAS, the Philadelphia Housing Development Corporation ("PHDC") provided financing to Caton House Real Estate Limited Partnership ("Borrower") in the amounts of Nine Hundred Thousand Dollars (\$900,000) and Seven Hundred Fifty Thousand Dollars (\$750,000) (individually, the "\$900,000 Loan" and the "\$750,000 Loan"; collectively, "PHDC Loans") for the rehabilitation of twenty (20) affordable housing units located at 1239 Spring Garden Street, Philadelphia, Pennsylvania ("the Property"); and

WHEREAS, the PHDC Loans are evidenced by notes payable to PHDC and secured by mortgages on the Property ("PHDC Mortgages"); and

WHEREAS, the PHDC Mortgages were assigned to the Philadelphia Redevelopment Authority ("Authority"); and

WHEREAS, Borrower desires to convey the Property to Thomas Jefferson University Hospital ("Purchaser"), which shall use the Property as housing for low-income pregnant women or women with children who have substance abuse disorders; and

WHEREAS, Borrower has requested the Authority consent to the sale of the Property and to forgive the \$750,000 Loan; and

WHEREAS, Borrower has further requested that, upon repayment to the Authority of Two Hundred Thousand Dollars (\$200,000), the Authority forgive all interest and partially forgive the principal balance of the \$900,000 Loan and allow Purchaser to assume the remaining sum of \$300,000 under modified terms ("Assumed Debt").

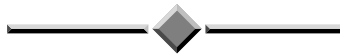
NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority that the Authority is authorized to take the following actions:

- Consent to the transfer of the Property to Purchaser;
- Forgive the \$750,000 Loan;
- Forgive the accrued interest and Four Hundred Thousand Dollars (\$400,000) of the principal balance of the \$900,000 Loan;
- Consent to the assumption by Purchaser of the Assumed Debt;
- Modify the terms of the Assumed Debt to extend the maturity date to 20 years from the date of closing at 0% interest and provide that the financing will be reduced annually without payments provided the Property is leased to low-income tenants.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



REAL ESTATE

Mr. Harmon presented "Item IV – Conveyance of Properties" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Harmon distributed new fact sheets to the Board members and to the public.

Mr. Heller stated that two fact sheets have been updated for 528 W. Dauphin Street and 1228 N. Conestoga Street.

Mr. Heller informed the Board that staff would like to table the following two (2) properties: 2013 S. 8th Street and 2407 N. Orkney Street. The transfers are being tabled for technical reasons and staff is awaiting receipt of supporting documentation.

Board Action

Ms. Fadullon called for a motion on the amended resolution. Upon motion made and duly seconded, the amended resolution was approved as follows:

RESOLUTION NO. 2016-115

VACANT PROPERTY REVIEW COMMITTEE PROGRAM - RESOLUTION AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO VARIOUS PROPERTIES AND DISPOSITION OF SUCH PROPERTIES

WHEREAS, certain properties have been acquired by the City and determined to be surplus to the needs of the City;

WHEREAS, the Vacant Property Review Committee has recommended to the Commissioner of Public Property that the surplus property listed below be made available for disposition in accordance with the provisions of Section 16-400 of the Philadelphia Code;

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the respective properties for a consideration of \$1.00;

<u>Address</u>	<u>Grantee(s)</u>
2912 West Page Street	Hilda J. Cromartie

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the respective properties for the following consideration:

<u>Address</u>	<u>Grantee(s)</u>	<u>Price</u>
1228 North Conestoga Street	Anthony Royster	\$8,000.00 (LAMA)
528 West Dauphin Street	Rufus F. Lovera & Elba I. Lovera, h/w	\$8,373.30 (LAMA)
1310 North Marston Street	Steven Lawrence	\$7,679.00 (LAMA)

FURTHER RESOLVING that for each of the foregoing conveyances, the Philadelphia Redevelopment Authority will provide a self-amortizing loan in the amount of the purchase price for a term of 10 years at 0% interest that will be secured by a mortgage on the property. The amount of the obligation will decrease by 10% each year for the 10 year period that the buyer remains in compliance with the Authority's Land Disposition Policy.

FURTHER RESOLVING, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the respective properties for the following consideration:

<u>Address</u>	<u>Grantee(s)</u>	<u>Appraised/LAMA Value</u>
1948 East Harold Street	Smith Fishtown LLC	\$5,500.00 (AUCTION)
2317 Ridge Avenue	Harold J. McCoy, Jr.	\$5,000.00 (RE Committee)

FURTHER AUTHORIZING the Executive Director with the advice of General Counsel to allow modifications and corrections to this Resolution necessary or desirable to carry out its purposes and intents.

BE IT FURTHER RESOLVED that authorization is hereby given to the preparation execution, acknowledgment and delivery of any other documentation deemed necessary or desirable in order to carry out the foregoing under terms and conditions acceptable to Authority counsel.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



ADD ON ITEMS

Mr. Harmon presented "Item V (a) – First Amendment to Escrow Agreement with Lena Street Associates, Blakestone Limited Partnership, Lower Germantown Limited Partnership and Lower Germantown II Limited Partnership" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Harmon informed the Board that today's action would extend the payment date to December 31, 2016.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

**RESOLUTION NO. 2016-116
(AMENDING RESOLUTION NO. 2016-87, ADOPTED AUGUST 10, 2016)**

RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO ESCROW AGREEMENT REGARDING THE ABATEMENT OF INTEREST AND PENALTIES ON THE CERTAIN LOANS GIVEN BY THE AUTHORITY TO LENA STREET ASSOCIATES, BLAKESTONE LIMITED PARTNERSHIP, LOWER GERMANTOWN II LIMITED PARTNERSHIP AND LOWER GERMANTOWN LIMITED PARTNERSHIP PROVIDED THE PRINCIPAL BALANCES OF SUCH LOANS ARE PAID

WHEREAS, Pursuant to Resolution No. 2016-87, adopted August 10, 2016, the Board authorized the Authority to enter into an Escrow Agreement providing for the abatement of interest and penalties on the following Authority loans (the "Loans") provided the principal balance due and owing on each of the Loans is paid in full:

1. Loan to Lena Street Associates ("Lena Street") in the principal sum of Four Hundred Thousand Dollars (\$400,000) (the "Lena Street Loan") which is secured by a Mortgage (the "Lena Street Mortgage") on the property located at and known as 5429-43 Lena Street, Philadelphia, Pennsylvania (the "Lena Street Premises");

2. Loan to Blakestone Limited Partnership ("Blakestone") in the principal sum of Six Hundred Seventy Thousand Nine Hundred Dollars (\$670,900) (the "Blakestone Loan") which is secured by an Open-End Mortgage (the "Blakestone Mortgage") on the property located at and known as 6657-59 Blakemore Street, Philadelphia, Pennsylvania, 530-34 Vernon Road, Philadelphia, Pennsylvania, and 6526-34 Germantown Avenue, Philadelphia, Pennsylvania (together, the "Blakestone Premises");

3. Loan to Lower Germantown II Limited Partnership ("LGII LP") in the principal sum of One Million Fifty-Nine Thousand Seven Hundred Thirty-Six Thousand Dollars (\$1,059,736) (the "LGII Loan") which is secured by an Open-End Mortgage (the "LGII Mortgage") on the property located at and known as 50 and 56 E. Collom Street, 67, 83 and 85-87 Church Lane, 45-51 E. Garfield Street, 4949-51 and 5007 Germantown Avenue, 5417 Lena Street (including a 953 square foot section of the parcel located at 5423-5427 Lena Street, which is adjacent to 5417 Lena Street), 5512-14 and 5513-15 Lena Street, 117 Manheim Street and 36-46 and 63 E. Wister Street, Philadelphia, Pennsylvania (together, the "LGII Premises");

4. Loan to Lower Germantown Limited Partnership ("LG LP") in the principal sum of One Million Two Hundred Twenty-Five Thousand Dollars (\$1,225,000) (the "LG Loan") which is secured by a Mortgage (the "LG Mortgage") on the property located at and known as 72-74 E. Collom Street, 101 E. Collom Street, 4928 Germantown Avenue, 4930 Germantown Avenue, 4942 Germantown Avenue, 4948 Germantown Avenue, 5009 Germantown Avenue, 5118-20 Lena Street, 5421 Lena Street and 5423-27 Lena Street, Philadelphia, Pennsylvania (together, the "LG Premises");

WHEREAS, The Authority, Lena Street, Blakestone, LGII LP and LG LP executed an Escrow Agreement on August 17, 2016, which authorized the following:

1. Lena Street and Blakestone to pay off the Lena Street Loan and Blakestone Loan, respectively, and for the Authority to release the lien of each of the Lena Street Mortgage and the Blakestone Mortgage, as amended by the Blakestone Modification;

2. Simultaneously with such payoff, the placement of the interest due and owing on the Lena Street Loan and Blakestone Loan, respectively, as of the date of payoff (the "Escrow Funds"), into escrow with the Authority;

3. Provided the full principal amount of the LG Loan and the LGII Loan were paid to the Authority in full by 5:00 p.m. on October 31, 2016, the release of the Escrow Funds to Lena Street and Blakestone and the abatement of the interest and penalties due owing under the LG Note and the LGII Note; and

4. If such payment is not received by the Authority by 5:00 p.m. on October 31, 2016, the Authority would be entitled to, and shall receive, the entire Escrow Funds, without recourse from Lena Street and/or Blakestone;

WHEREAS, Lena Street, Blakestone, LGII LP and LG LP have now requested an extension to the payment deadlines set forth above so that they can continue to renegotiate the terms of refinancing with their lender; and

WHEREAS, The Authority seeks authorization to enter into an First Amendment to Escrow Agreement which would extend the aforementioned payment deadlines to permit Lena Street, Blakestone, LGII LP and LG LP to finalize the terms of refinancing.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Authority is authorized to enter into a First Amendment to Escrow Agreement on the following terms and conditions:

1. Provided the full amount of principal and interest due on the Lena Street Loan and the Blakestone Loan are paid to the Authority, authorization is provided to place the interest due and owing on the Lena Street Loan and Blakestone Loan, respectively, as of the date of payoff (the "Escrow Funds"), into escrow with the Authority;

2. Provided the full principal amount of the LG Loan and the LGII Loan are paid to the Authority in full by 5:00 p.m. on December 31, 2016, the Authority is authorized to release the Escrow Funds to Lena Street and Blakestone and abate the interest and penalties due owing under the LG Note and the LGII Note; and

3. If the full principal amount of the LG Loan and the LGII Loan are not paid to the Authority in full by 5:00 p.m. on December 31, 2016, the Authority is entitled to, and shall receive, the entire Escrow Funds, without recourse from Lena Street and/or Blakestone.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Harmon presented "Item V (b) – Ratification and First Amendment to Redevelopment Agreement with Westrum BT2, L. P." in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Harmon stated that the redeveloper has provided the Authority with proof of funding and plans for Phase I, and construction is required to be completed in two (2) years. The project would consist of 251 rental units and 5,900 square feet for ground floor commercial space. Mr. Harmon further stated he received the executed commitment letters from the lender and the investors.

Mr. Ali stated for the record that he is objecting to this action being presented to the Board. Mr. Ali asked if the same parties are involved, and will there be any affordability to low-income individuals. Mr. Harmon responded that the same parties are involved; however, a new entity will become the general partner. Mr. Harmon stated that there are no units slated for low-income affordability at this time and that this was not contemplated under the original redevelopment agreement.

Mr. Ali asked if the Authority could intervene and see if the redeveloper would make some units available for affordability purposes. Mr. Heller replied that the Authority does numerous projects that consist of low-income affordable housing units as well as work force housing. Mr. Heller stated that he shares Mr. Ali's concerns and that this project was conceived under an older redevelopment agreement.

Mr. Ali stated that times have changed. Ms. Fadullon replied that she understands Mr. Ali's perspective with regards to inclusion and the Board will take that into consideration.

Mr. Heller stated that this is a multi-phase project and that the Authority will have a discussion with the developer with respect to affordability and other concerns on the later phases.

Mr. Cuorato asked if the phases would overlap. Mr. Harmon replied yes. The developer anticipates that the second phase is anticipated to begin in April, 2017. Mr. Harmon pointed out to the members of the Board that plans for every phase would come back before the Board for approval.

Mr. Ali asked when this project would be submitted to City Council. Mr. Harmon responded that he anticipated it would be submitted within the next seven (7) days

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-117

RESOLUTION APPROVING THE RATIFICATION AND FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT WITH WESTRUM BT2, L.P., RE: 1408-24 N. 31ST STREET, 1415-37 N. 31ST STREET AND 1421-27 N. 32ND STREET (INCL. 3129-45 W. MASTER STREET), NORTH PHILADELPHIA REDEVELOPMENT AREA, BREWERYTOWN URBAN RENEWAL AREA

WHEREAS, Pursuant to Resolution No. 17,436, adopted February 10, 2004, Westrum BT2, L.P. ("Redeveloper") was approved as Redeveloper of as 1408-24 N. 31st Street, 1415-37 N. 31st Street, 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street) and 1238-42 N. 31st Street, Philadelphia, Pennsylvania;

WHEREAS, Redeveloper and the Authority executed a Redevelopment Agreement dated May 6, 2005 ("Redevelopment Agreement") for this property; and

WHEREAS, On or about March 29, 2012, the Authority purchased the property located at 1238-42 N. 31st Street, Philadelphia, Pennsylvania, back from Redeveloper. The properties remaining subject to the Redevelopment Agreement, namely 1408-24 N. 31st Street, 1415-37 N. 31st Street and 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street), Philadelphia, Pennsylvania, are referred to herein, collectively, as the "Premises;"

WHEREAS, due to a delay in the commencement of construction, Redeveloper has requested the Authority to approve revised schematic plans which will split the project into four (4) phases and a corresponding extension of the commencement and completion dates with respect to construction of the project; and

WHEREAS, the Authority has carefully considered this request and the factors giving rise thereto.

NOW THEREFORE BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Authority is authorized to enter into a Ratification and First Amendment to Redevelopment Agreement for 1408-24 N. 31st Street, 1415-37 N. 31st Street and 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street), Philadelphia, Pennsylvania (the "Premises") with Westrum BT2, L.P. to provide, among other things, that:

1. Schematic plans submitted by the Redeveloper for Phase 1 of the project shall be approved;
2. Redeveloper shall submit Final Plans no later than 45 days prior to the commencement of construction of Phase 1 of the project and for each Phase thereafter;
3. The deadline for commencement of construction shall be no later than May 1, 2017;

4. The deadline for completion of construction shall be no later than May 1, 2019.

FURTHER RESOLVING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



Mr. Thomas presented "Item V (c) – Modification and Forgiveness of Authority Loans with Union Hill Properties, LP" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Thomas provided some background information to the Board and stated that the remaining properties have been unsold for the last seven (7) years.

Mr. Thomas stated that Conestoga Bank was brought out by Beneficial Savings Bank.

Mr. Thomas stated that the correct entity name is "Union Hill Properties, LP."

Mr. Thomas stated that there are twelve (12) properties unsold and that there are outstanding liens and judgments against each of them. Mr. Thomas further stated that a managing member of the redeveloper was convicted and imprisoned on corruption charges.

Mr. Ali asked if there were issues with faulty wiring at the properties. Mr. Thomas replied that one of the major issues was related to carbon monoxide monitors in the units being placed too close to the heating units.

The PRA assisted the homeowners of the thirty-nine (39) units with bond proceeds to address the property issues. Mr. Ali asked if the Authority would recoup any monies being forgiven. Mr. Thomas responded no.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2016-118

RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE SALE OF TWELVE (12) HOMES IN THE UNION HILL PROJECT BY HOMEOWNERSHIP DEVELOPERS, LLC TO UNION HILL PROPERTIES, LP AND TO FORGIVE THE REMAINING BALANCE OF THE EXISTING AUTHORITY DEBT

WHEREAS, pursuant to Resolution No. 18,373 adopted on February 27, 2007, as amended by Resolution No. 18,853, adopted on July 14, 2009, the Authority provided i) a bridge loan in the amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) ("Bridge Loan") and ii) a subsidy loan in the amount of Four Million Eight Hundred Twenty Thousand Dollars (\$4,820,000) ("Subsidy Loan") to Homeownership Developers, LLC ("Borrower") for the development of fifty-one (51) homeownership units, of which forty (40) units were to be subsidized, in the Mantua section of Philadelphia for sale to low-moderate income homeowners ("Project"); and

WHEREAS, Borrower has been unable to sell twelve (12) units located at 731, 733, 743, 751, 751A North 40th Street, 3903, 3925 Aspen Street and 716, 724, 760, 768, 770 North Union Street ("Unsold Units"); and

WHEREAS, the unpaid balance of the Bridge Loan is One Hundred Thousand One Hundred Fifty Dollars (\$100,150) ("Bridge Loan Balance"); and

WHEREAS, the unallocated balance of the Subsidy Loan is Seven Hundred Twenty-three Thousand (\$723,000) ("Subsidy Loan Balance"); and

WHEREAS, the Authority has been requested to permit Borrower to convey the Unsold Units to Union Hill Properties, LP ("Buyer") and to forgive the Subsidy Loan Balance and the Bridge Loan Balance.

