

PHILADELPHIA REDEVELOPMENT AUTHORITY

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

**BOARD MEETING
WEDNESDAY, OCTOBER 10, 2018**

Open Session – 4:00 P.M.

A G E N D A

APPROVAL OF BOARD MINUTES

- (a) Meeting of September 12, 2018

I. EXECUTIVE DIRECTOR'S REPORT

II. ADMINISTRATIVE

- (a) **Conveyance of PRA Properties to Philadelphia Land Bank**
- (b) **Conveyance of City Properties to Philadelphia Land Bank**
- (c) PRA Fine Arts Policy and Percent for Art Program
Guerrero Consulting LLC
Agreement for Professional Services
- (d) *Restore, Repair, Renew*: Philadelphia Neighborhood Home Preservation Loan Program
Professional Service Agreements with Financial Institutions
Amendment to Resolution No. 2018-56, Adopted on July 11, 2018
- (e) Various Vacant Property Review Committee Properties
Assignment of Notes and Mortgages to Land Bank

AGENDA

Board Meeting of October 10, 2018

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III. DEVELOPMENT

- (a) Model Cities Urban Renewal Area
FINANTA
203-205 W. Susquehanna Avenue
Amendatory Agreement

- (b) New Kensington-Fishtown Urban Renewal Area
1507 Frankford City Associates, LP
1507 Frankford Avenue
Amendatory Agreement

- (c) Grays Ferry Urban Renewal Area
V2 Properties Entity 6, LLC
2650 Reed Street
Removal of Deed Restriction

IV. REAL ESTATE

Vacant Property Review Committee
Conveyance of Properties

PHILADELPHIA REDEVELOPMENT AUTHORITY

BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, September 12, 2018, commencing at 4:00 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, Chair; James Cuorato, Vice Chair; Duane Bumb, Secretary; Rob Dubow, Treasurer; and Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary.

The following members of the Authority staff were present: Gregory Heller, Ryan D. Harmon, Esquire, Mary Fogg, Brian Romano, Karanja Slaughter, Larry Padilla, Jane Allen and Elizabeth Bonaccorso.

Also in attendance: Jacqueline Dunn, City Finance Department; Clarence Bourne, Loop Capital Markets; Miska L. Shaw, Ahmad Zaffarese LLC; Thomas M. Murphy IV, Resident and Kyle Osting, Resident.

ANNOUNCEMENTS

None.



MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of August 8, 2018.

Upon motion made and duly seconded, the minutes of August 8, 2018 were approved.



EXECUTIVE DIRECTOR'S REPORT

Mr. Heller stated that there are several items he wanted to present. First, Mr. Heller wanted to officially wish Denise Basso congratulations on her retirement and thank her for more than 17 years of service with the Authority.

Next, Mr. Heller stated, with regards to the Lower Eastwick Public Land Strategy, that the Authority is still accepting public comment on the consultant presentation until October 31st. The presentation and a link to the public comment form are available on the front page of the Authority's website.

Next, Mr. Heller stated that there were a few groundbreaking/ribbon cuttings. The first was on August 23rd - this was a ribbon cutting for Centennial Village, a 51-unit affordable housing development at 52nd and Parkside, which includes 8,000 sf of commercial space. This was developed by Community Ventures. This project not only provides new affordable units and neighborhood amenities, but also visually transforms the 52nd and Parkside corridor. Mr. Heller stated this has been a long-awaited project in the West Philadelphia Empowerment Zone. The Authority assisted with this project through land acquisition and financing. Mr. Heller stated that on September 10th, PHA broke ground on Norris Apartments Phase III within the North Central Choice Neighborhood. This phase of the development involves the demolition of a portion of the existing Norris Apartments and the new construction of 50 rental units that will include 42 affordable units. The Authority is providing \$7 million dollars of funding for the affordable units that target households at or below 60 percent of Area Median Income.

Next, Mr. Heller stated that the Authority has four open solicitations. The Authority is currently soliciting qualifications from roofing contractors for roof replacement on two properties owned by the City of Philadelphia Department of Public Property ("DPP") for Engine No. 34 and Fireman's Hall Museum. These RFQs are due on September 14th.

Next, Mr. Heller stated that the Authority currently has an RFP for the purchase and rehabilitation of 1221-25 N. 4th Street. The building is the former Engine 29 firehouse built in 1894, and includes a rear parking lot. The property is owned by DPP. The brick and brownstone structure is approximately 14,400 square feet and is listed on the Philadelphia Register of Historic Places. Proposals will be accepted until September 21st.

