# PHILADELPHIA REDEVELOPMENT AUTHORITY

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

# BOARD MEETING WEDNESDAY, DECEMBER 09, 2020

Executive Session – 3:30 P.M. Open Session – 4:00 P.M.

# AGENDA

# **APPROVAL OF BOARD MINUTES**

Meeting of November 04, 2020

I.	EXECUTIVE DIRECTOR'S REPORT						
II.	<u>ADMINISTRATIVE</u>						
	(a)	Amendment to Minutes of August 12, 2020 Habitat for Humanity Philadelphia, Inc. Replacement of Item III(b) Fact Sheet	(1)				
	(b)	Approval of First Amendment to Grant Agreement with the City of Philadelphia, Acting Through its Department of Public Property and its Finance Department	(3)				
	(c)	Approval of Second Amendment to Grant Agreement with the City of Philadelphia, Acting Through its Department of Parks & Recreation and its Finance Department	(5)				
	(d)	Cooperation Agreement The City of Philadelphia, Acting Through its Water Department	(8)				
	(e)	Approval of Grant Agreement with the Philadelphia Housing Authority	(14)				

# III. HOUSING FINANCE

- (a) Carl Mackley Apartments Preservation Development
  1401 E. Bristol Street
  Sale, Assumption, Modification, Subordination of Existing
  Loans and New Financing for the Carl Mackley
  Apartments

  (16)
- (b) Parkside Neighborhood Preservation (42)
  1237-1243 Belmont Avenue, 4104 Parkside Avenue,
  4106 Parkside Avenue, 4201 Girard Avenue, 4202
  Parkside Avenue, 4208 Parkside Avenue, 4210 Parkside Avenue,
  4216 Parkside Avenue, 4218 Parkside Avenue, 4222 Parkside
  Avenue, 4238 Parkside Avenue, 4240 Parkside Avenue and
  4244 Parkside Avenue
  New Financing and Modification of Existing Loan
- (c) Rowan Judson Diamond Preservation Development (73) 1901-1927, 1900-1906 and 1912-1920 Judson Street

  New Financing and Modification of Existing Loans to 1900 North Judson Limited Partnership and 2700 Diamond Development Corporation

#### PHILADELPHIA REDEVELOPMENT AUTHORITY

#### **BOARD MEETING MINUTES**

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Prior to the start of the meeting, Mr. Harmon made the announcement that today's Board meeting is being held electronically via an authorized communication device pursuant to Title 35 of the Pennsylvania Consolidated Statues, Section 5741 (35 Pa.C.S. §5741), is open to public attendees and open for public comment. The Board meeting is being recorded and questions and comments can be entered using the Question & Answer box at the lower right-hand corner of the screen. Questions and/or comments will be read out loud and answered if needed. Mr. Harmon indicated there were no public comments received prior to the meeting. Mr. Harmon further stated that he provided his email address to the public for any issues with submitting questions and/or comments.

\*\*\*PLEASE NOTE THAT THERE WAS A QUESTION AND ANSWER PORTAL FOR PUBLIC ATTENDEES OF THIS BOARD MEETING. THE PUBLIC ATTENDANCE LIST AND THE SUBMITTED QUESTIONS AND ANSWERS, IF ANY, ARE ATTACHED HERETO FOLLOWING THE MINUTES.

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A virtual meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, November 04, 2020, commencing at 4:02 P.M., pursuant to proper notices being made.

# ROLL CALL

The following members of the Board of Directors reported present: Anne Fadullon, Chair; James Cuorato, Vice Chair; Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary; Rob Dubow, Treasurer; and Duane Bumb, Secretary.

The following assigned staff were present: Gregory Heller, Ryan D. Harmon, Esquire, Angel Rodriguez, Robert LaBrum and Elizabeth Bonaccorso.

Also in attendance: Peilin Chen, City Finance; Abwrei Abwrei (name provided), Charles Lomax, Michael Bowman, and Women in Housing & Finance PA WHF-PA (name provided).

# **ANNOUNCEMENTS**

None.



# **MINUTES**

Ms. Fadullon called for a motion to approve the amended minutes of the Board meeting of October 14, 2020.

Upon motion made and duly seconded, the amended minutes of October 14, 2020 were approved.