NOW BE IT RESOLVED, by the Philadelphia Redevelopment Authority ("Authority"), that the following modifications to the above Bridge Loan and Subsidy Loan be approved under the following terms and conditions:

- The Authority consents to the sale of the Unsold Units to Buyer; and
- The Subsidy Loan Balance and the Bridge Loan Balance are forgiven.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Ms. Figueroa, Mr. Bumb and Mr. Cuorato.



OLD BUSINESS

Ms. Fadullon inquired if there was any old business for the Board. No old business was presented to the Board.



NEW BUSINESS

Ms. Fadullon inquired if there was any new business for the Board. No new business was presented to the Board.



ADJOURNMENT

There being no further business to come before the Board, Ms. Fadullon declared the meeting adjourned at 4:58 P.M.

SECRETARY TO THE BOARD



BOARD FACTSHEET

Meeting of October 20, 2016

Revision to the Philadelphia Redevelopment Authority's Percent for Art Program Policy

The Board is asked to consider a Resolution that would adopt revisions to the Authority's Percent for Art Program related to certain fees and The Fund for Art and Civic Engagement (herein, "FACE").

In 1959, the Philadelphia Redevelopment Authority (the "Authority") created the nation's first Percent for Art Program (the "Program"), requiring redevelopers who build on land purchased from or assembled by the Authority to dedicate one percent (1.00%) of their construction costs to commissioning original site-specific fine art (the "Percent for Art Contribution"). Philadelphia's reputation as a city filled with public art is well-deserved and the PRA led the way with the Percent for Art program that has commissioned iconic works of art, such as Claes Oldenburg's *Clothespin* and Dennis Oppenheim's *Wave Forms*.

In 2016, the Authority staff engaged in a reexamination of the program and the payment of costs and administrative related thereto. The proposed revisions reflect improvements to the policy based on costs incurred by the Authority in administering the Program and the continued administration of the Program. The proposed key changes include:

- Authorizing the Authority to receive 5.00% of the Percent for Art Contribution as an administrative fee, payable to the Authority at settlement. Such monies shall be deposited by the Authority into administrative fund to be used solely for administrative costs related to the Program.
- The Authority is entitled to receive 5.00% of all future Percent for Art Contributions made by developers to the FACE in lieu of an on-site art project. Such monies shall be deposited by the Authority into administrative fund to be used solely for administrative costs related to the Program.
- The Authority is entitled to withdraw 5.00% of the current balance deposited in the FACE. Such monies shall be deposited by the Authority into administrative fund to be used solely for administrative costs related to the Program.

Prepared by: Ryan Harmon

Reviewed by: Tania Nikolic and Julia Guerrero, Director of Percent for Art Program



BOARD FACTSHEET

Meeting of October 20, 2016

Conveyance of PRA Properties to Philadelphia Land Bank

Nature of Transaction: The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of properties owned by the PRA to the Philadelphia Land Bank:

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The PRA properties listed below were approved for conveyance to the Philadelphia Land Bank in collaboration with the 2nd and 5th Councilmanic District Offices.

PROPERTY INFORMATION:

PRA Conveyance: The PRA properties attached hereto as Exhibit "A" will be conveyed to the Philadelphia Land Bank without consideration, pursuant to Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3).

EXHIBIT "A"

2nd Councilmanic District Properties

2002-04 Annin Street
1110-12 S 20th Street
1118 S 20th Street
1124 S 20th Street
1248-52 S 23rd Street (originally approved as 1252 S 23rd St)
1314-20 S 28th Street, including 1314-20 S 28th Street and 1309-23 S Newkirk Street (originally approved as 1316 S 28th St and 1313, 1315, 1317, 1321 S Newkirk St)
2529-31 S 77th Street (originally approved as 2529 S 77th St)

5th Councilmanic District Properties

632 N 11th Street
645-47 N 11th Street
2203 N 26th Street, including 2520-32 W Fletcher Street and 2201-27 N 26th Street (*originally approved as 2532 W Fletcher St*)
3854 N Delhi Street
2610-16 W Fletcher Street (*originally approved as 2612, 2614 and 2616 W Fletcher St*)
2603-51 W Susquehanna Avenue, including 2601-05 W Sedgley Avenue, aka 2200 N 26th Street; 2206-26 N 26th Street; 2602-08 and 2218-32 W Fletcher Street; 2201-07 and 2213-17 N 27th Street; and 2607-43 W Susquehanna Avenue, also known as 2603-51 W Susquehanna Avenue (*originally approved as 2603-51 W Susquehanna*)
1019 Wallace Street

**BOARD FACTSHEET**

Meeting of October 20, 2016
 Selection of Redeveloper
 2217 South 5th Street

NAME OF DEVELOPER/APPLICANT: Justin and Meagan Moody

Nature of Transaction: Selection of developers to construct green and open space to be used for passive recreation located within the Whitman Urban Renewal Area.

Mailing Address: 446 Tree Street, Philadelphia, PA 19134

PROPERTY INFORMATION: 2217 South 5th Street

Description: 1,005 sq. ft., vacant lot **Zoning:** RSA-5 **Use:** Residential

Disposition Value: \$35,100.00

Property value was established by the LAMA upfront pricing model and advertised for bid on www.PhillyLandWorks.org. Mr. and Mrs. Moody were the sole bidder in the open competitive bidding process.

FINANCING:

The developer is purchasing the property listed above; documentation of available funds in an amount no less than the total project cost has been provided, see attached outline of sources and uses.

COMMENTS OR OTHER CONDITIONS:

Acquisition and commencement of construction of the proposed project is estimated to start in Winter, 2016, with completion within eighteen (18) months thereafter.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Per Chapter 17-1600 of the Philadelphia Code, an Economic Opportunity Plan is not required for this transaction given the improvement budget is under \$250,000.

Proposed Resolution and supporting project information are attached (sources & uses, site map and photographs).

Prepared by: Tracy Pinson-Reviere, Project Manager

Reviewed by: Tania Nikolic

**BOARD FACTSHEET**

Meeting of October 20, 2016

Selection of Redeveloper – 125 and 127-29 South 46th Street
and 133-135 South 46th Street**NAME OF DEVELOPER/APPLICANT:** 125-135 S 46th Street Associates, LP

Nature of Transaction: Selection of Developer for the construction of two (2) three story properties of rental housing. 125 and 127-129 South 46th Street will contain twelve (12) units comprised of nine (9) – 2 bedroom and three (3) – 3 bedroom units. 133-135 South 46th Street will contain seven (7) units comprised of two (2) – 1 bedroom and five (5) – 3 bedroom units. The properties are located within the 45th and Sansom Urban Renewal Area.

Legal Entity/Other Partners (if applicable): 125-135 S 46th Street Associates, LP

- TLC Property GP, LLC – 1%
- Lomax Real Estate Partners, LP – 99%
 - Charles Lomax – Partner
 - Michael A. Bowman – Partner
 - Bennett Lomax – Partner
 - Philip Butler - Partner

Mailing Address: 200 Highpoint Drive, Suite 215, Chalfont, PA 18914**PROPERTY INFORMATION:** 125 and 127-129 South 46th Street
133-135 South 46th Street

Description: 125 South 46th Street = 1,600 sq. ft., vacant lot
127-129 South 46th Street = 2,000 sq. ft., vacant lot
133-135 South 46th Street = 3,966 sq. ft., vacant lot

Zoning: CMX-2 **Use:** Residential (Per Title 14 of the Philadelphia Code for detached properties - residential use regulations of the most restrictive adjacent district apply)

Disposition Value: \$270,000.00

At the direction of the Council person, the sale of the property is being handled as a directed sale to the applicant; therefore, the disposition price was established through an independent appraisal.

FINANCING:

The developer is purchasing the property listed above; documentation of available funds in an amount no less than the total project cost has been provided, see attached outline of sources and uses.

COMMENTS OR OTHER CONDITIONS:

Acquisition and commencement of construction of the proposed project is estimated to start in Winter, 2016, with construction completion within eighteen (18) months thereafter.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes. Per Chapter 17-1600 of the Philadelphia Code, the City has approved the Economic Opportunity Plan with ranges at MBE – 18% and WBE – 7%.

Proposed Resolution and supporting project information are attached (site map and photographs).

Prepared by: Tracy Pinson-Reviere, Project Manager
Reviewed by: Tania Nikolic

**BOARD FACTSHEET**

Meeting of October 20, 2016

Selection of Redeveloper and Self-Amortizing Loan

2517 Salmon Street

NAME OF DEVELOPER/APPLICANT: Collene Sallee

Nature of Transaction: Selection of applicant to develop a sideyard adjacent to her property in the New Kensington-Fishtown Urban Renewal Area.

Legal Entity/Other Partners (if applicable): N/A

Mailing Address: 2519 Salmon Street, Philadelphia, PA 19125

PROPERTY INFORMATION: 2517 Salmon Street

Description: 1,350 sq. ft., vacant lot **Zoning:** RSA5 **Use:** Residential

Disposition Value: Total disposition price of \$20,000, which is comprised of a \$5,000.00 developer payment and \$15,000.00 ten (10) year self-amortizing mortgage.

Due to the applicant being the adjacent property owner who has maintained the property, a direct sale via a value established by the upfront LAMA pricing model was agreed to. The purchase price for the property will be paid by a \$5,000 redeveloper payment and a self-amortizing mortgage in the amount of \$15,000, so as to ensure the property is not resold for profit.

FINANCING:

The developer is purchasing the property listed above; documentation of available funds in an amount no less than the total project cost has been provided, see attached outline of sources and uses.

COMMENTS OR OTHER CONDITIONS:

Acquisition and commencement of construction of the proposed project is estimated to start in early 2017, with construction completion within six (6) months thereafter.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes. Per Chapter 17-1600 of the Philadelphia Code an Economic Opportunity Plan is not required for this project given the construction budget is under \$250,000.

Proposed Resolution and supporting project information are attached (sources & uses, site map and photographs).

Prepared by: Jessie Lawrence, Project Manager
Reviewed by: Tania Nikolic

**BOARD FACTSHEET**

Meeting of October 20, 2016

Sale of Renovated Single Family Property

1637 S. 24th Street**NAME OF DEVELOPER/APPLICANT:** Kamphee Chumsri

Nature of Transaction: The Board is requested to authorize the sale of the Authority-owned renovated property located at 1637 S. 24th Street ("Property") in the Point Breeze neighborhood.

Mailing Address: 1522 Morris Street, Philadelphia, Philadelphia, PA 19145

PROPERTY INFORMATION: 1637 S. 24th Street, 19145

Description: 1,250 sq. ft.; 3 bed/1.5 bath **Use:** Residential Single Family

Sale Price: \$155,000

The Property is a renovated single-family home in move-in condition. The Property was listed for sale on the Multiple Listing Service (MLS) for \$159,900 and marketed to homebuyers at or below 80% Area Median Income.

The Authority has received an agreement of sale from Khampee Chumsri for the purchase price of \$155,000, with a \$2,500 seller's assist. Mr. Chumsri submitted all required documentation and meets income guidelines.

COMMENTS OR OTHER CONDITIONS:

Staff recommends approval of this offer.

Buyer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violations of City and L&I codes.

Proposed Resolution and supporting project information are attached (site map and photographs).

Prepared by: Susan Callanen

Reviewed by: Tania Nikolic



BOARD FACTSHEET

Board Meeting of October 20, 2016
4117-45 Mitchell Street, Philadelphia, Pennsylvania
Lease and Redevelopment Agreement

APPLICANT/REDEVELOPER/TENANT: Roxborough Dog Park Association, a Pennsylvania non-profit corporation ("**RDPA**").

PROPERTY INFORMATION:

4117-45 Mitchell Street, Philadelphia, Pennsylvania (the "**Premises**").

REQUEST:

1. Approval of the Lease Agreement ("**Lease**") between the Philadelphia Redevelopment Authority ("**PRA**") and RDPA for the Premises.
2. Approval of a Redevelopment Agreement between the PRA and RDPA for the development of the Premises.

BACKGROUND:

The Premises

The PRA is the current owner of the Premises, which currently licensed to RDPA for use as a dog park pursuant to a License Agreement dated November 12, 2014, as amended by that certain First Amendment to License Agreement dated July 29, 2016 (collectively, the "**License Agreement**").

RDPA intends to construct a fenced and gated dog park with drinking fountains, paving, landscaping and an open-air pavilion with seating on the Premises to serve surrounding neighborhoods and community (the "**Redevelopment Project**").

Lease and Redevelopment Agreement for the Premises

The Redevelopment Agreement provides the terms of construction of the Redevelopment Project. The Lease provides, among other things, the terms of occupancy of the Premises. The following is a summary of the material terms of the Lease and Redevelopment Agreement:

Lease Term: The term of the Lease will expire ten (10) years from the commencement date ("**Term**").

Lease Rent: RDPA shall pay the fixed minimum rent ("**Fixed Minimum Rent**") during the duration of the Term in the annual amount of Twelve and 00/100 Dollars (\$12.00), payable in yearly installments of Twelve and 00/100 Dollars (\$12.00).

Net Lease: The Lease is a "net lease," and the PRA is not responsible for any costs, expenses or charges thereunder.

Non-Discrimination in Use or Construction of the Entire Redevelopment Premises: The Redevelopment Agreement requires non-discrimination in use and construction of the Redevelopment Project.

Minority, Disadvantaged and Female Owned Business Enterprise Requirements. The Redevelopment Agreement encourages fair and non-discriminatory business and employment practices and expanding opportunities for minorities, women and disadvantaged individuals.

Redevelopment Commitment: RDPA has committed to develop the Premises as a dog park.

Insurance: RDPA agrees to insure and to cause its contractors and subcontractors to maintain the minimum insurance coverages as required by the PRA during the term of the Redevelopment Agreement and Lease.

Indemnification: RDPA agrees to indemnify and defend the PRA and save it harmless from and against any and all claims, actions, suits, proceedings, losses, damages, liabilities and expenses arising during the term of the Redevelopment Agreement and Lease.

FINANCING:

RDPA has provided documentation of available funds in an amount no less than total Redevelopment Project costs. There will be no financing for the Redevelopment Project – costs will be paid by RDPA.

COMMENTS OR OTHER CONDITIONS:

Commencement of construction of the Redevelopment Project is estimated to begin within six (6) month of settlement with construction completion within twenty-four (24) months.

Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violations of

City and L&I codes. Per Chapter 17-1600 of the Philadelphia Code, an Economic Opportunity Plan is not required for this project given the construction budget is under \$250,000. The Applicant is encouraged to make a best and good faith effort to employ and document their effort to hire MBE, WBE and DBE registered businesses.

Proposed Resolution and supporting project information are attached (sources and uses, site map and photographs).

Prepared By: Ryan Harmon



BOARD FACTSHEET

Meeting of October 20, 2016

Loan Modification

Calcutta House

Located at 1827-43 W. Cabot Street and 1221-33 N. 19th Street

NAME OF OWNER: Calcutta House ("Borrower")

NATURE OF TRANSACTION: Resolution authorizing the Authority's consent to a modification of the loan made pursuant to Resolution No. 17,147, adopted on January 28, 2003, to allow Borrower to lease the rental units to homeless individuals instead of only homeless individuals with HIV/AIDS.

BACKGROUND INFORMATION: Pursuant to Resolution No. 17,147, adopted on January 28, 2003, the Authority was authorized to enter into a non-recourse, construction/permanent loan with the Borrower in the aggregate amount of One Million Four Hundred Seventy-Two Thousand Seven Hundred Fifty-Six Dollars (\$1,472,756) ("Authority Loan"). The proceeds of the Authority Loan were used to assist in the construction of nine (9) affordable rental units located at 1827-43 W. Cabot Street and 1221-33 N. 19th Street ("Project").