Next, Mr. Heller stated that the Authority is accepting proposals from financial institutions to partner on a new Small Landlord Loan Program. This program will provide accessible loans to owners of rental properties with up to four rental units in their portfolio. The Authority will provide the selected lender with a credit enhancement to partially guarantee the portfolio of loans. Through this program, we hope to provide new resources to enable investment and stabilization of naturally occurring affordable housing. This RFP closes on October 12th.

Finally, Mr. Heller stated that all RFPs/RFQs are listed on the Authority's website and that anyone can sign up to receive notification emails through the website for such opportunities.



ADMINISTRATIVE

Mr. Slaughter presented "Item II (a) – Professional Service Contract with Townscapes, Inc." in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Dubow asked if an Economic Opportunity Plan ("EOP") is required for this contract. Mr. Slaughter replied yes. Mr. Dubow requested that the resolution be revised/modified to require that an EOP be submitted prior to execution.

Board Action

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

RESOLUTION NO. 2018-72

RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH TOWNSCAPES, INC., TO PROVIDE LANDSCAPE MAINTENANCE SERVICES IN THE LOGAN TRIANGLE SECTION OF PHILADELPHIA

WHEREAS, the Philadelphia Redevelopment Authority ("PRA") undertook a competitive invitation for proposals from qualified landscape companies to provide grounds maintenance in the Logan Triangle Section of Philadelphia;

WHEREAS, proposals were reviewed and evaluated which resulted in the recommendation of Townscapes, Inc., as the most qualified responsive bidder;

NOW THEREFORE, BE IT RESOLVED, by the PRA that the Executive Director is authorized to execute a contract with Townscapes, Inc., for a term of one (1) year, granting the PRA options for two (2) additional years, at compensation as follows:

Fiscal Year Ending June 30, 2019	\$136,710
Fiscal Year Ending June 30, 2020	\$136,710
Fiscal Year Ending June 30, 2021	\$143,546

FURTHER RESOLVING, that, as a prerequisite to execution of the aforementioned contract by the PRA, the PRA shall have received a fully-executed Economic Opportunity Plan from Townscapes, Inc., acceptable in form and substance to the PRA.

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 and Construction Contract necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



Mr. Harmon presented "Item II (b) – Memorandum of Understanding with the Philadelphia City Planning Commission" 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. 2018-73

RESOLUTION AUTHORIZING A MEMORANDUM OF UNDERSTANDING BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND THE PHILADELPHIA CITY PLANNING COMMISSION

WHEREAS, the Philadelphia Redevelopment Authority and the Philadelphia City Planning Commission ("PCPC"), desire to enter into a Memorandum of Understanding ("MOU") through which the PCPC will provide construction/building plan review on behalf of the Authority, which MOU will also provide the terms of compensation to be paid by the Redevelopment Authority to the PCPC;

WHEREAS, the Board has considered the MOU and finds that its authorization and adoption to be in the best interests of the Authority.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority that the Executive Director is authorized to execute a MOU with the PCPC in form and substance acceptable to the Executive Director and General Counsel.

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, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



Mr. Harmon presented "Item II (c) – Lease Termination Agreement with Hyundai Rotem USA Corporation" 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. 2018-74

RESOLUTION AUTHORIZING A LEASE TERMINATION AGREEMENT BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND HYUNDAI ROTEM USA CORPORATION

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") and Hyundai Rotem USA Corporation (the "Tenant"), entered into a Ground Lease Agreement dated as of August 1, 2008 (the "Original Lease"), for the property located at 10 Wolf Street, Philadelphia, Pennsylvania (the "Premises");

WHEREAS, the Original Lease was subsequently amended by that certain Addendum to Ground Lease dated as of January 30, 2009 (the "Addendum"). The Original Lease and the Addendum shall be referred to herein, collectively, as the "Lease;"

WHEREAS, the Authority and Tenant desire to enter into a Lease Termination Agreement ("Termination Agreement") to provide for an early termination of the Lease on the material terms and conditions contained in the attached Fact Sheet;

WHEREAS, the Board has considered the Termination Agreement and finds that its authorization and adoption to be in the best interests of the Authority.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority that the Executive Director is authorized to execute the Termination Agreement with Tenant in form and substance acceptable to the Executive Director and General Counsel.

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, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



Mr. Harmon presented "Item II (d) – Restore, Repair, Renew: Philadelphia Neighborhood Home Preservation Loan Program – 2018 Bond Issue" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Dubow abstained from voting because of a conflict of interest.