# **EXECUTIVE DIRECTOR'S REPORT**

Mr. Heller stated that today is the last day to apply for Phase 2 rent assistance. Tenants and landlords must apply by 11:59 tonight in order to receive assistance. Mr. Heller stated that anyone can visit PHLRentAssist.org to learn more and apply. Mr. Heller encouraged landlords to learn about our Landlord Working Capital Loan Program, offered by Impact Loan Fund. Finally, Mr. Heller stated that anyone can visit impactservices.org to learn more.



# **ADMINISTATIVE**

Mr. Harmon presented "Item II(a) – Conveyance of PRA properties to Philadelphia Land Bank" 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. 2020-70**

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"

# <u>Properties Owned by Philadelphia Redevelopment Authority to be Transferred to Philadelphia Land Bank</u>

# 5th Councilmanic District Properties

1331 N. 8<sup>th</sup> Street

2500 N. 31st Street

2401 N. 32<sup>nd</sup> Street

2549 1/2 N. 32<sup>nd</sup> Street A/K/A 2551 N. 32<sup>nd</sup> Street

2401 N. 33rd Street

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

Mr. Harmon presented "Item II(b) – Conveyance of City Properties to Philadelphia Land Bank" 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. 2020-71**

PHILADELPHIA LAND BANK – RESOLUTION AUTHORIZING THE ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO VARIOUS PROPERTIES AND CONVEYANCE OF SUCH PROPERTIES 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**, Section 16-705 of The Philadelphia Code authorizes the City's Commissioner of Public Property to convey real property to the Philadelphia Redevelopment Authority, without consideration, for subsequent transfer to the Philadelphia Land Bank; and

**WHEREAS**, the properties identified on Exhibit "A" to this Resolution have been deemed surplus property by the City and the transfer of such properties to the Philadelphia Redevelopment Authority for subsequent transfer to the Philadelphia Land Bank will promote the public purposes for which the City created the Land Bank; and

**NOW THEREFORE, BE IT RESOLVED** by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Philadelphia Redevelopment Authority to accept title from the City of Philadelphia to those properties identified on Exhibit "A," hereto, and for the conveyance and preparation, execution, acknowledgment and delivery of deeds to the Philadelphia Land Bank, without consideration, pursuant to Chapter 16-700 of The Philadelphia Code.

**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"

# **3rd Councilmanic District Properties**

5107 Market Street

5109 Market Street

5111 Market Street

5113 Market Street

5121 Market Street

5123 Market Street

5125 Market Street

15 N. Paxon Street

16 N. Paxon Street

18 N. Paxon Street

# 5<sup>th</sup> Councilmanic District Properties

2338 N 31st Street

2340 N 31st Street

2408 N 31st Street

2410 N 31st Street

2412 N 31st Street

3010 W York Street

3012 W York Street

3013 W York Street

3014 W York Street

3015 W York Street

3108 W York Street

3200 W York Street

3202 W York Street

3204 W York Street 3206 W York Street

3200 W TOIR Street

3214 W York Street

3222 W York Street

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



Mr. LaBrum presented "Item II(c) – Approval of First Amendment to Contract for Professional Services, Talson Solutions, LLC" 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. 2020-72**

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A FIRST AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES WITH TALSON SOLUTIONS, LLC, FOR CONSTRUCTION MANAGEMENT AND OWNER'S REPRESENTATION AT 400 NORTH BROAD STREET, INCLUDING 1501 CALLOWHILL STREET

WHEREAS, Pursuant to Resolution No. 2017-74, adopted on September 17, 2017, the Philadelphia Redevelopment Authority ("Authority") Board approved a Contract for Professional Services ("Services Contract") between the Authority, as agent for the City of Philadelphia (the "City"), and Talson Solutions, LLC ("Talson"), for construction management and owner's representation at 400 North Broad Street, including 1501 Callowhill Street (collectively, the "Properties").

**WHEREAS,** the Services Contract was executed by the parties on October 19, 2017, and had a term of three (3) years.

**WHEREAS,** the Authority seeks authorization for a one (1) year extension to the Services Contract with additional compensation not to exceed One Hundred Fifty Thousand (\$150,000), to oversee the completion of work at the Properties.

**NOW THEREFORE, BE IT RESOLVED,** by the Philadelphia Redevelopment Authority, the authorization is hereby given to the Authority's Executive Director to enter into a First Amendment to the Services Contract, as agent for the City, with Talson, which will extend the term of the Services Contract for one (1) year, with additional compensation not to exceed One Hundred Fifty Thousand (\$150,000).