The Authority Loan was partially funded with HOPWA funding which required the rental units to be occupied by homeless individuals with HIV/AIDS. The ten (10) year compliance period for the HOPWA funding has expired and the Borrower has requested that the loan documents be amended to permit them to lease to homeless individuals. This request is being made because the service provider believes that opening the occupancy to a broader population will assist with the Project's long term viability. The City Division of Housing and Community Development and the Office of Homeless Services are supportive of this change.

BOARD ACTION REQUESTED:

Authorize the Authority to modify the terms of the Authority Loan to permit the rental units to be occupied by homeless individuals.

All other terms and conditions of Resolution No. 17,147 to remain in full force and effect.

Proposed Resolution is attached

Prepared by: Darci Bauer, Underwriter

Reviewed by: David S. Thomas, Deputy Executive Director



BOARD FACTSHEET

Meeting of October 20, 2016

Lehigh Park Apartments

Modification of Loans to St. Christopher's L.P. V and St. Christopher's L.P. VIII

TRANSACTION SUMMARY

Transfer, assumption, subordination, and restructuring of three (3) Authority loans in connection with the Lehigh Park I ("LP1") and Lehigh Park II ("LP2") developments (together, the "Projects") to permit the preservation and development of affordable housing units.

BACKGROUND

Lehigh Park I

In 1993, the Philadelphia Housing Development Corporation ("PHDC") provided a loan to St. Christopher's Associates, L.P. V, secured by a PHDC mortgage in the aggregate amount of \$2,905,000, evidenced by 3 notes in the amounts of \$1,600,000, \$725,000 and \$580,000. The proceeds of the loan provided a portion of the financing for the substantial rehabilitation of 2600 N. Lawrence Street ("Property 1") into twenty-nine (29) units of permanent rental housing for low income residents. The \$725,000 and \$580,000 notes were paid and the remaining balance in the amount of \$1,600,000 is at 1% for a term of forty (40) years ("LP1 Loan 1").

In June of 2013, the Authority Board approved an additional loan in the amount of \$348,300 for elevator repairs. This additional financing is at 0% for a term of thirty (30) years ("LP1 Loan 2").

Lehigh Park II

In 1996, PHDC provided a loan to St. Christopher's Associates, L.P. VIII, in the amount of \$1,858,344 and secured by a PHDC mortgage ("LP2 Loan"). The LP2 Loan was part of the financing provided for the substantial rehabilitation of 2622-46 N. Lawrence Street ("Property 2") into forty-eight (48) units of permanent rental housing for low income residents. The LP2 Loan is at 7% for a term of forty (40) years.

In December 2010, the Authority Board approved an increase to the LP2 Loan in the amount of \$1,482,900 for various capital improvements. With the additional Authority financing, the LP2 Loan amount increased to \$3,341,244 with the loan terms remaining the same.

The LP1 Loan 1 and the LP2 Loan were assigned to the Authority.

PROPOSED PROJECT

In 2001, the Hispanic Association of Contractors and Enterprises ("HACE") purchased the general partnership interest in both limited partnerships from the Canus Corporation and since then has been managing the Projects. The Projects have reached their initial fifteen (15) year low income housing tax credit compliance period and HACE has developed a preservation plan in order to keep the Projects affordable for an additional thirty (30) years from the placed in service date. The Projects will be developed by a newly created entity, Lehigh Park Apartments LLC, a Pennsylvania limited liability company ("LPA LLC"), in which HACE has 100% interest of the General Partner. LPA LLC will be combining the Projects into a single seventy-four (74) unit development ("Lehigh Park Project") that will consist of making much needed renovations such as energy efficiency upgrades, capital and mayor systems improvements and other repairs. Total financing for the Lehigh Park Project is approximately \$12.5 million dollars and will be funded from 4% tax credits from the Pennsylvania Housing Finance Agency, a tax exempt bond construction/permanent loan provided by Citibank, N.A., and a deferred developer fee. The Philadelphia Housing Authority will be providing project based vouchers under the Rental Assistance Demonstration Program. There will be no additional financing requested from the Department of Housing and Community Development.

In order to make the Lehigh Park Project financially feasible, HACE has asked the Authority to reduce its debt to \$4,422,000 ("Assumed Debt") to match the as-is appraisal of Property 1 and Property 2, less the seller's share of transfer tax and a small existing loan from Santander Bank in the approximate amount of \$200,000. In addition, in order to satisfy investor requirements, HACE has requested that the Assumed Debt be restructured to bear interest at the Applicable Federal Rate ("AFR"), due and payable thirty-two (32) years from the date of execution.

BOARD ACTION

The Board is asked to consent to the following:

- Transfer of Property 1 and Property 2 to LPA, LLC;
- Forgiveness of the accrued interest and \$867,544 of the aggregate principal balance;
- Assumption by LPA, LLC of Assumed Debt;
- Modify the terms of the financing to extend the maturity date to thirty-two (32) years from the date of closing, accrue interest at the AFR and provide that no payments shall be due and payable until the maturity date;
- Allow the subordination of the Assumed Debt to the construction financing and permanent financing .

Proposed Resolution is attached

Prepared by: Darci Bauer, Underwriter
 Reviewed by: David Thomas, Deputy Executive Director

Memorandum



BOARD FACTSHEET

Meeting of October 20, 2016
 Caton House/Genesis II ("Sponsor")
 1239 Spring Garden Street ("Property")
 Consent to Transfer of Property and Modifications of Loans to Caton House
 Real Estate Limited Partnership ("Borrower")

Transaction Summary

The restructuring of Authority debt to permit the sale of the Property and the preservation of affordable housing units.

Background

In 1993 and 1994, the Philadelphia Housing Development Corporation provided two loans totaling Nine Hundred Thousand Dollars (\$900,000) and Seven Hundred Fifty Thousand Dollars (\$750,000) to the Borrower (collectively, the "PHDC Loans"; individually, the "\$900,000 Loan" and the "\$750,000 Loan") for the rehabilitation of twenty (20) affordable housing units located at the Property for persons recovering from drug and alcohol dependency (Project). The PHDC Loans were at one (1%) percent interest, payable in twenty (20) years and were assigned to the Authority.

In 2014, to permit Genesis II to enter into a partnership with Horizon House, the Authority board adopted Resolution 2014-113 authorizing: 1) the satisfaction of the \$750,000 Loan; 2) consent to a transfer of control of the Genesis II Board to Horizon House; and 3) modification of the \$900,000 Loan to a 15 year, 0% interest, self-amortizing loan. Unfortunately, the partnership agreement with Horizon House could not be executed and none of the Board's approved actions occurred. The Project has since ceased operation.

Genesis II has now approached the Authority for consent to sell the Property to Thomas Jefferson University Hospital (Purchaser) and to forgive both the \$750,000 Loan and a portion of the \$900,000 Loan. Purchaser currently has a contract with the City of Philadelphia through Department of Behavioral Health to provide a comprehensive residential treatment program for pregnant and parenting women who have substance abuse disorders. Purchaser intends to acquire the Property for occupancy by these clients.

Upon the sale of the Property, Borrower will pay the Authority the amount of Two Hundred Thousand Dollars (\$200,000) toward the \$900,000 Loan. Purchaser shall assume debt in the amount of Three Hundred Thousand Dollars (\$300,000) ("Assumed Debt") and the Authority will forgive the interest and the remaining principal of Four Hundred Thousand Dollars (\$400,000). The Assumed Debt will be for a

twenty (20) year term at 0% interest and will be self-amortizing provided the Project is leased to low-income tenants.

Board Action

As a result the Board is asked to consent to the following:

- Consent to transfer of the Property to Purchaser;
- Forgiveness of the \$750,000 Loan and satisfaction of the mortgage securing it;
- Forgiveness of the interest and partial forgiveness of \$400,000 of the principal of the \$900,000 Loan;
- Assumption of debt in the amount of \$300,000 by the Purchaser;
- Modification of the terms of the Assumed Debt to a twenty (20) year term at 0% interest. The financing will be reduced annually without payment provided the Project is leased to low-income tenants.

The Resolution is attached hereto.



BOARD FACTSHEET

Meeting of October 20, 2016

City of Philadelphia Vacant Property Review Committee

Nature of Transaction: PRA will facilitate the conveyance of title from the City to identified Grantees listed below.

- All Grantees have been selected by VPRC. The VPRC serves as an advisory committee and recommends to the City Commissioner of Public Property what City surplus properties should be made available for disposition in accordance with Chapter 16-400 of the City Code.
- The conveyance of these properties to the Grantees for reuse will relieve the City of the care; maintenance and management of the properties and help arrest blight in the neighborhoods and restore the properties to productive use.
- Properties and Grantees listed below were approved by the VPRC for disposition and a Resolution authorizing the disposition by the PRA was approved by City Council.

PROPERTY INFORMATION:

- 1) **Nominal Disposition:** The following two (2) properties will be conveyed at nominal under the Gift Property Program.

Address

Grantee

2912 West Page Street
2013 South 8th Street

Hilda J. Cromartie
United Communities SE Philadelphia

- 2) **Self-amortizing Mortgage Disposition:** The following four (4) properties will be conveyed at fair market value as determined by LAMA, with a self-amortizing mortgage for the purchase price.

Address

Grantee

Price

1228 North Conestoga Street
528 West Dauphin Street
1310 North Marston Street
2407 North Orkney Street

Anthony Royster
Rufus F. Lover & Elba, h/w
Steven Lawrence
Jossue Villamar

\$ 8,000.00 (LAMA)
\$ 8,373.30 (LAMA)
\$ 7,679.00 (LAMA)
\$27,743.94 (LAMA)

- 3) Fair Market Disposition:** The following two (2) properties will be conveyed at fair market value as established by appraisals obtained by the Office of Housing and Community Development of the City of Philadelphia or by the LAMA pricing model:

<u>Address</u>	<u>Grantee</u>	<u>Appraisal/LAMA Value</u>
1948 East Harold Street	Smith Fishtown LLC	\$5,500.00 (AUCTION)
2317 Ridge Avenue	Harold J. McCoy, Jr.	\$5,000.00 (RE Committee)



BOARD FACTSHEET

Meeting of October 20, 2016

Amendment to Escrow Agreement

Lena Street Associates, Blakestone Limited Partnership, Lower Germantown Limited Partnership and Lower Germantown II Limited Partnership

Nature of Transaction: The Board is requested to authorize an amendment to Resolution No. 2016-87, adopted on August 6, 2016, wherein the Authority Board authorized the abatement of interest and penalties on the following Authority loans (the "Loans") provided the principal balance due and owing on each of the Loans is paid in full:

Loans:

A. Lena Street Loan: LENA STREET ASSOCIATES, a Pennsylvania limited partnership ("**Lena Street**"), by a certain Mortgage dated May 22, 1990, and recorded May 30, 1990, in the City of Philadelphia Department of Records (the "**Recorder's Office**") at Mortgage Book M 2210, Page 400, et seq. (the "**Lena Street Mortgage**"), granted and conveyed unto the Philadelphia Housing Development Corporation ("**PHDC**"), its successors and assigns, a security interest in the property located at and known as 5429-43 Lena Street, Philadelphia, Pennsylvania (the "**Lena Street Premises**"), to secure payment of a Note (the "**Lena Street Note**") in the principal sum of Four Hundred Thousand Dollars (\$400,000) (the "**Lena Street Loan**"). Pursuant to that certain Assignment dated October 5, 1993 (the "**Assignment**"), PHDC assigned the Lena Street Mortgage and Lena Street Note to the Authority.

B. Blakestone Loan: BLAKESTONE LIMITED PARTNERSHIP, a Pennsylvania limited partnership ("**Blakestone**"), by a certain Open-End Mortgage dated February 13, 1997, and recorded February 28, 1997, in the Recorder's Office at Mortgage Book M 0455, Page 557, et seq. (the "**Blakestone Mortgage**"), granted and conveyed unto the Authority and its successors and assigns a security interest in the property located at and known as 6657-59 Blakemore Street, Philadelphia, Pennsylvania, 530-34 Vernon Road, Philadelphia, Pennsylvania, and 6526-34 Germantown Avenue, Philadelphia, Pennsylvania (together, the "**Blakestone Premises**"), to secure payment of a Note (the "**Blakestone Note**") in the principal sum of Six Hundred Fifty Thousand Dollars (\$650,000) (the "**Original Blakestone Loan**"). Pursuant to that certain Allonge and Amendment to Note dated May 11, 1998 (the "**Blakestone Allonge**") and that certain Mortgage Modification Agreement dated May 11, 1998 (the "**Blakestone Modification**"), the Original Blakestone Loan was increased to Six Hundred Seventy Thousand Nine Hundred Dollars (\$670,900) (the Original Blakestone Loan, as increased by the Blakestone Allonge and Blakestone Modification, the "**Blakestone Loan**").

Item V (a)

C. LGII Loan: LOWER GERMANTOWN II LIMITED PARTNERSHIP, a Pennsylvania limited partnership ("**LGII LP**"), by a certain Open-End Mortgage dated October 6, 1994, and recorded October 31, 1994, in the Recorder's Office at Mortgage Book M 337, Page 040, et seq. (the "**LGII Mortgage**"), granted and conveyed unto the Authority and its successors and assigns a security interest in the property located at and known as 50 and 56 E. Collom Street, 67, 83 and 85-87 Church Lane, 45-51 E. Garfield Street, 4949-51 and 5007 Germantown Avenue, 5417 Lena Street (including a 953 square foot section of the parcel located at 5423-5427 Lena Street, which is adjacent to 5417 Lena Street), 5512-14 and 5513-15 Lena Street, 117 Manheim Street and 36-46 and 63 E. Wister Street, Philadelphia, Pennsylvania (together, the "**LGII Premises**"), to secure payment of a Note dated October 6, 1994 (the "**LGII Note**"), in the principal sum of One Million Fifty-Nine Thousand Seven Hundred Thirty-Six Thousand Dollars (\$1,059,736) (the "**LGII Loan**").

D. LG Loan: LOWER GERMANTOWN LIMITED PARTNERSHIP, a Pennsylvania limited partnership ("**LG LP**"), by a certain Mortgage dated November 9, 1992, and recorded June 3, 1993, in the Recorder's Office at Mortgage Book M 0421, Page 118, et seq. (the "**LG Mortgage**"), granted and conveyed unto PHDC and its successors and assigns a security interest in the property located at and known as 72-74 E. Collom Street, 101 E. Collom Street, 4928 Germantown Avenue, 4930 Germantown Avenue, 4942 Germantown Avenue, 4948 Germantown Avenue, 5009 Germantown Avenue, 5118-20 Lena Street, 5421 Lena Street and 5423-27 Lena Street, Philadelphia, Pennsylvania (together, the "**LG Premises**"), to secure payment of a Note dated November 9, 1992 (the "**LG Note**"), in the principal sum of One Million Two Hundred Twenty-Five Thousand Dollars (\$1,225,000) (the "**LG Loan**"). Pursuant to the Assignment, PHDC assigned the LG Mortgage and LG Note to the Authority.

Specifically, the Board authorized Lena Street and Blakestone to pay off the Lena Street Loan and Blakestone Loan, respectively, and to release the lien of each of the Lena Street Mortgage and the Blakestone Mortgage, as amended by the Blakestone Modification. Simultaneously with such payoff, the Board authorized the placement of the interest due and owing on the Lena Street Loan and Blakestone Loan, respectively, as of the date of payoff (the "**Escrow Funds**"), into escrow with the Authority. Provided the full principal amount of the LG Loan and the LGII Loan were paid to the Authority in full by 5:00 p.m. on October 31, 2016, the Board authorized the release of the Escrow Funds to Lena Street and Blakestone and the abatement of the interest and penalties due owing under the LG Note and the LGII Note. Further, if such payment is not received by the Authority by 5:00 p.m. on October 31, 2016, the Authority would be entitled to, and shall receive, the entire Escrow Funds, without recourse from Lena Street and/or Blakestone.

COMMENTS OR OTHER CONDITIONS:

Lena Street, Blakestone, LGII LP and LG LP have now requested an extension to the payment deadlines set forth above so that they can continue to renegotiate the terms of refinancing with their lender.