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. 2018-75

RESOLUTION APPROVING THE UNDERTAKING OF A HOME REPAIR PROGRAM FOR CITY HOMEOWNERS AND THE FINANCING THEREOF; APPROVING THE EXECUTION AND DELIVERY OF A SERVICE AGREEMENT BETWEEN THE AUTHORITY AND THE CITY OF PHILADELPHIA; AUTHORIZING AND DIRECTING THE ISSUANCE OF UP TO \$40,000,000 TOTAL AGGREGATE PRINCIPAL AMOUNT OF THE AUTHORITY'S REVENUE BONDS TO FINANCE THE 2018 PROJECT AS DESCRIBED HEREIN; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BONDS; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND THE ACCEPTANCE OF A RELATED LETTER OF REPRESENTATIONS FROM THE CITY; AUTHORIZING AND APPROVING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING AND APPROVING THE EXECUTION, DELIVERY AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF THE BONDS; PROVIDING FOR THE PRINCIPAL AMOUNTS, SERIES, PROVISIONS FOR REDEMPTION AND MATURITY OF, AND RATES OF INTEREST ON, THE BONDS; AUTHORIZING INVESTMENT BY THE TRUSTEE; MAKING AN OFFICIAL DECLARATION OF INTENT RELATING TO REIMBURSEMENT OF COSTS OF THE 2018 PROJECT; APPOINTING CO-BOND COUNSEL; APPOINTING SPECIAL COUNSEL TO THE AUTHORITY; REQUESTING THE TRUSTEE TO AUTHENTICATE THE BONDS; AUTHORIZING INCIDENTAL ACTION TO BE TAKEN BY OFFICERS OF THE AUTHORITY; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") is a public body and a body corporate and politic, exercising public powers of the Commonwealth of Pennsylvania (the "Commonwealth") as an agency thereof, created under and pursuant to the Pennsylvania Urban Redevelopment Law, Act No. 385 of the General Assembly of the Commonwealth approved May 24, 1945 (P.L. 991), as amended and supplemented (the "Authority Law"); and

WHEREAS, the Authority exists and operates under the Authority Law for the public purposes of the elimination of blighted areas through economically and socially sound redevelopment of such areas, as provided by the Authority Law, in conformity with the comprehensive general plan of The City of Philadelphia (the "City"), for residential, recreational, commercial, industrial or other purposes, and otherwise encouraging the provision of healthful homes, a decent living environment and adequate places of employment for the people of the Commonwealth; and

WHEREAS, under the Authority Law and the Redevelopment Cooperation Law (as defined below), the Authority has all powers necessary or appropriate to carry out and effectuate the purposes and provisions of the Authority Law and the Redevelopment Cooperation Law, including, *inter alia*, the powers to cooperate with the City and to act as agent for the City for the public purposes set out in the Authority Law; and to issue bonds of the Authority for any of its corporate purposes; and

WHEREAS, the City is authorized by the Pennsylvania Redevelopment Cooperation Law, Act No. 383 of the General Assembly of the Commonwealth approved May 24, 1945 (P.L. 982), as amended and supplemented (the "Redevelopment Cooperation Law") to enter into agreements with the Authority respecting action to be taken by the City pursuant to any of the powers granted by the Redevelopment Cooperation Law; to make such appropriations to the Authority as are deemed necessary to assist the Authority in carrying out its public purposes; and to designate the Authority as the City's agent within the Authority's field of operation to perform any specified activity or to administer any specified program which the City is authorized by law to do in furtherance of the public purposes specified in the Authority Law; and

WHEREAS, the City and the Authority are authorized by law to undertake the Program (as defined below), and the Program furthers the public purposes specified in the Authority Law; and

WHEREAS, neither the Commonwealth nor the United States offers a program which duplicates the Program; and

WHEREAS, the Authority and the City have determined, in accordance with the Ordinance (as defined below), that: (i) the Authority will, at the direction and with the cooperation of the City, by entering into a Service Agreement with the City (the "Service Agreement"), undertake a home repair program (the "Program") for City Homeowners (as defined in the Ordinance), including the financing of certain costs thereof, all as further described in Exhibit A to the Ordinance in order to encourage the provision of healthful homes and a decent living environment to improve the health of residents and preserve critical

affordable housing; and (ii) the Authority will issue its Obligations (as defined below) to finance certain costs of the Program; and