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

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



# **DEVELOPMENT**

Mr. Rodriguez presented "Item III(a) – Second Amendment to Redevelopment Agreement, Calvary Agape Development Corporation" in substance consistent with the attached Fact Sheet hereto.

# Additional Comments and Discussion

Ms. Fadullon asked if the 7½ month extension is a realistic goal. Mr. Rodriguez replied that this is a rehab project and could be done in that timeframe; however, completion depends on how equipped the general contractor is. Mr. Rodriguez further stated this could come back to the Board for an additional extension if necessary, especially given the current situation with COVID-19.

Ms. Fadullon made a recommendation to the Board and staff to amend the resolution and extending the completion date to one (1) year. Mr. Harmon asked for confirmation that the new proposed completion date would be November 30, 2021. Ms. Fadullon replied that is correct.

# **Board Action**

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

# RESOLUTION NO. 2020-73 (AMENDED)

RESOLUTION AUTHORIZING THE SECOND AMENDMENT TO THE REDEVELOPMENT AGREEMENT WITH CALVARY AGAPE DEVELOPMENT CORPORATION FOR THE DEVELOPMENT OF 6161 W. GIRARD AVENUE LOCATED IN THE WEST PHILADELPHIA REDEVELOPMENT AREA, PROPERTY NOT LOCATED WITHIN AN URBAN RENEWAL AREA.

**WHEREAS,** Pursuant to Resolution No. 2017-46, adopted on June 14, 2017, as amended by Resolution No. 2018-94, adopted on November 14, 2018, the Philadelphia Redevelopment Authority ("Authority") Board authorized the selection of Calvary Agape Development Corporation ("Calvary") as developer of 6161 W. Girard Avenue (the "Property");

**WHEREAS,** Calvary and the Authority executed a Redevelopment Agreement dated April 20, 2018 ("Redevelopment Agreement"), as amended;

**WHEREAS,** Calvary took title to the Property on October 19, 2018, and agreed to develop the Property into a child care center comprised of five (5) classrooms (three (3) on second floor, one

(1) on first floor and one (1) in basement), a large play area, an administrative office and kitchen (the "Project");

**WHEREAS**, due to issues with obtaining building permits, Calvary was required to secure a new general contractor to complete the Project;

**WHEREAS,** on October 23, 2020, permits were secured and rehabilitation is scheduled to commence on November 9, 2020;

**WHEREAS,** Calvary has now requested that the Authority extend the construction start date and construction completion date so that it may complete the Project.

**NOW THEREFORE, BE IT RESOLVED,** by the Philadelphia Redevelopment Authority, that the Authority is authorized to enter into a Second Amendment to Redevelopment Agreement for 6161 W. Girard Avenue to provide the following:

- 1. Extend the construction start date to November 9, 2020; and
- 2. Extend the construction completion date to November 30, 2021.

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

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



Mr. Rodriguez presented "Item III(b) – Certificate of Completion, 125-135 S 46<sup>th</sup> Street Associates, LP" in substance consistent with the attached Fact Sheet hereto.

# Additional Comments and Discussion

Mr. Rodriguez informed the members of the Board that the redeveloper, 125-135 S. 46<sup>th</sup> Street Associates, LP, failed to achieve the Economic Opportunity Plan ("EOP") goals that were established at the commencement of the project.

Mr. Rodriguez pointed out that he and staff are fully aware of the recurring compliance issues with various developers and EOP compliance. Mr. Rodriguez stated that staff is discussing options to

better handle compliance failures. Some things discussed were increasing deposit amounts, imposing additional fees for not meeting goals and emphasizing and outlining during preconstruction meetings the compliance process to keep developers involved and working on these issues from the start of construction.

Mr. Rodriguez indicated that the developer on this project is in attendance. Ms. Fadullon stated for the record that good faith efforts were not made on this project.

Ms. Fadullon recognized Mr. Charles Lomax and invited him to speak. Mr. Lomax informed the Board members that this was a modular project. Mr. Lomax stated his goal was to create a minority supply company; however, he was unsuccessful and that is the reason developer did not meet EOP compliance goals. Mr. Lomax stated that his company is a minority-owned business and that his company's main goal is inclusion and hiring minority firms to assist with projects. Mr. Lomax further stated that his firm hired a minority attorney; however, this attorney works for a majority firm. Finally, Mr. Lomax stated his objective is to hire minority professionals that have the proper certifications and to create long-term business partnerships.