The Authority seeks authorization to enter into a First Amendment to Escrow Agreement which would extend the dates as follows:

1. Provided the full amount of principal and interest due on the Lena Street Loan and the Blakestone Loan are paid to the Authority, authorization is provided to place the interest due and owing on the Lena Street Loan and Blakestone Loan, respectively, as of the date of payoff (the "Escrow Funds"), into escrow with the Authority;
2. Provided the full principal amount of the LG Loan and the LGII Loan are paid to the Authority in full by 5:00 p.m. on December 31, 2016, the Authority is authorized to release the Escrow Funds to Lena Street and Blakestone and abate the interest and penalties due owing under the LG Note and the LGII Note;
3. If the full principal amount of the LG Loan and the LGII Loan are not paid to the Authority in full by 5:00 p.m. on December 31, 2016, the Authority is entitled to, and shall receive, the entire Escrow Funds, without recourse from Lena Street and/or Blakestone.

Proposed Resolution is attached

Prepared by: Ryan Harmon



BOARD FACTSHEET

Meeting of October 20, 2016

Ratification and First Amendment to Redevelopment Agreement

1408-24 N. 31st Street, 1415-37 N. 31st Street and 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street), Philadelphia, Pennsylvania

NAME OF DEVELOPER/APPLICANT: Westrum BT2, L.P. ("Redeveloper")

Nature of Transaction: By Resolution No. 17,436 adopted on February 10, 2004, the Board authorized the selection of Westrum BT 2, L.P. as redeveloper of the properties located at and known as 1408-24 N. 31st Street, 1415-37 N. 31st Street, 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street) and 1238-42 N. 31st Street, Philadelphia, Pennsylvania.

Settlement has occurred under (and as defined by) the Redevelopment Agreement dated May 6, 2005 (the "Redevelopment Agreement"), and title to the aforementioned properties was conveyed to Redeveloper by Indenture dated July 29, 2005 (the "Vesting Deed").

Because of market constraints at the time, commencement of construction of this project was delayed after settlement due the Redeveloper's inability to secure financing for previously approved development plans. The Authority delivered a Notice of Default to Redeveloper dated June 29, 2010 which asserted certain defaults by Redeveloper related to, among other things, the submission of plans and the commencement and the completion of redevelopment under and in accordance with the terms of the Redevelopment Agreement (the "Default Notice"). No further action was taken pursuant to the Default Notice.

On or about March 29, 2012, the Authority purchased the property located at 1238-42 N. 31st Street, Philadelphia, Pennsylvania, back from Redeveloper. The properties remaining subject to the Redevelopment Agreement, namely 1408-24 N. 31st Street, 1415-37 N. 31st Street and 1421-27 N. 32nd Street (incl. 3129-45 W. Master Street), Philadelphia, Pennsylvania, are referred to herein, collectively, as the "Premises."

The applicant has since then received the necessary approvals and funding for the project, and PRA is now confident that the developer is in position to proceed with groundbreaking. The project will now be done in four (4) phases, with separate plans and proof of financing to be submitted for each respective phase. When the four (4) phases are completed, the project will include the construction of two hundred fifty-one (251) rental units and five thousand nine hundred (5,900) square feet of ground floor commercial space built with four (4) buildings ranging between four (4) and five (5) stories, with related site work, sidewalks, trees and landscaping to be constructed on the Premises and certain property surrounding the Premises, subject the approval of the Authority.

Item V (b)

Today, the Board is asked to authorize a resolution that would permit the Authority to enter into a Ratification and First Amendment to Redevelopment Agreement with Redeveloper with the following terms:

1. Approve schematic plans submitted by the Redeveloper for Phase 1 of the project;
2. Require redeveloper to submit Final Plans no later than 45 days prior to the commencement of construction of Phase 1 and for each Phase thereafter;
3. Extend this project's commencement deadline May 1, 2017;
4. Extend this project's completion deadline to May 1, 2019.

Legal Entity/Other Partners (if applicable): Westrum Urban, LLC

Mailing Address: 1300 Virginia Drive, Suite 215, Ft. Washington, PA 19034

PROPERTY INFORMATION: Parcel No. 6 (1408-24 N. 31st Street), Parcel No. 7 (1415-37 N. 31st Street) and Parcel No. 8 (1421-27 N. 32nd Street (incl. 3129-45 W. Master Street)), Philadelphia, Pennsylvania

Description: 174,000 sq. ft., vacant lots & building **Zoning:** RMX2 **Use:** Mixed Use Residential

COMMENTS OR OTHER CONDITIONS:

The developer purchased the property on July 29, 2005. The project will consist of four buildings, ranging between four and five stories, with a total of 251 rental units and 5,900 square feet of ground floor commercial space. Total development costs are estimated at \$49,000,000. There will be no extension fee.

Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes. Per Chapter 17-1600 of the Philadelphia Code, the Economic Opportunity Plan ranges have been set at MBE – 18%, WBE – 7%.

Proposed Resolution and supporting information are attached (site map, sources & uses and photographs).

Prepared by: Jessie Lawrence, Project Manager
Reviewed by: Tania Nikolic and Ryan Harmon



BOARD FACTSHEET

Meeting of October 20, 2016

Union Hill Properties, LP

Union Hill

Modification and Forgiveness of Loan Balances

TRANSACTION SUMMARY

Modification of Authority loans to permit the transfer of homeownership units to DHC Holdings, LP ("Buyer"), and to forgive the remaining balance of the Authority financing.

BACKGROUND

Pursuant to Resolution No. 18,373 adopted on February 27, 2007, as amended by Resolution No. 18,853, adopted on July 14, 2009, the Authority provided i) a bridge loan in the amount of Four Million Four Hundred Thousand Dollars (\$4,400,000) ("Bridge Loan") and ii) a subsidy loan in the amount of Four Million Eight Hundred Twenty Thousand Dollars (\$4,820,000) ("Subsidy Loan") to Homeownership Developers, LLC ("Borrower") for the development of fifty-one (51) homeownership units, of which forty (40) units were to be subsidized, in the Mantua section of Philadelphia for sale to low-moderate income homeowners ("Project"). Financing for the Project was also provided by Pennsylvania Housing Finance Agency under its Homeownership Choice Program and by Conestoga Bank.

The Bridge Loan has been partially repaid from the proceeds of the sales of thirty-nine (39) units, leaving a remaining balance of One Hundred Thousand One Hundred Fifty Dollars (\$100,150) ("Bridge Loan Balance"). A pro-rata portion of the Subsidy Loan has been transferred to the homeowners of thirty-four subsidized units, leaving an unallocated balance of Seven Hundred Twenty-three Thousand (\$723,000) ("Subsidy Loan Balance"). Twelve (12) units located at 731, 733, 743, 751, 751A North 40th Street, 3903, 3925 Aspen Street and 716, 724, 760, 768, 770 North Union Street ("Unsold Units") remain unsold.

The Project was initially caught in the real estate market down-turn of 2008-2009, during which buyers were unable to obtain financing to purchase the units. Thereafter, the managing member of Borrower was convicted and imprisoned on corruption charges. Despite continued efforts to sell, the Unsold Units remain vacant and have been subject to vandalism. Unpaid City liens continue to increase. Financing provided to the Project by Conestoga Bank and liens owed to the contractor for the construction of the units remain partially unpaid.

Buyer, a partnership whose principals are Sherman W. Smith, III and Renee Nunley-Smith, have offered to purchase the Unsold Units to repair and lease as affordable rental units. The purchase price will repay the City liens and partially repay the Conestoga Bank and contractor.

BOARD ACTION

The Board is asked to consent to the following:

- Permit the conveyance by Borrower of the Unsold Units to Buyer
- Forgive the Subsidy Loan Balance and the Bridge Loan Balance

The resolution is attached hereto.

Proposed Resolution is attached

Prepared by: David Thomas, Deputy Executive Director



BOARD FACTSHEET

Meeting of November 9, 2016

Conveyance of PRA Properties to Philadelphia Land Bank

Nature of Transaction: The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of properties owned by the PRA to the Philadelphia Land Bank:

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The PRA properties listed below were approved for conveyance to the Philadelphia Land Bank in collaboration with the 2nd and 5th Councilmanic District Offices.

PROPERTY INFORMATION:

PRA Conveyance: The PRA properties attached hereto as Exhibit "A" will be will be conveyed to the Philadelphia Land Bank without consideration, pursuant to Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3).

EXHIBIT "A"

2nd Councilmanic District Property

2007 Ellsworth St

5th Councilmanic District Properties

1537 Cecil B. Moore Ave

1000 Fairmount Ave

1341 N 8th St

1342 N Perth St

1238 N 15th St

RESOLUTION NO.

PHILADELPHIA LAND BANK – RESOLUTION AUTHORIZING THE CONVEYANCE OF CERTAIN PROPERTIES OWNED BY THE PHILADELPHIA REDEVELOPMENT AUTHORITY TO THE PHILADELPHIA LAND BANK

WHEREAS, Act 153 of 2012, 68 Pa. C.S.A. § 2101, *et seq.* (the “Land Bank Act”) authorized the City of Philadelphia (“City”) to create a land bank in accordance with the Land Bank Act; and

WHEREAS, the City, in Bill No. 130156-A (approved December 18, 2013), authorized the creation of the Philadelphia Land Bank and provided for its appointment, powers and duties; and

WHEREAS, under Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), a redevelopment authority, with the consent of the local governing body and without a redevelopment contract, may convey title to certain redevelopment authority property to a land bank; and

WHEREAS, the properties identified on Exhibit "A" to this Resolution which are owned by the Philadelphia Redevelopment Authority qualify for transfer from the Philadelphia Redevelopment Authority to the Philadelphia Land Bank as provided by Section 2109 of the Land Bank Act; and

WHEREAS, the transfer of the properties identified on Exhibit "A" to this Resolution to the Philadelphia Land Bank will promote the public purposes for which the City created the Philadelphia Land Bank;

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Philadelphia Redevelopment Authority to convey title to those properties identified on Exhibit "A" hereto, to the Philadelphia Land Bank, and for the preparation, execution, acknowledgment and delivery of deeds to the Philadelphia Land Bank, without consideration, pursuant to Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), and to obtain the appropriate councilmanic action.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

EXHIBIT "A"

**Properties Owned by Philadelphia Redevelopment Authority to be Transferred to
Philadelphia Land Bank**

2nd Councilmanic District Property

2007 Ellsworth St

5th Councilmanic District Properties

1537 Cecil B. Moore Ave

1000 Fairmount Ave

1341 N 8th St

1342 N Perth St

1238 N 15th St



BOARD FACTSHEET

Meeting of November 9, 2016
Cooperation Agreement
PHA Norris Square Condemnation

NAME OF DEVELOPER/APPLICANT: Philadelphia Housing Authority ("PHA")

Nature of Transaction: Approval of a Cooperation Agreement between the Redevelopment Authority and PHA which will authorize the Redevelopment Authority to act as agent for PHA in the acquisition through condemnation of certain properties in the Norris Square area.

COOPERATION AGREEMENT SERVICES:

The Redevelopment Authority will perform all pre-acquisition due diligence work (appraisals, title, legal plot plans, notification to owners/occupants) and, if later authorized by City Council and PHA, all acquisition Services (filing a declaration of taking, relocation services, securing possession, payment of condemnation claims and legal representation related to the taking). PHA will be responsible for payment of all costs and claims related to the condemnation and PHA will pay the Redevelopment Authority an administrative fee for its services. The Redevelopment Authority will be acting as agent, and the taking will be done in the name of PHA using PHA's power of eminent domain.

COMMENTS OR OTHER CONDITIONS:

The proposed Cooperation Agreement is subject to approval by PHA's Board of Directors, and, if approved by the Redevelopment Authority Board, City Council will be asked to approve the Agreement.

Proposed Resolution attached.

RESOLUTION NO.

RESOLUTION AUTHORIZING A COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AUTHORITY AND THE PHILADELPHIA HOUSING AUTHORITY

WHEREAS, the Philadelphia Housing Authority ("PHA") has requested the Redevelopment Authority to act as PHA's agent in acquisition by PHA of certain properties in located in the Norris Square area of Philadelphia;

WHEREAS, the Redevelopment Authority is willing to provide its professional assistance to PHA in assembling and acquiring title to the project area and to provide related professional services incident to acquisition of those properties;

WHEREAS, PHA and the Redevelopment Authority have negotiated a Cooperation Agreement which states all terms, conditions, obligations and responsibilities of the parties when providing such services.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that the Redevelopment Authority is authorized to execute a Cooperation Agreement with the Philadelphia Housing Authority ("PHA") whereby the Redevelopment Authority will act as agent for PHA for acquisition services related to PHA's acquisition by PHA of certain properties in located in the Norris Square area of Philadelphia.

FURTHER RESOLVING, that the Executive Director is authorized to execute a Cooperation Agreement with PHA and all further instruments, documents and agreements necessary to effectuate the purposes of this Resolution, which Cooperation Agreement, instruments, documents and agreements shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Authority.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.



BOARD FACTSHEET

Meeting of November 9, 2016
1001-1011 Vine Street and 314 N. 10th Street
Amendment to Redevelopment Agreement

NAME OF DEVELOPER/APPLICANT: 1001 Vine Street, LP

Nature of Transaction: By Resolution No. 2014-103 adopted on November 12, 2014, the Board authorized the selection of 1001 Vine Street, LP, (the "**Vine LP**"), as redeveloper of 1001-1011 Vine Street and 314 N. 10th Street (the "**Parcel**"), located in the Franklin Urban Renewal Area.

The applicant has requested approval to obtain an extension on the settlement, commencement and completion of this project as they continue to finalize financing for total development costs. PRA staff is confident that the developer will be in position to close and develop this property upon granting this extension.

Today the Board is asked to authorize a resolution that facilitates the following:

1. Extension of this project's settlement deadline to December 31, 2016;
7. Extension this project's construction commencement deadline to March 1, 2017;
and
8. Extension this project's construction completion deadline to March 1, 2019.

Legal Entity/Other Partners (if applicable): ETCC GP, Inc. (current .01% general partner of the Vine LP)

Mailing Address: 301-05 N. 9th Street, Philadelphia, PA 19107

PROPERTY INFORMATION: 1001-1011 Vine Street & 314 N. 10th Street

Description: 18,000 sq. ft., vacant lot **Zoning:** CMX3 **Use:** Mixed Use

Disposition Price: \$ 776,308.00

The property value for the parcel was established at Seven Hundred Seventy-Six Thousand Three Hundred Eight Dollars (\$776,308) when the Authority acquired the parcel from PennDOT at fair market value. The remaining portion of the site, 1007-1011 Vine Street, also owned by the Authority, will be conveyed at nominal to support the community project.

BACKGROUND:

The Authority is the current owner of the parcel which consists of vacant lots. Vine LP intends to construct a 23-story, 227,000 sq. ft. mixed use building; 10,000 sq. ft. of ground floor retail space, 17,000 sq. ft. community center, 16,000 sf. of office space and One Hundred Forty-Three (143) upper floor residential units located immediately north and west of the Market East Chinatown neighborhood. Total development costs are currently estimated at \$75,000,000. There will be no extension fee.

COMMENTS OR OTHER CONDITIONS:

Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes. Per Chapter 17-1600 of the Philadelphia Code, the Economic Opportunity Plan ranges have been set at MBE – 18%, WBE – 7%.

Proposed Resolution is attached.

Prepared by: Ryan Harmon

RESOLUTION NO.

**CENTER CITY REDEVELOPMENT AREA, FRANKLIN URBAN RENEWAL AREA –
RESOLUTION AUTHORIZING AN AMENDMENT TO THE REDEVELOPMENT
AGREEMENT WITH 1001 VINE STREET, LP**

WHEREAS, Pursuant to Resolution No. 2014-103, adopted November 12, 2014, 1001 Vine Street, LP ("Redeveloper") was approved as Redeveloper of 1001-1011 Vine Street and 314 N 10th Street;

WHEREAS, Redeveloper and the Authority executed a Redevelopment Agreement dated November 24, 2014 for this property; and

WHEREAS, Redeveloper and the Authority executed a First Amendatory Agreement dated November 5, 2015 ("First Amendment"); and

WHEREAS, the First Amendment provides that the Redeveloper must take title to the property by March 30, 2016, commence construction by July 1, 2016, and complete construction by July 1, 2018; and

WHEREAS, in order to finalize its financing, the Redeveloper has requested an extension of time to take title to the property to December 31, 2016; and

WHEREAS, the Board is willing to provide corresponding extension of time of the commencement and completion dates; and

WHEREAS, the Authority has carefully considered this request and the factors giving rise thereto.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Authority is authorized to enter into an Amendment to Redevelopment Agreement for 1001-1011 Vine Street and 314 N. 10th Street with 1001 Vine Street, LP, to provide that:

a. the time for conveyance of title of the property as stated in paragraph 1.6 of the Redevelopment Agreement, as previously amended, shall be extended to December 31, 2016.

b. the time for commencement of construction as stated in paragraph 4.5 of the Redevelopment Agreement, as previously amended, shall be extended to March 1, 2017.

c. the time for completion of improvements as stated in paragraph 4.5 of the Redevelopment Agreement, as previously amended, shall be extended to March 1, 2019.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

**BOARD FACTSHEET**

Meeting of November 9, 2016
 Selection of Redeveloper
 3101 Cecil B. Moore Avenue

NAME OF DEVELOPER/APPLICANT: Mosaic Development Partners, LLC

Nature of Transaction: Selection of developer to construct a four story – twelve (12) unit multi-family dwelling located within the Model Cities Urban Renewal Area.