WHEREAS, pursuant to the Service Agreement, the City will pay to the Authority a Service Fee (as defined in the Service Agreement) in consideration of the Authority's agreement to undertake the Program; and

WHEREAS, the City Council of the City, by Ordinance (Bill No. 170878), adopted November 30, 2017, and approved by the Mayor on December 12, 2017 (the "Ordinance") has: (i) authorized and approved the execution and delivery of the Service Agreement; (ii) approved the issuance from time to time by the Authority of bonds, notes or other evidences of indebtedness (including reimbursement obligations related to lines or letters of credit) (the "Obligations") in an aggregate principal amount not to exceed \$40,000,000, net of original issue discount, plus amounts necessary for costs of issuance, amounts necessary to effect any refunding of Obligations, interest on the Obligations and costs of credit or liquidity enhancement, at any one time outstanding, in one or more series, either as taxable or tax-exempt obligations, to finance or refinance certain costs of the Program, interest on the Obligations, costs of credit or liquidity enhancement, amounts necessary to effect any refunding, and the costs of issuing the Obligations; and (iii) authorized and approved the performance by the City of its obligation to pay in full when due the Service Fee and other amounts payable under the Service Agreement; and

WHEREAS, at the request of the City, the Authority has determined to issue up to \$40,000,000 total aggregate principal amount of the Authority's revenue bonds (the "2018 Bonds") for the purpose of providing financing for costs of the Program, together with any funded interest on the 2018 Bonds, costs of any credit or liquidity enhancement for the 2018 Bonds and costs of issuance of the 2018 Bonds (together, the "2018 Project"); and

WHEREAS, the Authority will issue the 2018 Bonds under a Trust Indenture, of even date with the Service Agreement (the "Trust Indenture"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Authority has determined to sell the 2018 Bonds pursuant to the terms of a Bond Purchase Agreement (the "Bond Purchase Agreement") between the Authority and the underwriters identified therein (the "Underwriters") for whom Loop Capital Markets LLC is acting as representative (the "Representative"); and

WHEREAS, pursuant to the Bond Purchase Agreement, the City will deliver to the Authority and the Representative a Letter of Representations (the "Letter of Representations") at the time of execution and delivery of the Bond Purchase Agreement; and

WHEREAS, the Underwriters propose to offer the 2018 Bonds for sale pursuant to a Preliminary Official Statement and a final Official Statement; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the 2018 Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority that:

Section 1. The Authority hereby finds, determines and declares that the undertaking of the Program and the financing of the 2018 Project will further the public purposes of the Authority Law and the Redevelopment Cooperation Law and the purposes for which the Authority was created and continues to exist, and accordingly the Authority hereby approves the undertaking of the Program and the financing of the 2018 Project by the Authority as provided in this Resolution.

Section 2. The Chairman, Vice Chairman or Executive Director is hereby authorized and directed to execute, acknowledge and deliver, and, if required, the Secretary, Assistant Secretary, Executive Director or Senior Deputy Executive Director is hereby authorized and directed to affix and attest the corporate seal of the Authority to, the Service Agreement in substantially such form as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution.

Section 3. The Chairman, Vice Chairman or Executive Director is hereby authorized and directed to execute, acknowledge and deliver, and, if required, the Secretary, Assistant Secretary, Executive Director or Senior Deputy Executive Director is hereby authorized and directed to affix and attest the corporate seal of the Authority to, the Trust Indenture in substantially such form as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution. The 2018 Bonds shall be limited obligations of the Authority and will be payable solely from the trust estate held under the Trust Indenture. There shall be no other recourse under the 2018 Bonds against the Authority or any other property now or hereafter owned by it.

Section 4. The Chairman, Vice Chairman or Executive Director is hereby authorized to execute and deliver the Bond Purchase Agreement (and to accept the Letter of Representations) in substantially such forms as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution.

Section 5. The preparation of the Preliminary Official Statement (including any supplements thereto) is hereby approved and the Chairman, Vice Chairman or Executive Director is hereby authorized to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, in such form as counsel may advise and such officer may approve. The Chairman, Vice Chairman or Executive Director of the Authority is hereby authorized to sign and deliver the Official Statement (including any supplements thereto) on behalf of the Authority in substantially such form with such changes therein and any supplements thereto as counsel may advise and the officer executing the same may approve, such officer's approval to be conclusively evidenced by the execution thereof. The distribution of the Preliminary Official Statement and the Official Statement, including any supplements to the Preliminary Official Statement or Official Statement, in connection with the offering and sale of the 2018 Bonds is hereby approved.