Ms. Fadullon asked if Mr. Lomax ended up finding a minority supplier. Mr. Lomax replied that he was able to find a minority supply company after this project was completed and that he anticipates using this company going forward.

Ms. Fadullon stated that the Board recognizes his firm is a minority firm; however, Mr. Lomax must contact the Authority immediately if any issues arise or if he believes that he will have difficulty with EOP compliance. Ms. Fadullon stated that the Board will not entertain or hear noncompliance issues with Mr. Lomax's development projects going forward.

#### **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. 2020-74**

RESOLUTION APPROVING THE ISSUANCE OF A CERTIFICATE OF COMPLETION FOR 125 SOUTH  $46^{TH}$  STREET; 127-129 SOUTH  $46^{TH}$  STREET AND 133-135 SOUTH  $46^{TH}$  STREET, LOCATED IN THE  $45^{TH}$  AND SANSOM REDEVELOPMENT AREA,  $45^{TH}$  AND SANSOM URBAN RENEWAL AREA,

**WHEREAS**, the Philadelphia Redevelopment Authority entered into a Redevelopment Agreement ("Agreement") with 125-135 S 46th Street Associates, LP, dated October 14, 2016, for the development of 125 South 46th Street, 127-129 South 46th Street and 133-135 South 46th Street (collectively, the "Properties");

**WHEREAS**, the Agreement was amended pursuant to Resolution No. 2018-63, adopted on August 8, 2018; and

**WHEREAS**, the Properties have been developed in accordance with the 45<sup>th</sup> and Sansom Urban Renewal Area requirements;

**NOW THEREFORE, BE IT RESOLVED,** by the Philadelphia Redevelopment Authority, that the Executive Director is hereby authorized to issue a Certificate of Completion certifying the completion of development at 125 South 46th Street, 127-129 South 46th Street and 133-135 South 46th Street.

**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, Ms. Buckley, Mr. Bumb and Mr. Dubow.



# **ADD ON ITEM**

Ms. Fadullon recused herself because of her board position on the Philadelphia Accelerator Fund.

At this time, Mr. Cuorato took over the meeting as the Chair.

Mr. Harmon presented "Item IV – Amendment to Resolution No. 2020-25, Adopted May 13, 2020; Approval of Nonrecourse Loan to Philadelphia Accelerator Fund" in substance consistent with the attached Fact Sheet hereto.

# Additional Comments and Discussion

Mr. Harmon informed the Board members that the Philadelphia Accelerator Fund ("PAF") is a non-profit organization. PAF's mission is to preserve affordable housing for the residents of Philadelphia. Mr. Harmon stated that PAF's Board of Directors is comprised of 13 members (8 private sector members and 5 public-sector members). Mr. Harmon stated that PHDC staff is managing the affairs of PAF at this time, but it is expected that PAF will operate independently in the near future. PAF is anticipated to apply to become a Community Development Financial Institution ("CDFI").

Finally, Mr. Harmon stated that since the loan documents have not been executed, there is no need to amend the loan documents. Rather, authorization is sought only to amend the prior resolution to

increase the principle amount by One Million Dollars (\$1,000,000) such that the total amount of the Authority loan shall be in an amount not to exceed Nine Million Dollars (\$9,000,000).

#### **Board Action**

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

#### **RESOLUTION NO. 2020-75**

(Amending Resolution No. 2020-25, adopted May 13, 2020)

RESOLUTION AUTHORIZING AN AMENDMENT TO RESOLUTION NO. 2020-25, ADOPTED ON MAY 13, 2020, PROVIDING THAT THE PRINCIPAL AMOUNT OF THE PHILADELPHIA REDEVELOPMENT AUTHORITY LOAN TO PHILADELPHIA ACCELERATOR FUND SHALL BE INCREASED TO AN AMOUNT NOT TO EXCEED NINE MILLION DOLLARS (\$9,000,000)

**WHEREAS,** pursuant to Resolution No. 2020-25, adopted May 13, 2020, the Philadelphia Redevelopment Authority ("Authority") Board authorized the Authority to provide a loan in an amount not to exceed Eight Million Dollars (\$8,000,000) (the "Authority Loan") to Philadelphia Accelerator Fund ("Borrower"), a Pennsylvania domestic nonprofit corporation, for the purpose of leveraging private capital that will be used to invest in producing and/or preserving affordable housing projects in the City of Philadelphia (the "City").