Legal Entity/Other Partners (if applicable): Mosaic Development Partners, LLC

- Gregory Reaves – Managing Member – 90%
- Leslie Smallwood-Lewis – Member – 10%

Mailing Address: 3002 Cecil B. Moore Avenue, 2nd Floor, Suite C01
 Philadelphia, PA 19121

PROPERTY INFORMATION: 3101 Cecil B. Moore Avenue

Description: 1,900 sq. ft., vacant lot **Zoning:** RSA-5 **Use:** Residential

Disposition Value: \$26,867.00

Property value was established by the LAMA upfront pricing model and advertised for sale on www.PhillyLandWorks.org; the applicant's expression of interest was the only submission received for this properties.

FINANCING:

The developer is purchasing the property listed above; documentation of available funds in an amount no less than the total project cost has been provided, see attached outline of sources and uses.

COMMENTS OR OTHER CONDITIONS:

Acquisition and commencement of construction of the proposed project is estimated to start in Winter, 2016, with construction completion by Winter, 2018.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Item III (a)

Per Chapter 17-1600 of the Philadelphia Code, the Economic Opportunity Plan ranges have been approved by the City at MBE – 35% and WBE – 15%. This developer is new to the PRA, and therefore, no past performance has been recorded.

Proposed Resolution and supporting project information are attached (sources & uses, site map and photographs, EOP).

Prepared by: Tracy Pinson-Reviere, Project Manager
Reviewed by: Tania Nikolic

RESOLUTION NO.

RESOLUTION SELECTING MOSAIC DEVELOPMENT PARTNERS, LLC AS REDEVELOPER OF 3101 CECIL B. MOORE AVENUE LOCATED IN THE NORTH PHILADELPHIA REDEVELOPMENT AREA, MODEL CITIES URBAN RENEWAL AREA

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Mosaic Development Partners, LLC is hereby selected as Redeveloper of 3101 Cecil B. Moore Avenue, located within the North Philadelphia Redevelopment Area, Model Cities Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Twenty Six Thousand Eight Hundred Sixty Seven Dollars (\$26,867.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Project Financing: Estimated Sources and Uses of Funds. Sources must equal Uses.

Sources: Name all sources of funding. Bidder must provide evidence of committed funds.

<i>Type</i>	<i>Amount</i>	<i>Name of Source</i>	<i>Committed: Y/N</i>	<i>Documentation Attached: Y/N</i>
Developer Equity	\$ 218,700.00	Curtis Mathis, Investor	Y	
Acq/Construction Financing	\$ 874,800.00	Fox Chase Bank	Y	
Permanent Financing	\$ -			
Grant	\$ -			
Other	\$ -			
Other	\$ -			
Other	\$ -			
Total Sources	\$ 1,093,500.00			

Uses: Provide estimated costs to redevelop property

<i>Uses</i>	<i>Amount</i>	<i>Source of Estimate</i>
Purchase Price of Property	\$ 26,867.00	
Closing Costs (Title/Recording)	\$ 2,400.00	
Construction Costs	\$ 882,250.00	
Design/Engineering Costs	\$ 52,500.00	
Legal Costs	\$ 10,000.00	
Holding Costs	\$ -	
Financing Costs	\$ 61,500.00	
Other: Leasing and Marketing	\$ 14,000.00	
Other: Soft Cost Contingency	\$ 31,983.00	
Other: Insurance/Taxes	\$ 12,000.00	
Total Uses	\$ 1,093,500.00	



Address: 3101 Cecil B. Moore Avenue

Mosaic Development Partners LLC 3101 Cecil B. Moore Avenue Project



Prepared by Tracy Pinson-Reviere
October 25, 2016



North Philadelphia Redevelopment Area
Model Cities Urban Renewal Area
3101 Cecil B. Moore Avenue

**BOARD FACTSHEET**

Meeting of November 9, 2016

Selection of Redeveloper and Self-Amortizing Loan

1900 N. 23rd Street**NAME OF DEVELOPER/APPLICANT:** Walter Davis

Nature of Transaction: Selection of developer to develop the adjacent lot for side yard use; property located in the Model Cities Urban Renewal Area.

Mailing Address: 1902 N. 23rd Street, Philadelphia, PA 19121

PROPERTY INFORMATION: 1900 N. 23rd Street

Description: 1491 sq. ft., vacant lot **Zoning:** CMX-1 **Use:** Side Yard

Disposition Value: \$15,000 w/10-year amortizing mortgage

Transaction qualifies for a side yard conveyance; applicant is the owner-occupant of the adjacent property and will be given a ten (10) year self-amortizing mortgage on the disposition value, which decreases by 10% each year. This mortgage is non-payable, unless the applicant sells, changes the use, or otherwise seeks to encumber the property within the ten (10) year period from the date of the mortgage.

COMMENTS OR OTHER CONDITIONS:

Property value was established by the recommendation of the Real Estate Review Committee. The parcel was listed in LAMA for \$18,000. Since Mr. Davis has been maintaining this lot since he purchased his home in 2007, he requested the price of \$15,000 so that the entire amount can go under a self-amortizing mortgage. Mr. Davis also sent in pictures of his basement wall that has been getting water damage due to the vacant parcel.

Per Chapter 17-1600 of the Philadelphia Code, the City has determined that an EOP is not required for this transaction given the improvement budget is under \$250,000.

Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Proposed Resolution and supporting project information are attached (site map and photograph).

Prepared by: Brian Romano, Project Manager

Reviewed by: Tania Nikolic

RESOLUTION NO.

RESOLUTION SELECTING WALTER DAVIS AS REDEVELOPER OF 1900 N. 23RD STREET LOCATED IN THE NORTH PHILADELPHIA REDEVELOPMENT AREA, MODEL CITIES URBAN RENEWAL AREA AND APPROVING A SELF-AMORTIZING LOAN FOR THE DISPOSITION PRICE

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Walter Davis is hereby selected as Redeveloper of 1900 N. 23rd Street, located within the North Philadelphia Redevelopment Area, Model Cities Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Fifteen Thousand Dollars (\$15,000.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

BE IT FURTHER RESOLVED, that the Philadelphia Redevelopment Authority will provide a self-amortizing loan in the amount of Fifteen Thousand Dollars (\$15,000) for a term of ten (10) years at 0% interest that will be secured by a mortgage on the property. The amount of the obligation will decrease by 10% each year for the ten (10) year period that the buyer remains in compliance with the Authority's Land Disposition Policy.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

1900 N. 23rd Street



Model Cities Urban Renewal Area 1900 N. 23rd Street



Amended October 2016

**BOARD FACTSHEET**

Meeting of November 9, 2016

Sale of Renovated Single Family Property

1734 S. 24th Street**NAME OF DEVELOPER/APPLICANT:** Joseph A. Headley, Jr.

Nature of Transaction: The Board is requested to authorize the sale of the Authority-owned renovated property located at 1734 S. 24th Street ("Property") in the Point Breeze neighborhood.

Mailing Address: 10 Carlton Avenue, Marlton, NJ 08053

PROPERTY INFORMATION: 1734 S. 24th Street, Philadelphia, Pennsylvania 19145

Description: 1,128 sq. ft.; 3 bed/1.5 bath **Use:** Residential Single Family

Sale Price: \$155,000

The Property is a renovated single-family home in move-in condition. The Property was listed for sale on the Multiple Listing Service (MLS) for \$159,900 and later reduced to \$150,000 after ninety (90) days on market. The property was marketed to homebuyers at or below 80% Area Median Income.

The Authority has received an agreement of sale from Joseph A. Headley, Jr., for \$155,000 with a 6% seller's assist. Mr. Headley submitted all required documentation and meets income guidelines.

COMMENTS OR OTHER CONDITIONS:

Staff recommends approval of this offer.

Buyer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violations of City and L&I codes.

Proposed Resolution and supporting project information are attached (site map and photographs).

Prepared by: Susan Callanen

Reviewed by: Tania Nikolic

RESOLUTION NO.

RESOLUTION AUTHORIZING THE SALE OF 1734 S. 24th STREET

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Authorization is given for the sale of property owned by the Authority located at 1734 S. 24th Street, Philadelphia, Pennsylvania, to Joseph A. Headley, Jr. for the purchase price of One Hundred Fifty Five Thousand Dollars (\$155,000), with a 6.00% seller's assist; the purchase being consistent with the fair market value of the property.

FURTHER RESOLVING, the execution, delivery and recording of all documentation necessary or desirable in order to complete sale and settlement for the property.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

BEFORE



AFTER





POINT BREEZE URBAN RENEWAL AREA

1734 S. 24th Street



BOARD FACTSHEET

Meeting of November 9, 2016

Modification of Cost Containment Policy

NATURE OF TRANSACTION: Resolution authorizing modification of the Authority's Cost Containment Policy.

BACKGROUND:

In an effort to contain the cost of publicly funded housing developments, pursuant to Resolution No. 16, 126, adopted in 1999, the Authority implemented a Construction Cost Containment Policy ("Policy"). The Policy, as modified in 2003 by Resolution 17,341, requires that, on projects where the estimated project replacement cost exceeds 120% of the HUD 221(d)(3) limits, the developer must obtain bids for the construction contract utilizing an Authority-maintained list of contractors. The Policy was further modified by Resolution 2015-45, adopted in 2015, to i) substitute an alternative limit to determine the maximum per unit subsidy for Authority-funded housing projects, and ii) waive the Policy when the Authority is providing financing to the Philadelphia Housing Authority or its subsidiaries.

The Board is being asked to approve a revision to the Policy in order to support developers who select to meet the Passive House Requirements for energy efficiency ("Passive House"). Passive House is a rigorous, voluntary standard for energy efficiency in a building, reducing its ecological footprint. It results in buildings that require little energy for space heating or cooling. The investment in higher quality building components required by Passive House standards increases the initial investment developers spend on a project. These expenditures will be mitigated in the future by the reduction of expensive heating and cooling operating costs. The Pennsylvania Housing Finance Agency awards additional points when evaluating low-income housing tax credit applications for developments that meet Passive House requirements.

The Authority will not require the developer of a project meeting the Passive House standards to obtain bids for the construction contract if project costs do not exceed the construction cost containment limits by ten percent (10.00%).

BOARD ACTION REQUESTED:

1. Modify the Policy to add "In addition, project costs can exceed the construction cost containment limits by ten percent (10.00%) if a developer meets the Passive House requirements for energy efficiency."

Proposed Resolution and revised policy are attached.

Prepared by: Darci Bauer, Underwriter
 Reviewed by: David Thomas, Deputy Executive Director

RESOLUTION NO.

RESOLUTION AUTHORIZING THE MODIFICATION OF THE AUTHORITY'S COST CONTAINMENT POLICY

WHEREAS, the Authority adopted a Construction Cost Containment Policy ("Policy") in 1999, Resolution No. 16,126, as modified in 2003, Resolution No. 17,341, and as further modified in 2015, Resolution 2015-45, in an effort to contain the cost of publically funded developments.

WHEREAS, the Policy is being revised to add that project costs can exceed the construction cost limits by ten percent (10.00%) if a developer meets the Passive House requirements for energy efficiency.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the following modification to the Authority's Cost Containment Policy be approved as follows:

1. Modify the Policy to add "In addition, project costs can exceed the construction cost containment limits by ten percent (10.00%) if a developer meets the Passive House requirements for energy efficiency."

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

**BOARD FACTSHEET**

Meeting of November 9, 2016

Non-Recourse Construction/Permanent Loan Agreements

Roberto Clemente Condominium

Located at 3921-61 N. 5th Street**NAME OF SPONSOR/DEVELOPER: Nueva Esperanza, Inc.**

Nature of Transaction: Authorization for the Authority to enter into a non-recourse construction/permanent loan agreement with Roberto Clemente Homes, L.P., in the amount up to One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Residential Loan") and a non-recourse construction/permanent loan agreement with 4530 Corporation in the amount up to Five Hundred Dollars (\$500,000) (the "Commercial Loan"). The proceeds of the Authority financing will be used to assist in the rehabilitation of thirty-eight (38) affordable rental units and commercial space ("Project").

Background Information: In August, 2016, pursuant Resolution No. 2016-93, the Authority was authorized to enter into a recourse construction predevelopment loan agreement with Nueva Esperanza, Inc. (the "Sponsor") in the amount of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000) ("the Predevelopment Loan"). The proceeds of the Predevelopment Loan were used to assist in the predevelopment activities associated with the Roberto Clemente Homes located at 3921-61 N. 5th Street (the "Property"). The Sponsor has created a condominium structure for the Property and will convey Unit 1 (the "Residential Unit") and Unit 2 (the "Commercial Unit") for the development of the Project. The Authority will provide additional financing in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) and will permit the assumption of the Predevelopment Loan by the new owners as restructured by this Resolution.

Legal Entity - Residential Unit 1: Roberto Clemente Homes, L.P. ("Partnership")

Legal Entity - Commercial Unit 2: 4530 Corporation ("Corporation")

PROPERTY INFORMATION: Roberto Clemente Homes

Address: Roberto Clemente Condominium
Located at 3921-61 N. 5th Street ("Property")

Total Development Cost: \$17,405,551

Total Construction Cost: \$12,539,682

PRA Financing: \$1,500,000 - Residential
 \$ 500,000 - Commercial

FINANCING:

The Residential Loan will be structured with a term of thirty-two (32) years at 0% interest from the date of the Residential Loan closing. During the Residential Loan period, no principal or interest will be required to be paid. The entire balance will be due and payable upon the 32nd anniversary of the Residential Loan closing. The Residential Loan will be secured by a third lien on Unit 1 behind the permanent loan provided by LISC and the construction loan provided by PNC Bank. Upon payment of the PNC Bank construction loan, the Residential Loan will be in a second lien position.

The Commercial Loan will be structured with a term of thirty-two (32) years at 0% from the date of Commercial Loan closing. During the Commercial Loan period, no principal or interest will be required to be paid. The entire balance will be due and payable upon the 32nd anniversary of the Commercial Loan closing. The Commercial Loan will be in a second lien position on Unit 2 behind the LISC permanent mortgage.

COMMENTS OR OTHER CONDITIONS:

The Philadelphia Planning Commission has issued an environmental clearance on the Property. The Authority Housing Construction Department has approved the plans, specification, and construction costs for the project.

LOAN CLOSING IS CONTIGENT UPON

The Office of Economic Opportunity issuing an approval for the MBE/WBE/DBE participation ranges.

Proposed Resolution is attached

Prepared by: Zena Holland, Housing Development Officer
Reviewed by: David S. Thomas, Deputy Executive Director

RESOLUTION NO.**RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT WITH ROBERTO CLEMENTE HOMES, L.P. IN AN AMOUNT UP TO \$1,500,000 AND A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT WITH 4530 CORPORATION IN AN AMOUNT UP TO \$500,000**

WHEREAS, in August, 2016, pursuant to Resolution No. 2016-93 adopted and approved by the Board, the Philadelphia Redevelopment Authority ("Authority") was authorized to enter into a recourse construction predevelopment loan agreement with Nueva Esperanza, Inc. (the "Sponsor") in the amount of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000) (the "Predevelopment Loan"). The proceeds of the Predevelopment Loan were used to assist in the predevelopment activities associated with the Roberto Clemente Homes located at 3921-61 North 5th Street (the "Property");

WHEREAS, Sponsor shall subject the Property to the provisions of the Uniform Condominium Act creating a condominium to be known as "Roberto Clemente Condominium" (the "Condo");

WHEREAS, Sponsor will convey Unit 1 of the Condo to Roberto Clemente Homes, L.P. (the "Partnership") to be developed into thirty-eight (38) affordable rental units for lease to low-income households (the "Residential Unit");

WHEREAS, Sponsor will convey Unit 2 of the Condo to 4530 Corporation (the "Corporation") to be developed into commercial/retail space (the "Commercial Unit");

WHEREAS, the Authority will provide additional financing in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) and will permit the assumption of the Predevelopment Loan by the Partnership and the Corporation as restructured by this Resolution.