Section 6. The issuance of the 2018 Bonds is authorized and approved subject to the parameters specified in Section 7 below. The 2018 Bonds are hereby authorized and directed to be prepared for delivery in accordance with the terms of the Bond Purchase Agreement. The 2018

Bonds shall be in substantially such form as is permitted by the Trust Indenture and as counsel may advise and the officer executing the 2018 Bonds may approve, the approval of such officer to be conclusively evidenced by such execution. The Chairman, the Vice Chairman or the Executive Director of the Authority are hereby authorized and directed to execute the 2018 Bonds by their manual or facsimile signatures, and the corporate seal of the Authority or the facsimile thereof is hereby adopted and authorized to be imprinted thereon or affixed thereto and shall be attested by the manual or facsimile signature of the Secretary or Assistant Secretary. The Chairman, Vice Chairman or Executive Director is authorized and directed to deliver the 2018 Bonds to the Trustee for authentication under the Trust Indenture herein authorized and, when authenticated, to deliver them or cause them to be delivered to the Representative pursuant to the Bond Purchase Agreement against receipt of the purchase price therefor and to deposit the amounts so received with the Trustee as provided in the Trust Indenture to be held and applied by the Trustee as provided in the Trust Indenture.

Section 7. The 2018 Bonds shall be issued in one or more series, as taxable and/or tax-exempt obligations, and in the aggregate principal amount not to exceed \$40,000,000, shall mature on the dates and in the amounts, shall be dated and numbered, in the denominations, and in the registered form carrying the exchangeability privileges, be payable in the medium of payment on the dates and at such places, bear interest at the rates, be subject to mandatory, optional and such other redemption prior to maturity and be entitled to the priorities in the revenues and receipts of the Authority, all as provided in the Trust Indenture. The purchase price of the 2018 Bonds shall not be less than par and accrued interest, if any.

Section 8. The Authority hereby appoints Cozen O'Connor and Ahmad Zaffarese LLC, as Co-Bond Counsel for the 2018 Bonds.

Section 9. The Authority hereby appoints Zarwin Baum DeVito Kaplan Schaer Toddy P.C. as special counsel to the Authority for the 2018 Bonds.

Section 10. The Trustee is hereby requested to authenticate the 2018 Bonds and to deliver them to or upon the order of the Chairman, Vice Chairman or Executive Director.

Section 11. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor by it pursuant to the Trust Indenture, which by the terms of the Trust Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Trust Indenture, all subject to the terms and limitations contained in the Trust Indenture.

Section 12. In accordance with Treas. Reg. 1.150-2, the Authority hereby states its intention that a portion of the proceeds of the 2018 Bonds authorized hereby and reasonably expected to be issued in a maximum principal amount not exceeding \$40,000,000 will be used to reimburse the City or the Authority for original expenditures relating to the 2018 Project paid prior to the date of issuance of the 2018 Bonds. All original expenditures to be reimbursed will be qualifying expenditures (as defined in Treas. Reg. 1.150-2(d)(3)). The reasonably expected source of funds that will be used to reimburse the original expenditures is the proceeds of bonds. The

description of the type and use of the property for which the original expenditures to be fully or partially reimbursed are to be paid are costs related to the 2018 Project.

Section 13. Any of the officers of the Authority are hereby authorized and directed, in cooperation with the appropriate officers of the City, to appoint such other professional advisers or underwriters for the 2018 Bonds and to execute and deliver such other documents and instruments (including, without limitation, any agreement with the City relating to the expenditure of proceeds of the 2018 Bonds and any intergovernmental cooperation agreement with the City or amendment or supplement to any existing agreements with the City, any as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution) and to take such other action as may be necessary or appropriate in order to effectuate the execution and delivery and performance by the Authority of the Service Agreement, the Trust Indenture and the Bond Purchase Agreement, the preparation and distribution of the Preliminary Official Statement and the execution, delivery and distribution of the final Official Statement and the consummation of the transactions contemplated thereby, the undertaking of the Program and the issuance and sale of the 2018 Bonds, all in accordance with this Resolution.

Section 14. Any of the officers of the Authority are hereby authorized and directed to make determinations in cooperation with the appropriate officers of the City with respect to credit enhancement for the 2018 Bonds and to enter into agreements with any bank, insurance company or other appropriate entity to provide such credit enhancement for all or any portion of the 2018 Bonds.

Section 15. This Resolution shall take effect immediately upon its adoption. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

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, Mr. Cuorato, Mr. Bumb and Ms. Duque-Buckley.

One Abstention: Mr. Dubow.



DEVELOPMENT

Mr. Romano presented "Item III – Release of Covenants" 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. 2018-76

RESOLUTION AUTHORIZING THE RELEASE OF COVENANTS CONTAINED IN THE DEEDS FOR 627-29 N 11TH STREET, 634 N. 11TH STREET, 2039 E. FLETCHER STREET, 2209 EMERALD STREET, 2904 N. PALETHORPE STREET, 2154 N. 5TH STREET, AND 3115 NORTH HOPE STREET

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that (1) solely with respect to 2039 E. Fletcher Street, 2209 Emerald Street, 2904 N. Palethorpe Street, 2154 N. 5th Street, and 3115 North Hope Street, Philadelphia, Pennsylvania (the "1988 Deed Properties"), the covenants contained in the deed between the Authority and Philadelphia Housing Development Corporation ("PHDC"), dated July 20, 1988, may be released from the 1988 Deed Properties, and (2) solely with respect to 627-29 N. 11th Street and 634 N. 11th Street, Philadelphia, Pennsylvania (the "1979 Deed Properties"), the covenants contained in the deed between the Authority and PHDC, dated July 17, 1979, may be released from the 1979 Deed Properties, and (3) further authorizing the execution, delivery and recording of a Release for the 1988 Deed Properties and the 1979 Deed Properties and the preparation of all other documentation necessary or desirable in order to carry out the foregoing.

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, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



REAL ESTATE

Mr. Padilla presented "Item IV – Conveyance of Properties" 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. 2018-77

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:

Address

Grantee(s)

3214 N. 5th Street

Ana Mercedes Tollinichi

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, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



NEW BUSINESS

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



OLD BUSINESS

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



ADJOURNMENT

There being no further business to come before the Board, Ms. Fadullon declared the meeting adjourned at 4:18 P.M.

SECRETARY TO THE BOARD



BOARD FACTSHEET

Meeting of September 12, 2018

Approval of Contract with Townscapes, Inc.

Ground Maintenance Service in Logan Triangle Section of Philadelphia

NATURE OF TRANSACTION:

The approval of the Contract between the Philadelphia Redevelopment Authority (the "PRA") and Townscapes, Inc., to provide grounds maintenance in the Logan Triangle Section of Philadelphia. This is a one (1) year contract with options to renew for two (2) additional years.

SELECTION PROCESS:

On June 8, 2018, the PRA solicited proposal from qualified landscaping firms for grounds maintenance in the Logan Triangle section of Philadelphia. All bids were due by July 9, 2018. The PRA received two (2) responses to the RFP. The PRA selected Townscapes, Inc., as the most responsive bidder.

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>
Townscapes, Inc. 10087 Sandmeyer Lane Philadelphia, PA LBE Certified	\$136,710	\$136,710	\$143,546

In addition to providing the lowest bid, Townscapes, Inc., demonstrated their financial and operational capacity by providing financials, references, previous contract information and an equipment list.

Proposed Resolution attached.

Prepared By: Karanja Slaughter, Special Projects Coordinator



BOARD FACTSHEET

Meeting of September 12, 2018

Memorandum of Understanding with the Philadelphia City Planning Commission

BACKGROUND: Section 1709 of the Urban Redevelopment Law, 35 P.S. §§ 1701 *et seq.*, and laws supplemental thereto (the "**Urban Redevelopment Law**"), sets forth the powers of Redevelopment Authorities in Pennsylvania and includes the following specific powers:

- "To arrange or contract with the Commonwealth, its agencies, and any municipality to the extent that it is within the scope of their respective functions... " 35 P.S. § 1709(f);
- "To own, hold, clear, improve and manage real property." 35 P.S. § 1709(j).

The Philadelphia City Planning Commission ("**PCPC**") was established to guide the orderly growth and development of the City. The City of Philadelphia's ("**City**") 1951 Home Rule Charter defines the powers and duties of the PCPC, which includes the preparation of a comprehensive plan showing the present and planned physical development of the City. The PCPC also addresses issues of community and economic development, public health and environmental sustainability, and multi-modal transportation policy, with particular emphasis placed on humanizing the scale of the city through urban design.

As part of the Authority's public purpose, the Authority routinely enters into development contracts with developers and other entities for the purpose of developing Authority properties and properties owned by other public entities. Such development projects require construction/building plan review at various stages of development. The PCPC has agreed to undertake the responsibilities of construction/building plan review on behalf of the Authority.