BE IT RESOLVED, by the Authority that the Authority is authorized to take the following actions:

1. The Predevelopment Loan will be satisfied and all funds expended thereunder will be included in the new Authority financing described herein.

2. The Authority is providing a construction/permanent loan in the amount up to One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Residential Loan") to the Partnership. The proceeds of the Residential Loan will be used to assist in the rehabilitation of the Residential Unit. Upon completion, the Residential Unit will be targeted to households with income at or below 60% of Area Median Income.

3. The Residential Loan will be structured with a term of thirty-two (32) years at 0% interest from the date of the Residential Loan closing. During the Residential Loan term, no principal or interest will be required to be paid. The entire Residential Loan balance will be due

and payable upon the 32nd anniversary of the Residential Loan closing. The Residential Loan will be secured by a third lien position on the Residential Unit behind construction financing provided by PNC Bank, National Association ("PNC") and permanent financing provided by Local Initiatives Support Corporation ("LISC").

4. The Authority is providing a construction/permanent loan to the Corporation in the amount up to Five Hundred Thousand Dollars (\$500,000) (the "Commercial Loan). The proceeds of the Commercial Loan will be used to assist in the rehabilitation of the Commercial Unit.

5. The Commercial Loan will be structured with a term of thirty-two (32) years at 0% interest. During the Commercial Loan term, no principal or interest will be required to be paid. The entire Commercial Loan balance will be due and payable upon the 32nd anniversary of the Commercial Loan closing. The Commercial Loan will be secured by a second lien position on the Commercial Unit behind permanent financing provided by LISC.

6. Closing on the Authority Loan will be contingent upon the following:

- i. All necessary Authority approvals from various departments.
- ii. Satisfactory tax status certification issued on all members of the development team.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Philadelphia Redevelopment Authority

Project Fact Sheet

PROJECT NAME	Roberto Clemente Homes
ADDRESS	Roberto Clemente Condominium located at 3921-61 N. 5 th Street
RESIDENTIAL OWNER (Unit 1)	Roberto Clemente Homes, L.P.
GENERAL PARTNER	3921 Corporation
COMMERCIAL OWNER (Unit 2)	4530 Corporation
DEVELOPER/SPONSOR	Nueva Esperanza, Inc.
GENERAL CONTRACTOR	Domus, Inc.
TOTAL DEVELOPMENT COST	\$17,405,551
TOTAL CONSTRUCTION COST	\$12,539,682
PRA FINANCING	\$1,500,000 - Residential \$500,000 - Commercial
SCOPE OF CONSTRUCTION	Rehabilitation

PROJECT DESCRIPTION

The Roberto Clemente Homes located at 3921-61 N. 5th Street will consist of rehabilitation and partial demolition of the former Roberto Clemente Middle School. The project will be divided into two separate condominium entities with 1) the residential portion consisting of 38 affordable rental units to be owned by Roberto Clemente Homes L.P., and 2) the commercial space on the ground level floor to be owned by 4530 Corporation. The current six-story one elevator building will be partially demolished into a three-story 59,071 square foot structure. The residential portion will have twenty-eight-(28) two-bedroom/1 bathroom units, and ten-(10) three-bedroom/1.5 bathrooms, a community room, property manager and service coordinator office, mailroom and storage space. There will be 64 spaces of parking in the rear of the building. The residential and commercial portions will have separate entrances. The first floor will provide 5,500 square feet of commercial/retail space.

All residential units will be 100% visitable and include six-(6) fully accessible units with two-(2) units set aside for individual sensory impairments. All units will be affordable to individuals earning at or below 60% of the Area Median Income. The project will receive Rental Assistance Demonstration (RAD) vouchers from the Philadelphia Housing Authority (PHA) to support the rents.

SITE CONTROL

Nueva Esperanza, Inc. purchased the site of the Philadelphia School District.

DEVELOPER/OWNER DESCRIPTION

Roberto Clemente Homes L.P is a Pennsylvania Limited Partnership (“Partnership”) which was formed for the sole purpose of developing this project. The general partner is 3921 Corporation a Pennsylvania corporation with Nueva Esperanza, Inc. as the sponsor/developer. The commercial owner is 4530 Corporation.

Nueva Esperanza, Inc. is an established 501(c) 3 non-profit agency founded in 1986 and headquartered in the Hunting Park neighborhood of Philadelphia. Nueva Esperanza, Inc. administers programs that focus on community development, workforce development, education, capacity building and advocacy to strengthen the community with experience in developing both rental and homes purchases. In addition, the non-profit has transformed the Hunting Park neighborhood with commercial and residential construction, Esperanza Academy Charter High School, an Employment Advancement Retention Network Center (EARN) and administrative office of Esperanza. Over the past 20 years, Esperanza has developed over 100 properties for rental and sale.

PROJECT FINANCING

The Authority is providing two construction/permanent loan agreements in the amount up to \$2,000,000, of which \$1,750,000 has been funded with a Pre-Development Loan made September 20, 2016. The Pre-Development Loan will be satisfied and all funds expended under it will be included in the new financing.

The Authority is providing a construction/permanent financing to Roberto Clemente Homes, L.P. in the amount up to \$1,500,000 for the residential unit. The loan will be structured with a term of 32 years at 0% interest from the date of the loan closing. During the loan period no principal or interest will be required to be paid. The entire t the Applicable Federal Rate. During the loan period, no principal or interest will be required to be paid. The entire balance will be due and payable upon the 32nd anniversary of the loan closing. This loan will be secured by a mortgage on Unit 1 behind the permanent loan provided by Local Initiatives Support Corporation (LISC) and the construction loan financing provided by PNC Bank, National Association (“PNC”). Upon payment of the construction loan, the Authority loan will be in a second lien position behind the LISC permanent mortgage.

The Authority is providing a construction/permanent financing in the amount up to \$500,000 for the commercial unit. This loan will be structured with a term of 32 years at 0% interest from the date of the loan closing. During the loan period, no principal or interest will be required to be paid. The entire balance will be due and payable upon the 32nd anniversary of the loan closing. The Authority loan will be in a second lien position on Unit 2 behind the LISC permanent mortgage.

PNC has reserved/allocated 99.98% total capital contribution in the estimated amount of \$11,695,551. The project has received a reservation of Federal Low Income Rental Housing Tax Credits in the amount of \$1,060,927 from the Pennsylvania Housing Finance Agency (PHFA).

LISC is providing a permanent loan in the amount up to \$1,300,000 for the residential unit. This loan will be structured with a term of 18 years with interest of 5.25% from the date of the loan closing. Principal and interest will be payable monthly. This loan will be in first lien position on Unit 1.

PNC will provide construction financing in the amount of \$8,083,872. The bridge loan will have a term of twenty-four (24) months and subject to approval by PNC, one six (6) month extension period. The bridge loan will facilitate the construction and bridging of capital contributions, and will be repaid from the equity provided by the investment-limited partner. This loan will be secured by a second lien on Unit 1.

PHA will provide a capital contribution in the form of a soft loan in the amount up to \$1,200,000.

Federal Home Loan Bank of New York (FHLB) will provide financing in the amount of \$760,000.

LISC will provide a construction permanent loan agreement for the commercial space in the amount up to \$440,000. The term of the construction and lease-up period will be 24 months with the permanent financing for an initial term of five (5) years.

APPROVALS

Roberto Clemente Homes, L.P. has received the following approvals:

- Environmental clearance from the City Planning Commission.
- Historical clearance from the Philadelphia Historical Commission.
- Construction Division approval of plans, specifications and costs.
- Department of Revenue's tax clearance for all members of the Development Team.

EXHIBITS

- Project Development Team
- Board of Directors – Nueva Esperanza
- Development Budget
- Operating Pro-forma
- Site Plan

**Roberto Clemente Homes
Project Development Team**

RESIDENTIAL OWNER	Roberto Clemente Homes, L.P. 4261 N. 5 th Street Philadelphia, PA 19140
RESIDENTIAL GENERAL PARTNER	3921 Corporation 4261 N. 5 th Street Philadelphia, PA 19140
COMMERICAL OWNER	4530 Corporation 4261 N. 5 th Street Philadelphia, PA 19140
DEVELOPER/SPONSOR	Nueva Esperanza, Inc., 4261 N. 5 th Street Philadelphia, PA 19140
ARCHITECT	PZS Architects, LLC 5312 Ridge Avenue Philadelphia, PA 19128
CONTRACTOR	Domus 346 E. Walnut Lane Philadelphia, PA 19144
ATTORNEY	Commonwealth Housing Legal Services 2 South Easton Road Glenside, PA 19038

Nueva Esperanza, Inc.
Board of Directors

Dario Bellot, Board Member
Nelson Acevedo, Chair
Rev. Rosa Magaly Martinez, Board Member
John Rice, Board Member
Rev. Raul LeDuc, Secretary
Ronald Gilg, Board Member
Judith Torres-Lynch, Treasurer
Rev. Ernest Florest, Board Member
Rev. Bonnie Camarda, Vice-Chair
Udi Bar-David, Board Member
Josue Figueroa, Board Member

Development Financing				
	Residential	Commercial	Total	
PRA HOME	\$ 1,500,000		\$ 1,500,000	9.12%
PRA CDBG		\$ 500,000	\$ 500,000	0.00%
Limited Partner Equity	\$ 11,695,551		\$ 11,695,551	71.07%
FHLB NY	\$ 760,000		\$ 760,000	4.62%
PHA	\$ 1,200,000		\$ 1,200,000	7.29%
LISC- permanent mortgage	\$ 1,300,000		\$ 1,300,000	7.90%
LISC - permanent commerical mort.		\$ 440,000	\$ 450,000	0.00%
Total Financing	\$ 16,455,551	\$ 940,000	\$ 17,405,551	100.00%

PRA	
Maximum Rates	
50% or \$1.5 million	

Development Costs				
Construction Costs				
General Requirements	\$ 500,684	\$ 14,674	\$ 515,358	
Site Improvements	692,334	68,473	760,807	
Structures	7,941,778	511,856	8,453,634	
Bond Premium	65,636	1,962	67,598	
Builders Profit & Overhead	317,479	20,712	338,191	
Construction Contingency	559,938	35,742	595,680	4.96%
Building Permit	27,665	2,750	30,415	
Demolition	1,740,484	37,515	1,777,999	
Total Construction Costs	\$ 11,845,998	\$ 693,684	12,539,682	
Soft Costs				
Architectural - Design	\$ 291,165	\$ 18,585	\$ 309,750	
Architectural - Supervision	97,055	6,195	103,250	
Architectural- Reimbursables	11,280	720	12,000	
Engineering Fees	82,165	5,245	87,410	
Environmental Assessment	24,043	1,810	25,853	
Survey	7,661	489	8,150	
Permits	7,554	569	8,123	
Real Estate Taxes	4,934	315	5,249	
Construction Insurance	84,600	5,400	90,000	
Title & Recording	61,100	3,900	65,000	
Market Study/Appraisal	12,250	0	12,250	
Legal - Development	51,150	3,900	55,050	
Cost Certification	12,000	0	12,000	
Rent-Up/Marketing	45,600	0	45,600	
Furniture & Decoration	38,000	0	38,000	
Environmental Remediation	1,244,652	51,236	1,295,888	
Energy Audit	34,425	0	34,425	
Soft Costs Subtotal	\$ 2,109,634	\$ 98,364	2,207,998	
Financing fees				
PHFA Fees	\$ 14,000		\$ 14,000	
PHFA Closing			\$ -	
Tax Credit Allocation Fee	66,155		\$ 66,155	
Loan Fees -	147,065	92,300	\$ 239,365	
Financing Fees Subtotal	\$ 227,220	\$ 92,300	\$ 319,520	
Total Soft Costs	\$ 2,336,854	\$ 190,664	\$ 2,527,518	

PRA	
Maximum Rates	
2.5% (nc)/5.0%(rehab) - 10.0%	
\$ 424,679	
\$ 141,560	
\$ 215,815	
\$ 2,877,528	

Property Acquisition	\$ 204,788	\$ 15,338	\$ 220,126
Total Replacement Costs	\$ 14,387,640	\$ 899,686	\$ 15,287,326
Reserves			
Operating Reserves	\$ 168,543		\$ 168,543
Tax & Insurance Escrow	34,934	315	\$ 35,249
Supportive Service Escrow	160,150		\$ 160,150
Replacement Reserve(PHA)	20,000		\$ 20,000
Tenant Improvement Reserve		60,000	
Reserves Subtotal	\$ 383,627	\$ 60,315	\$ 443,942
Total Replacement Costs Plus Reserve	\$ 14,771,268		
Developer's Fee	\$ 1,425,000		
Syndication Fees			
Legal	\$ 10,000		\$ 10,000
Accounting	12,000		12,000
Bridge Loan Interest	196,883		196,883
Compliance Monitoring	30,400		30,400
Syndication Fees Subtotal	\$ 249,283		\$ 249,283
Total Development Costs	\$ 16,445,551	\$ 960,001	\$ 17,405,551

PRA
\$ 1,418,285
\$ 225

Total Units	38
Total Sq. f	59,071

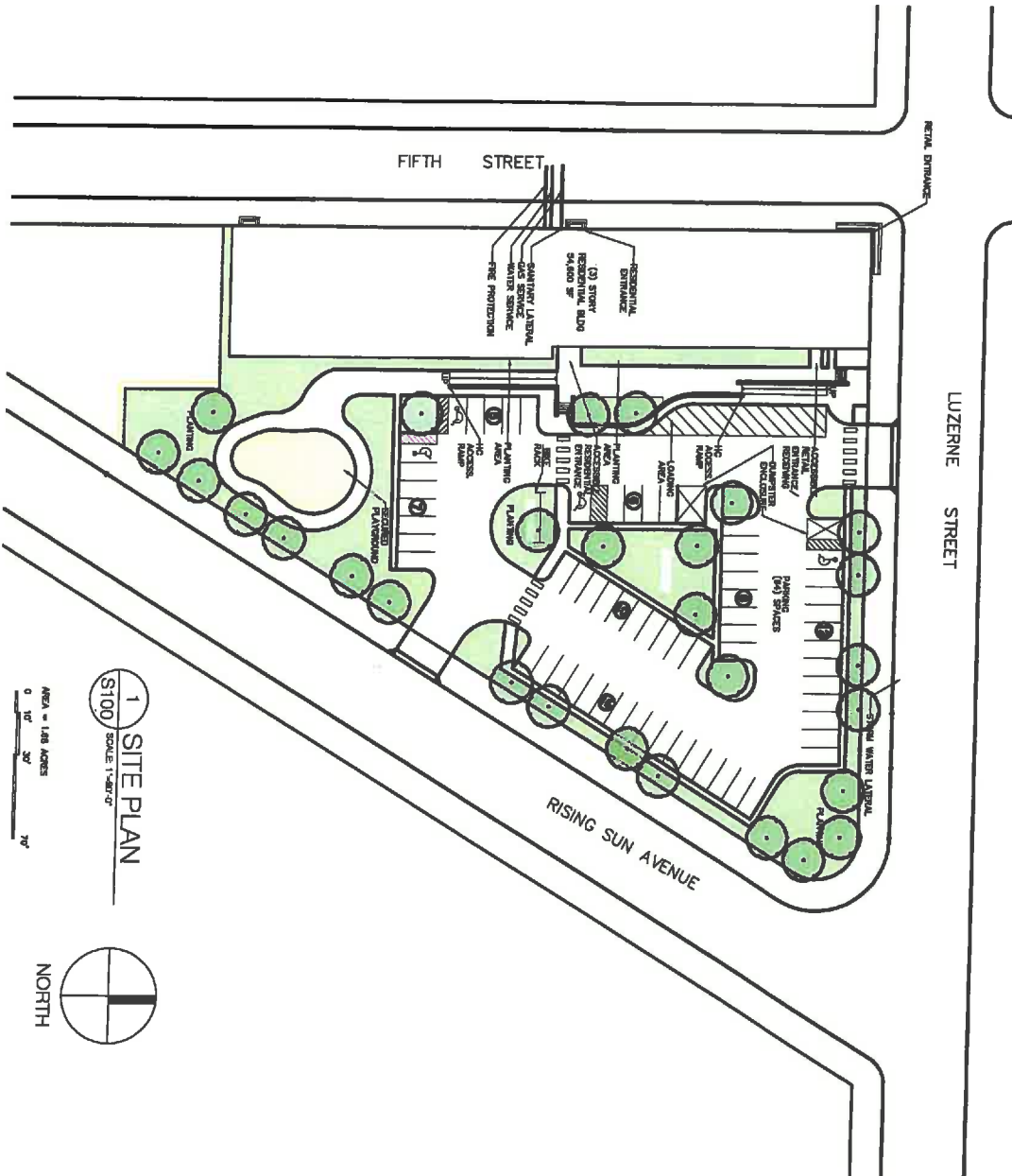
	per unit	per sq. ft.
Total Construction Costs	\$ 311,737	\$ 201
Total Replacement Costs	\$ 378,622	\$ 244
Total Development Costs	\$ 432,778	\$ 278
Replacement Cost + Dev. Fee	\$ 416,122	\$ 268