The Authority and the PCPC have negotiated a Memorandum of Understanding ("**MOU**") to provide for Authority compensation to the PCPC for the construction/building plan review performed by the PCPC on behalf of the Authority.

REQUEST: The Authority seeks authorization from the Board to enter into the MOU with the PCPC. The material terms of the MOU are as follows:

- Term of up to two (2) years, which may be extended for three (3) additional one (1) year periods, with the ability of the Authority or the PCPC to terminate upon sixty (60) days' notice;

Item II (b)

- The scope of services to be provided by the PCPC is attached hereto as Exhibit "A;"

- With respect to any review requirement to be performed by the PCPC as set forth in the attached scope of services, the PCPC shall complete its review and provide its written findings to the Authority within ten (10) business days of receipt by the PCPC of the plans/drawings/submissions/request from the Authority;

- Authority staff and the PCPC staff will meet as needed to discuss the progress and performance of all services under the MOU;

- The PCPC will be reimbursed monthly at the current hourly rate of the PCPC staff member performing the services;

- The PCPC staff will keep a daily log of hours spent providing the Services and a list of the hourly rate(s) shall be provided to the Authority prior to the execution of the MOU.

Prepared By: Ryan Harmon

Reviewed By: Gregory Heller



BOARD FACTSHEET

Meeting of September 12, 2018
 Lease Termination Agreement with
 Hyundai Rotem USA Corporation

BACKGROUND: The Philadelphia Redevelopment Authority (the "Authority") and Hyundai Rotem USA Corporation ("Tenant") entered into a Ground Lease Agreement dated as of August 1, 2008 (the "Original Lease"), for the property located at 10 Wolf Street, Philadelphia, Pennsylvania (the "Premises"). The Original Lease was subsequently amended by that certain Addendum to Ground Lease dated as of January 30, 2009 (the "Addendum"). The Original Lease and the Addendum shall be referred to herein, collectively, as the "Lease."

Concurrently with execution of the Original Lease, the Authority and Tenant also executed a Development Agreement effective August 1, 2008 (the "Development Agreement"), which provided for, among other things, the development of the Premises as a parking lot with approximately one hundred thirty-four (134) parking spaces. The development obligation under the Development Agreement has been completed.

The term of the Lease was scheduled to expire August 31, 2017, but was subsequently extended by Tenant to August 31, 2022. Tenant is current with its rental payments under the Lease. For the time period of September 1, 2017 through August 31, 2018, the Authority received from Tenant the annual rent amount of One Hundred Thirty-Four Thousand Three Hundred Ninety-Two Dollars (\$134,392.00). Rent under the Lease increases annually by three percent (3.00%).

The Authority and Tenant have agreed to an early termination of the Lease which shall be effective September 28, 2018 ("Termination Date"). In furtherance thereof, the Authority and Tenant have negotiated a Lease Termination Agreement ("Termination Agreement") which provides the terms of the early termination.

REQUEST: The Authority seeks authorization from the Board to enter into the Lease Termination Agreement with Tenant. The material terms of the Lease Termination Agreement are as follows:

- Tenant will surrender possession of the Premises on or before September 28, 2018;
- Tenant will pay a Lease Termination Fee to the Authority in the amount of Two Hundred Ten Thousand Dollars (\$210,000), which will be paid in full by October 31, 2018;
- Tenant shall remove the traverser and electric transformer located on

the Premises on or before the Termination Date;

- The Authority will inspect the Premises on or prior to the Termination Date to confirm that the Premises is in "broom-clean" condition;

- Provided the above conditions are satisfied, the Parties will agree to release each other from all claims, demands, obligations, debts, etc., relative to the Lease, the Development Agreement and the Premises.

Prepared By: Ryan Harmon

Reviewed By: Gregory Heller



BOARD FACTSHEET

Meeting of September 12, 2018

Restore, Repair, Renew: *Philadelphia Neighborhood Home Preservation Loan Program* – 2018 Bond Issue

Pursuant to Resolution 2018-56, adopted July 11, 2018, the Authority approved certain actions relative to a Housing Preservation Loan Program (now titled "Restore, Repair, Renew: *Philadelphia Neighborhood Home Preservation Loan Program*") (the "**Program**"), which is an initiative of the City of Philadelphia (the "**City**") that will be administered by the Philadelphia Redevelopment Authority (the "**Authority**"). The Program will be funded with proceeds from one or more bonds issued by the Authority as previously authorized by City Council Bill No. 170878, which was passed by City Council on November 30, 2017 (the "**Program Ordinance**"). The Program aims to increase access to low-interest loans for low-, moderate-, and middle-income ("**LMMI**") City residents who own homes in need of essential repairs.

The City has requested the Authority to issue up to Forty Million Dollars (\$40,000,000) total aggregate principal amount of the Authority's revenue bonds (the "**2018 Bonds**") for the purpose of providing financing for costs of the Program, together with any funded interest on the 2018 Bonds, costs of any credit or liquidity enhancement for the 2018 Bonds and costs of issuance of the 2018 Bonds (together, the "**2018 Project**").

The Board is requested to adopt a resolution to approve, among other things, the issuance and sale of the 2018 Bonds and such other documents and instruments (including, without limitation, any agreement with the City relating to the expenditure of proceeds of the 2018 Bonds and any intergovernmental cooperation agreement with the City or amendment or supplement to any existing agreements with the City, any as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution) and to take such other action as may be necessary or appropriate in order to effectuate the execution and delivery and performance by the Authority of a Service Agreement, a Trust Indenture and a Bond Purchase Agreement, the preparation and distribution of a Preliminary Official Statement and the execution, delivery and distribution of a final Official Statement and the consummation of the transactions contemplated thereby, and the undertaking of the Program, all in accordance with the attached Resolution.

A proposed form of Resolution is attached.

Prepared by: Ryan Harmon
 Reviewed by: Gregory Heller



BOARD FACTSHEET

Meeting of September 12, 2018

Release of Deed Covenants

627-29 N 11th Street, 634 N. 11th Street, 2039 E. Fletcher Street,
2209 Emerald Street, 2904 N. Palethorpe Street, 2154 N. 5th Street,
and 3115 North Hope Street, Philadelphia, Pennsylvania

NAME OF DEVELOPER/APPLICANT: Philadelphia Housing Development Corporation ("PHDC")

NATURE OF TRANSACTION: The Board is asked to authorize the release of Deed Covenants (defined below) that the Authority included in the following deeds:

- 1) Deed from the Authority to the Redeveloper dated July 20, 1988 (the "1988 Deed"), solely with respect to 2039 E. Fletcher Street, 2209 Emerald Street, 2904 N. Palethorpe Street, 2154 N. 5th Street, and 3115 North Hope Street, Philadelphia, Pennsylvania (the "1988 Deed Properties"); and
- 2) Deed from the Authority to the Redeveloper dated July 17, 1979 (the "1979 Deed"), solely with respect to 627-29 N. 11th Street and 634 N. 11th Street, Philadelphia, Pennsylvania (the "1979 Deed Properties"); and

BACKGROUND: The Board previously authorized the conveyance of the 1988 Deed Properties and the 1979 Deed Properties (together, the "Properties") to PHDC in order for PHDC to either rehabilitate the Properties or convey the Properties to a grantee who would be required to rehabilitate the Properties. The Properties were conveyed to PHDC by the 1988 Deed and the 1979 Deed (together, the "Deeds"), which Deeds contained covenants regarding the required development, use, transfer, encumbrance, and occupancy of the Properties (collectively, "Deed Covenants"). The rehabilitation of the Properties either by PHDC or a subsequent grantee never occurred.

PHDC was required to convey the Properties back to the Authority if it was unable to complete the rehabilitation of the Properties or find a buyer for the Properties, but PHDC unintentionally conveyed the Properties (with the exception of 3115 North Hope Street, for which PHDC has sought approval for conveyance) to the Philadelphia Land Bank (the "Land Bank"). As such, PHDC has requested the Authority to release the Deed Covenants.

The Land Bank will ultimately seek approval from its Board to transfer the Properties to a developer or developers for a future affordable housing project. Because PHDC is a non-profit housing corporation incorporated by the City of Philadelphia who conveyed or will convey the Properties for nominal consideration to the Land Bank, a public body and a body corporate and politic similar to the Authority, who in turn will impose a development obligation on the Developer with respect to the Properties through a development agreement similar to the Authority's, the Board is requested to authorize the release of the Deed Covenants.

Prepared by: Jessie Lawrence and Ryan Harmon
Reviewed by: Gregory Heller



BOARD FACTSHEET

Meeting of September 12, 2018

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 which 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 property will be conveyed at nominal under the Gift Property Program.

Address

3214 N. 5th Street

Grantee

Ana Mercedes Tollinichi