		Cost Analysis		Blended per Unit Cost Allowable	
Proposed Unit Mix					
0 Bdrm	0 units @	\$ 189,145	per unit	\$ -	
1 Bdrm	0 units @	\$ 216,831	per unit	\$ -	
2 Bdrm	28 units @	\$ 263,661	per unit	\$ 7,382,508	
3 Bdrm	10 units @	\$ 341,094	per unit	\$ 3,410,940	
4 Bdrm	0 units @	\$ 374,414	per unit	\$ -	
Totals	38			\$ 10,793,448	
Cost per Unit Allowable		\$ 284,038	per unit		
Cost per Unit for Project		\$ 279,307	per unit	Allowable	Waiver Required?
					NO
Cost per Square Foot Allowable		\$ 225	psf		
Cost per Sq. Ft. for Project		\$ 268	psf	Not Allowable	
120% of 234-Condominium			98.33%		

HOME Maximum Subsidy			
Maximum 234- Condo-Elevator	210,399	per unit	allowable
OHCD HOME Funding	\$ 39,474	per unit	

Developer's Fee Analysis/Maximum Developer's Fee Allowable for Project			
Total Replacement Cost	\$ 14,387,640		
less acquisition costs	(204,788)		
Basis for Developer's Fee ==>	\$ 14,182,852		
Total Fee Allowable	\$ 1,418,285		
Developer Fee for Project	\$ 1,425,000	Not Allowable	Waiver Required?
less reinvested dev. Fee			YES
Net Developer's Fee for Project	\$ 1,425,000		

Scope of Construction: rehab Elevator in Building? Yes
(rehab or nc) (yes or no)



PZS ARCHITECTS, LLC
 5312 RIDGE AVENUE
 PHILADELPHIA, PA 19128
 215 483 1915

ESPERANZA
 4281 N. 5TH STREET
 PHILADELPHIA, PA 19140

ROBERTO CLEMENTE HOMES
 3821-81 N. 5TH STREET
 PHILADELPHIA, PA 19140

1 SITE PLAN
 S100 SCALE 1"=80'-0"



FEBRUARY 1, 2015



BOARD FACTSHEET

Meeting of November 9, 2016

City of Philadelphia Vacant Property Review Committee

Nature of Transaction: PRA will facilitate the conveyance of title from the City to identified Grantees listed below.

- All Grantees have been selected by VPRC. The VPRC serves as an advisory committee and recommends to the City Commissioner of Public Property what City surplus properties should be made available for disposition in accordance with Chapter 16-400 of the City Code.
- The conveyance of these properties to the Grantees for reuse will relieve the City of the care; maintenance and management of the properties and help arrest blight in the neighborhoods and restore the properties to productive use.
- Properties and Grantees listed below were approved by the VPRC for disposition and a Resolution authorizing the disposition by the PRA was approved by City Council.

PROPERTY INFORMATION:

- 1) **Self-amortizing Mortgage Disposition:** The following three (3) properties will be conveyed at fair market value as determined by LAMA, with a self-amortizing mortgage for the purchase price.

<u>Address</u>	<u>Grantee</u>	<u>Price</u>
2639 North Franklin Street	Tanairi Rivera	\$11,997.75 (LAMA)
4128 Mantua Avenue	Sylvester Lunsford	\$11,241.36 (LAMA)
2407 North Orkney Street	Jossue Villamar	\$ 3,500.00 (Appraisal)

- 2) **Fair Market Disposition:** The following two (2) properties will be conveyed at fair market value as established by appraisals obtained by the Office of Housing and Community Development of the City of Philadelphia or by the LAMA pricing model:

<u>Address</u>	<u>Grantee</u>	<u>Appraisal/LAMA Value</u>
3024 North 4th Street	Jamie Lopez	\$ 7,000.00 (Appraisal)
1220 North 16 th Street	Emmanuel Apostolic Church Of God, Inc.	\$55,961.48 (LAMA)

RESOLUTION NO.**VACANT PROPERTY REVIEW COMMITTEE PROGRAM - RESOLUTION AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO VARIOUS PROPERTIES AND DISPOSITION OF SUCH PROPERTIES**

WHEREAS, certain properties have been acquired by the City and determined to be surplus to the needs of the City;

WHEREAS, the Vacant Property Review Committee has recommended to the Commissioner of Public Property that the surplus property listed below be made available for disposition in accordance with the provisions of Section 16-400 of the Philadelphia Code;

WHEREAS, certain of the properties identified below will be conveyed for nominal consideration and others, all as identified below, will be conveyed at fair market value as determined by the City of Philadelphia's Office of Housing and Community Development.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the respective properties for a consideration of \$1.00:

<u>Address</u>	<u>Grantee(s)</u>	<u>Price</u>
2639 North Franklin Street	Tanairi Rivera	\$11,997.75 (LAMA)
4128 Mantua Avenue	Sylvester Lunsford	\$11,241.36 (LAMA)
2407 North Orkney Street	Jossue Villamar	\$ 3,500.00 (Appraisal)

FURTHER RESOLVING that for each of the foregoing conveyances, the Philadelphia Redevelopment Authority will provide a self-amortizing loan in the amount of the purchase price for a term of 10 years at 0% interest that will be secured by a mortgage on the property. The amount of the obligation will decrease by 10% each year for the 10 year period that the buyer remains in compliance with the Authority's Land Disposition Policy.

FURTHER RESOLVING, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the respective properties for the following consideration:

<u>Address</u>	<u>Grantee(s)</u>	<u>Appraised/LAMA Value</u>
3024 North 4 th Street	Jamie Lopez	\$7,000.00 (Appraisal)
1220 North 16 th Street	Emmanuel Apostolic Church Of God, Inc.	\$55,961.48 (LAMA)

FURTHER AUTHORIZING the Executive Director with the advice of General Counsel to allow modifications and corrections to this Resolution necessary or desirable to carry out its purposes and intents.

BE IT FURTHER RESOLVED that authorization is hereby given to the preparation execution, acknowledgment and delivery of any other documentation deemed necessary or desirable in order to carry out the foregoing under terms and conditions acceptable to Authority counsel.

VPRC Fact Sheet

Property Address: 2639 North Franklin Street

Council District: 5th

Property Type:

Date approved by VPRC: 07/12/2016

- Structure Vacant Lot

Sales Price: \$11,997.75

Number of EOIs Received: 1

Type of Transaction:

- Competitive Sale (must be sold to highest, qualified bidder)
- RFP
- Direct Sale (an appraisal is required)
- Side-yard (must be to an adjacent property owner)
- Community Purpose
 - Affordable Housing
 - Garden/Park
 - Community/Health Center
 - Other. Please describe _____

Sales Price Based on:

- LAMA estimate (must be less than \$50,000)
- Highest Bid
- Appraised Value (for all direct sales)
- Reduced based on current policy (must be side yard or community purpose)
- Reduced by Real Estate Review Committee
- Reduced based on prior policy. Please name policy _____
- Other. Please describe _____

Proposed Use:

- Single-family home
- Business
- Side-yard
- Community Purpose; What is the community purpose: _____
- Other

Is there a self-amortizing mortgage? Yes No

If yes, how much is the mortgage (should be \$15,000 or less)? \$11,997.75

Is the estimated project cost greater than \$250,000? Yes No

If yes, was an EOP signed? Yes No

What are the EOP Goals?

MBE ___% WBE ___% DBE ___%

Applicant Name: Tanairi Rivera

Application Date: June 27, 2016

Applicant Address: 2641 North Franklin Street, Philadelphia, PA 19133

VPRC Fact Sheet

Property Address: 4128 Mantua AvenueCouncil District: 3rd

Property Type:

Date approved by VPRC: 07/12/2016 Structure Vacant LotSales Price: \$11,241.36Number of EOIs Received: 1

Type of Transaction:

 Competitive Sale (must be sold to highest, qualified bidder) RFP Direct Sale (an appraisal is required) Side-yard (must be to an adjacent property owner) Community Purpose Affordable Housing Garden/Park Community/Health Center Other. Please describe _____

Sales Price Based on:

 LAMA estimate (must be less than \$50,000) Highest Bid Appraised Value (for all direct sales) Reduced based on current policy (must be side yard or community purpose) Reduced by Real Estate Review Committee Reduced based on prior policy. Please name policy _____ Other. Please describe _____

Proposed Use:

 Single-family home Business Side-yard Community Purpose; What is the community purpose: _____ OtherIs there a self-amortizing mortgage? Yes NoIf yes, how much is the mortgage (should be \$15,000 or less)? \$11,241.36Is the estimated project cost greater than \$250,000? Yes NoIf yes, was an EOP signed? Yes No

What are the EOP Goals?

MBE ___%

WBE ___%

DBE ___%

Applicant Name: Sylvester LunsfordApplication Date: June 27, 2016Applicant Address: 4132 Mantua Avenue, Philadelphia, PA 19104

VPRC Fact Sheet

Property Address: 2407 North Orkney StreetCouncil District: 7th

Property Type:

Date approved by VPRC: 08/09/2016 Structure Vacant LotSales Price: \$3,500.00Number of EOIs Received: 1

Type of Transaction:

 Competitive Sale (must be sold to highest, qualified bidder) RFP Direct Sale (an appraisal is required) Side-yard (must be to an adjacent property owner) Community Purpose Affordable Housing Garden/Park Community/Health Center Other. Please describe _____

Sales Price Based on:

 LAMA estimate (must be less than \$50,000) Highest Bid Appraised Value Reduced based on current policy (must be side yard or community purpose) Reduced by Real Estate Review Committee Reduced based on prior policy. Please name policy _____ Other. Please describe _____

Proposed Use:

 Single-family home Business Side-yard Community Purpose; What is the community purpose: _____ OtherIs there a self-amortizing mortgage? Yes NoIf yes, how much is the mortgage (should be \$15,000 or less)? \$3,500.00Is the estimated project cost greater than \$250,000? Yes NoIf yes, was an EOP signed? Yes No

What are the EOP Goals?

MBE %WBE %DBE %Applicant Name: Jossue VillamarApplication Date: May 6, 2010Applicant Address: 2405 North Orkney Street, Philadelphia, PA 19133

VPRC Fact Sheet

Property Address: 3024 North 4th StreetCouncil District: 7th

Property Type:

 Structure Vacant LotDate approved by VPRC: 04/12/2016Sales Price: \$7,000.00Number of EOIs Received: 7

Type of Transaction:

 Competitive Sale (must be sold to highest, qualified bidder) RFP Direct Sale (an appraisal is required) Side-yard (must be to an adjacent property owner) Community Purpose Affordable Housing Garden/Park Community/Health Center Other Please describe _____

Sales Price Based on:

 LAMA estimate (must be less than \$50,000) Highest Bid Appraised Value (for all direct sales) Reduced based on current policy (must be side yard or community purpose) Reduced by Real Estate Review Committee Reduced based on prior policy. Please name policy _____ Other. Please describe _____

Proposed Use:

 Single-family home Business Side-yard Community Purpose; what is the community purpose: _____ OtherIs there a self-amortizing mortgage? Yes No

If yes, how much is the mortgage (should be \$15,000 or less)? _____

Is the estimated project cost greater than \$250,000? Yes NoIf yes, was an EOP signed? Yes No

What are the EOP Goals?

MBE %WBE %DBE %Applicant Name: Jamie LopezApplication Date: August 27, 2015Applicant Address: 158 West Ontario Street; Philadelphia, PA 19140

VPRC Fact Sheet

Property Address: 1220 North 16th StreetCouncil District: 5th

Property Type:

Date approved by VPRC: 05/10/2016 Structure Vacant LotSales Price: \$55,961.48Number of EOs Received: 2

Type of Transaction:

Competitive Sale (must be sold to highest, qualified bidder)

 RFP Direct Sale (an appraisal is required) Side-yard (must be to an adjacent property owner) Community Purpose Affordable Housing Garden/Park Community/Health Center Other Please describe _____

Sales Price Based on:

 LAMA estimate (must be less than \$50,000) Highest Bid Appraised Value (for all direct sales) Reduced based on current policy (must be side yard or community purpose) Reduced by Real Estate Review Committee Reduced based on prior policy. Please name policy _____ Other. Please describe _____

Proposed Use:

 Single-family home Business Side-yard Community Purpose; what is the community purpose: _____ Other – Drug & Alcohol MinistryIs there a self-amortizing mortgage? Yes No

If yes, how much is the mortgage (should be \$15,000 or less)? _____

Is the estimated project cost greater than \$250,000? Yes NoIf yes, was an EOP signed? Yes No

What are the EOP Goals?

MBE ___%

WBE ___%

DBE ___%

Applicant Name: Emmanual Apostolic Church of God, Inc. Application Date: March 22, 2011Applicant Address: 1218 North 16th Street; Philadelphia, PA 19122

FAIR MARKET VALUE AS DETERMINED BY LAMA
With SELF-AMORTIZING MORTGAGE DISPOSITIONS
FACT SHEET

<u>ADDRESS/WARD</u>	<u>GRANTEE</u>	<u>REUSE</u>
2639 N. Franklin St. / 37 VPRC: 01/08/2013 City Council: 160731 Adopted On: 09/15/2016	Tanairi Rivera 2641 North Franklin Street Philadelphia, Pa 19133	Private Lot Transfer Side yard – Mortgage \$11,997.75 (LAMA)
4128 Mantua Ave. /06 VPRC: 07/12/2016 City Council: 160875 Adopted On: 10/13/2016	Ms. Sylvester Lunsford 4132 Mantua Avenue Philadelphia, PA 19104	Private Lot Transfer Side yard – owns 4130 Mantua Ave. (Mortgage) \$11,241.36 (LAMA)
2407 N. Orkney St. / 19 VPRC: 08/09/2016 City Council: 160795 Adopted On: 09/22/2016	Jossue Villamar 2405 North Orkney Street Philadelphia, Pa 19133	Private Lot Transfer Side yard – Mortgage \$3,500.00 (Appraisal)

VACANT PROPERTY REVIEW COMMITTEE
FAIR MARKET VALUE DISPOSITIONS
FACT SHEET

<u>ADDRESS/WARD</u>	<u>GRANTEE</u>	<u>Appraised/LAMA Value</u>	<u>REUSE</u>
3024 N. 4 th St. / 19 VPRC: 04/12/2016 City Council: 160881 Adopted On: 10/13/2016	Jamie Lopez 158 West Ontario Street Philadelphia, PA 19140	\$7,000.00 (Appraisal)	Private Rehabilitation Rehab and Occupy
1220 N. 16 th St. / 47 VPRC: 08/09/2016 City Council: 160846 Adopted On: 10/06/2016	Emmanuel Apostolic Church of God, Inc. c/o Bishop Robert L. Smith 1218 North 16 th Street Philadelphia, PA 19122	\$55,961.48 (LAMA)	Private Lot Transfer



BOARD FACTSHEET

Meeting of November 9, 2016

3210-12 Arlington Street, 3211-19 Arlington Street, 3216 Arlington Street, 3220-26 Arlington Street, 3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street, 3210-14 Monument Street, 3217 Monument Street, 3220 Monument Street, 3223-25 Monument Street, 3224 Monument Street, 3228 Monument Street, 3229 Monument Street, 3232-34 Monument Street and 3233-37 Monument Street, Philadelphia, Pennsylvania
Amendment to Redevelopment Agreement

NAME OF DEVELOPER/APPLICANT: Philadelphia Housing Authority

Nature of Transaction: By Resolution No. 19,460, adopted on June 12, 2013, the Board authorized the selection of the Philadelphia Housing Authority ("**PHA**"), as redeveloper of 1901-09 N. 33rd Street, 1911-15 N. 33rd Street, 3210-12 Arlington Street, 3211-19 Arlington Street, 3216 Arlington Street, 3220-26 Arlington Street, 3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street, 3210-14 Monument Street, 3217 Monument Street, 3220 Monument Street, 3223-25 Monument Street, 3224 Monument Street, 3228 Monument Street, 3229 Monument Street, 3232-34 Monument Street and 3233-37 Monument Street, Philadelphia, Pennsylvania, located in the Model Cities Urban Renewal Area.

Settlement has occurred under (and as defined by) the June 7, 2013 Redevelopment Agreement ("**Redevelopment Agreement**"), and title to the aforementioned properties (with the exception of 1901-09 N. 33rd Street, Philadelphia Pennsylvania (herein, the "**1901 Property**")) was conveyed to PHA by Indenture dated October 2, 2014, recorded in the Department of Records on October 3, 2014, as Document No. 52835622 (the "**Vesting Deed**").

The property located at 1911-15 N. 33rd Street, Philadelphia, Pennsylvania (herein, the "**1911 Property**"), despite being transferred to the Redeveloper pursuant to the Redevelopment Agreement, is no longer part of the Project (as defined in the Redevelopment Agreement). The 1901 Property is also no longer part of the Project.

The properties remaining subject to the Redevelopment Agreement, namely 3210-12 Arlington Street, 3211-19 Arlington Street, 3216 Arlington Street, 3220-26 Arlington Street, 3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street, 3210-14 Monument Street, 3217 Monument Street, 3220 Monument Street, 3223-25 Monument Street, 3224

Item VI (a)

Monument Street, 3228 Monument Street, 3229 Monument Street, 3232-34 Monument Street and 3233-37 Monument Street, Philadelphia, Pennsylvania, are referred to herein, collectively, as the "**Premises.**"

PHA has requested the Board's approval of an amendment to the Redevelopment Agreement, which, among other things, will (i) extend the dates for completion of construction as provided in the Redevelopment Agreement; (ii) provide for the submission of revised Schematic Plans (as defined in the Redevelopment Agreement) reducing the number of residential rental units from sixty-seven (67) to fifty-five (55); (iii) rescind all terms, rights and obligations of the Redevelopment Agreement with respect to the 1901 Property and the 1911 Property and provide for the transfer of the 1911 Property from PHA back to the Redevelopment Authority; (iv) formalize that there is no "Percent for Art" obligation with respect to the Project; and (v) acknowledge and consent to a ground lease between PHA and Strawberry Mansion LP, a Pennsylvania limited partnership ("**SM LP**"), for the Premises.

PROPERTY INFORMATION: 3210-12 Arlington Street, 3211-19 Arlington Street, 3216 Arlington Street, 3220-26 Arlington Street, 3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street, 3210-14 Monument Street, 3217 Monument Street, 3220 Monument Street, 3223-25 Monument Street, 3224 Monument Street, 3228 Monument Street, 3229 Monument Street, 3232-34 Monument Street and 3233-37 Monument Street, Philadelphia, Pennsylvania

Description: Vacant lots **Zoning:** RM-1 and RSA-5 **Use:** Residential

Disposition Price: \$ 22.00

COMMENTS OR OTHER CONDITIONS:

Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Per Chapter 17-1600 of the Philadelphia Code, the Economic Opportunity Plan ranges have been set at MBE – 18%, WBE – 7%.

Proposed Resolution is attached.

Prepared by: Ryan Harmon

RESOLUTION NO.

NORTH PHILADELPHIA REDEVELOPMENT AREA, MODEL CITIES URBAN RENEWAL AREA – RESOLUTION AUTHORIZING AN AMENDMENT TO THE REDEVELOPMENT AGREEMENT WITH PHILADELPHIA HOUSING AUTHORITY

WHEREAS, Pursuant to Resolution No. 219,460, adopted on June 12, 2013, the Philadelphia Housing Authority ("Redeveloper") was approved as redeveloper of 1901-09 N. 33rd Street, 1911-15 N. 33rd Street, 3210-12 Arlington Street, 3211-19 Arlington Street, 3216 Arlington Street, 3220-26 Arlington Street, 3223-37 Arlington Street, 3230 Arlington Street, 3236 Arlington Street, 3225-27 W. Berks Street, 3233-37 W. Berks Street, 3210-14 Monument Street, 3217 Monument Street, 3220 Monument Street, 3223-25 Monument Street, 3224 Monument Street, 3228 Monument Street, 3229 Monument Street, 3232-34 Monument Street and 3233-37 Monument Street, Philadelphia, Pennsylvania; and

WHEREAS, Redeveloper and the Authority executed a Redevelopment Agreement dated June 7, 2013 for the above properties; and

WHEREAS, Settlement has occurred under (and as defined by) the June 7, 2013 Redevelopment Agreement ("Redevelopment Agreement"), and title to the aforementioned properties (with the exception of 1901-09 N. 33rd Street, Philadelphia Pennsylvania (herein, the "1901 Property")) was conveyed to PHA by Indenture dated October 2, 2014, recorded in the Department of Records on October 3, 2014, as Document No. 52835622 (the "Vesting Deed"); and

WHEREAS, The property located at 1911-15 N. 33rd Street, Philadelphia, Pennsylvania (herein, the "1911 Property"), despite being transferred to the Redeveloper pursuant to the Redevelopment Agreement, is no longer part of the Project (as defined in the Redevelopment Agreement). The 1901 Property is also no longer part of the Project; and

WHEREAS, The properties set forth in the first Paragraph above, with the exception of the 1901 Property and the 1911 Property, shall be referred to herein as the "Premises;" and

WHEREAS, PHA has requested the Board's approval of an amendment to the Redevelopment Agreement, which, among other things, will (i) extend the dates for completion of construction as provided in the Redevelopment Agreement; (ii) provide for the submission of revised Schematic Plans (as defined in the Redevelopment Agreement) reducing the number of residential rental units from sixty-seven (67) to fifty-five (55); (iii) rescind all terms, rights and obligations of the Redevelopment Agreement with respect to the 1901 Property and the 1911 Property and provide for the transfer of the 1911 Property from PHA back to the Redevelopment Authority; (iv) formalize that there is no "Percent for Art" obligation with respect to the Project; and (v) acknowledge and consent to a ground lease between PHA and Strawberry Mansion LP, a Pennsylvania limited partnership ("SM LP"), for the Premises; and

WHEREAS, the Authority has carefully considered this request and the factors giving rise thereto.

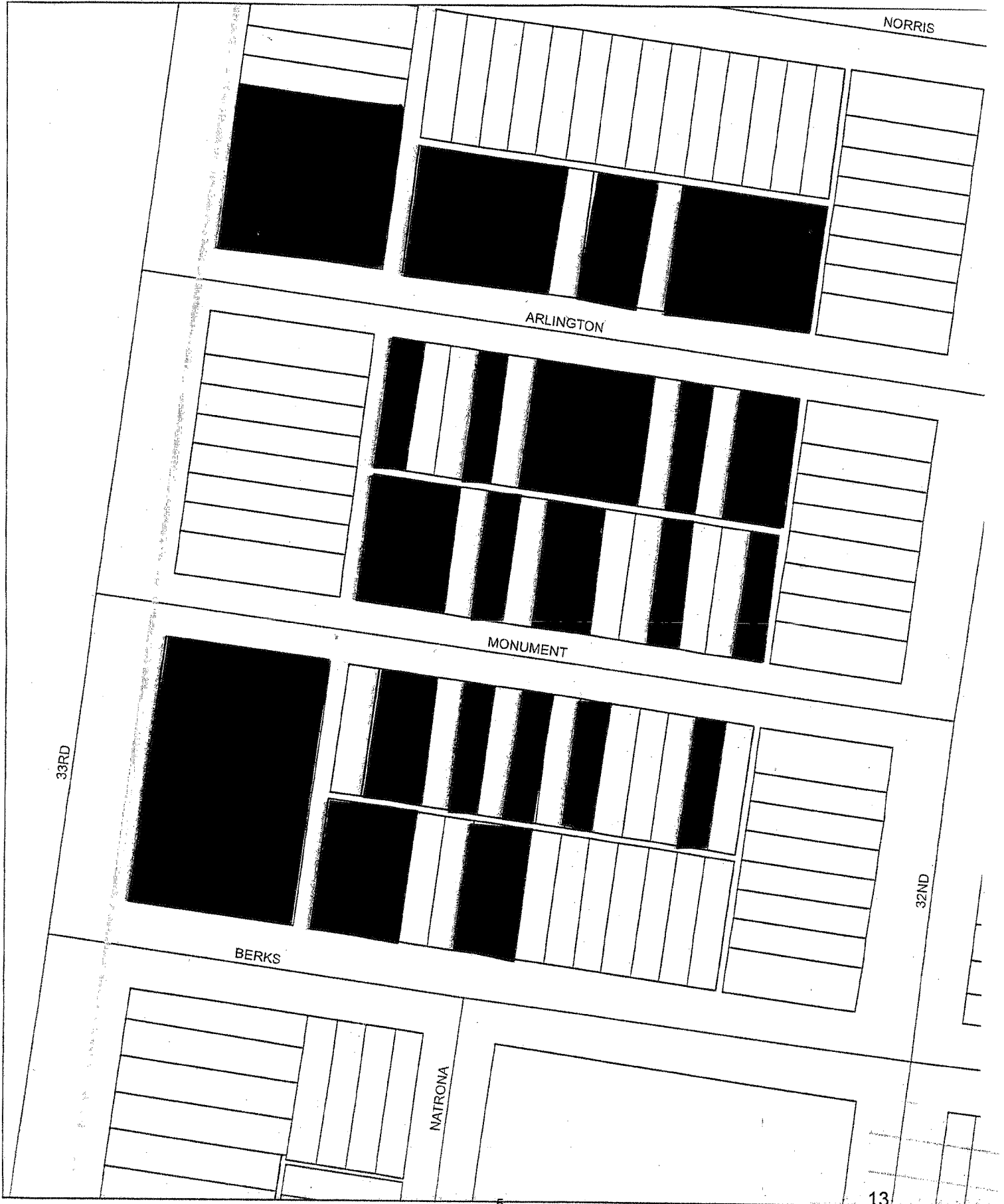
NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Redevelopment Authority is authorized to enter into an Amendment to Redevelopment Agreement with PHA for the Premises which provides that:

- a. the time for completion of improvements as stated in paragraph 4.5 of the Redevelopment Agreement, as previously amended, shall be extended to December 1, 2018;
- b. PHA will submit revised Schematic Plans (as defined in the Redevelopment Agreement) reducing the number of residential rental units from sixty-seven (67) to fifty-five (55);
- c. all terms, rights and obligations of the Redevelopment Agreement with respect to the 1901 Property and the 1911 Property shall be rescinded and PHA shall promptly transfer the 1911 Property back to the Redevelopment Authority;
- d. there is no "Percent for Art" obligation with respect to the Project; and
- e. the Redevelopment Authority acknowledges and consents to a ground lease between PHA and Strawberry Mansion LP, a Pennsylvania limited partnership ("SM LP"), for the Premises.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Model Cities Urban Renewal Area PHA- Strawberry Mansion Project





BOARD FACTSHEET

Meeting of November 9, 2016

Modification of Borrower Entity - Commercial Loan

People for People Community Development Corporation

NAME OF DEVELOPER/APPLICANT: People for People Community Development Corporation ("PFPCDC")

NATURE OF TRANSACTION: The Board is requested to modify Resolution 2015-129, adopted on November 18, 2015, wherein the Board authorized the Philadelphia Redevelopment Authority ("Authority") to enter a loan agreement with NEWCO, LLC ("NEWCO"), a single-purpose entity created by People for People, Inc. ("PFP"), a not-for-profit, tax-exempt corporation providing social services to the North Central Philadelphia community. The financing is part of a consortium with other lenders and will be structured as follows:

- 1) Commercial mortgage loan in the amount of \$250,000 (the "Loan") funded from the Authority's net assets. The term of the Loan will be five (5) years with interest at the rate of 4.5%, amortized over a twenty (20) year period. The Loan will be issued in a pari passu position with other institutional lenders and will allow PFP to payoff an existing mortgage with WM Capital Partners in the amount Seven Million Five Hundred Thousand Dollars (\$7,500,000). The Loan is a portion of a larger \$7,670,583.00 loan.

NATURE OF REQUEST: The Authority staff is requesting that Resolution No. 2015-129 be modified to change the borrowing entity from NEWCO to PFPCDC. Because settlement has not taken place and documents have not been executed, no assignment or re-execution is required.

PROJECT INFORMATION:

Description: PFP was founded in 1989 and incorporated in 1991 by Reverend Dr. Herbert H. Lusk, II. PFP's mission is to break the local cycle of poverty by providing resources to people to allow them to build self-sustaining lives for themselves and their families.

PFP provides a range of services to the local community including, HOPE Pregnancy Center, PFP Early Childhood Development Center, PFP Institute and PFP SOAR (Student Occupational and Academic Readiness). PFP also operates "The View," a banquet facility located on the top floor of their building that

accommodates 150+ people and provides hospitality training and experience to PFP clients. Additionally, PFP has operated a Charter School ("PFPCS") in North Philadelphia since the Fall of 2001 servicing approximately 540 students.

The Commercial Mortgage will be secured by a mortgage lien and assignment of rents and leases, together with title insurance, on real property described as the "PFP Complex." The "PFP Complex" consists of the following four (4) properties within two (2) blocks of each other:

1. 800 N. Broad Street- 9,600SF parcel with an eight-story commercial building containing a gross building area of 81,600SF. The Net leasable area is 72,432SF and currently houses the Charter School on floors 2-6, daycare on the 1st floor and catering hall on the 7-8 floors. The Charter School has a five (5) year lease starting 9/1/15;
2. 700-702 N. Broad Street – 12,350SF parcel with a four story bank/office building containing a gross building area of 15,700SF. The building is currently being used for office space on the upper floors;
3. 1414 Brown Street – 26,980SF parcel of land with frontage along Brown Street and Ridge Street; and
4. 1429-1435 Parrish Street – 13,345SF parcel improved with a garage building. The building contains 9,612SF with three drive-in service doors and 68 parking spaces. Delaware Valley Community Health Inc. has a three (3) year lease beginning June, 2015, for 40 spaces, and Philadelphia Corporation for Aging has a three (3) year lease beginning April, 2015, for 28 spaces.

An appraisal was performed by S.A.Eiffes, Inc., which estimates the PFP Complex value as of June 26, 2015, to be Eighteen Million Two Hundred Thousand Dollars (\$18,200,000).

Bryn Mawr Trust will control the rental payments through lockbox from the tenants to PFPCDC and draft loan payments.

Proposed Resolution is attached.

Prepared by: Ryan D. Harmon

RESOLUTION NO.

(Modification to Resolution No. 2015-129, adopted November 18, 2015)

MODIFICATION OF RESOLUTION NO. 2015-129 AUTHORIZING THE AUTHORITY TO PROVIDE A COMMERCIAL LOAN TO NEWCO, LLC IN AN AMOUNT UP TO \$250,000

WHEREAS, on November 18, 2015, by Resolution No. 2015-129, the Authority Board authorized a commercial mortgage loan (the "Loan") to NEWCO, LLC ("NEWCO"), in the amount of up to Two Hundred Fifty Thousand Dollars (\$250,000), upon the terms and conditions stated therein; and

WHEREAS, NEWCO is a single purpose entity created by People for People, Inc. ("PFP"), a not-for-profit, tax-exempt corporation providing social services to the North Central Philadelphia community; and

WHEREAS, PFP has requested that Resolution No. 2015-129 be modified to change the borrowing entity from NEWCO to People for People Community Development Corporation ("PFPCDC").

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Resolution No. 2015-129 is hereby modified to authorize the replacement of NEWCO, as the borrowing entity, to People for People Community Development Corporation ("PFPCDC"); all other terms as authorized by Resolution 2015-129 shall remain.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.