**WHEREAS,** Borrower has requested that the Authority increase the principal amount of the Authority Loan by an additional One Million Dollars (\$1,000,000), such that the total amount of the Authority Loan shall be in an amount not to exceed Nine Million Dollars (\$9,000,000).

**WHEREAS,** because the Authority Loan documents have not yet been finalized and executed, the Board is requested to authorize an amendment to Resolution No. 2020-25, adopted on May 13, 2020, providing that the principal amount of the Authority Loan shall be increased to an amount not to exceed Nine Million Dollars (\$9,000,000).

**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 authorization is hereby given to amend the term of the Authority Loan as follows:

1. Increase the principal amount of the Authority Loan by an additional One Million Dollars (\$1,000,000), such that the total amount of the Authority Loan shall be in an amount not to exceed Nine Million Dollars (\$9,000,000).

All other terms of the Authority Loan as previously approved by Resolution No. 2020-25, adopted May 13, 2020, shall remain unchanged.

**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: Mr. Cuorato, Ms. Buckley, Mr. Bumb and Mr. Dubow.

One Abstention: Ms. Fadullon.



At this time, Ms. Fadullon resumed her position as Chair.

# **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 4:28 P.M.

SECRETARY TO THE BOARD

# [PUBLIC ATTENDANCE LIST AND TRANSCRIPT OF QUESTIONS AND RESPONSES THERETO, IF ANY, ARE ATTACHED ON FOLLOWING PAGE]

# **Board Meeting Attendance – November 4, 2020**

Attended	User Name (Original Name)	First Name	Last Name	Email
No	ABWREI ABWREI	ABWREI	ABWREI	info@abwrei.com
Yes	Charles Lomax	Charles	Lomax	cdl@lomaxco.com
Yes	Michael Bowman	Michael	Bowman	mbowman@rittenhousestrategiesllc.com
Yes	Women in Housing & Finance PA WHF-PA	Women	in Housing & Finance PA WHF-PA	whf.pa.2013@gmail.com
Yes	Robert LaBrum	Robert	LaBrum	robert.labrum@phdc.phila.gov



# BOARD FACTSHEET Meeting of November 4, 2020 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 5<sup>th</sup> Council District Office.

# 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"

# <u>Properties Owned by Philadelphia Redevelopment Authority to be Transferred to Philadelphia Land Bank</u>

# 5th Councilmanic District Properties

1331 N. 8<sup>th</sup> Street

2500 N. 31st Street

2401 N. 32<sup>nd</sup> Street

2549 ½ N. 32<sup>nd</sup> Street a/k/a 2551 N. 32<sup>nd</sup> Street

2401 N. 33<sup>rd</sup> Street



# **BOARD FACTSHEET**

Meeting of November 4, 2020 Conveyance City Properties to Philadelphia Land Bank

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

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The City properties listed below were approved for the conveyance to the Philadelphia Land Bank in collaboration with the 3rd and 5th Councilmanic District Offices.

# PROPERTY INFORMATION:

**City Conveyance**: The City properties attached hereto as Exhibit "A" will be conveyed the Philadelphia Redevelopment Authority for the subsequent conveyance to the Philadelphia Land Bank, without consideration, pursuant to Chapter 16-700 of The Philadelphia Code.

# **EXHIBIT "A"**

# 3<sup>rd</sup> Councilmanic District Properties

- 5107 Market Street
- 5109 Market Street
- 5111 Market Street
- 5113 Market Street
- 5121 Market Street
- 5123 Market Street
- 5125 Market Street
- 15 N. Paxon Street
- 16 N. Paxon Street
- 18 N. Paxon Street

# 5<sup>th</sup> Councilmanic District Properties

- 2338 N 31st Street
- 2340 N 31st Street
- 2408 N 31st Street
- 2410 N 31st Street
- 2412 N 31st Street
- 3010 W York Street
- 3012 W York Street
- 3013 W York Street
- 3014 W York Street
- 3015 W York Street
- 3108 W York Street
- 3200 W York Street 3202 W York Street
- 3204 W York Street
- 3206 W York Street
- 3214 W York Street
- 3222 W York Street



BOARD FACTSHEET
Meeting of November 4, 2020
Approval of First Amendment to Contract for Professional Services with Talson Solutions, LLC
400 North Broad Street, Including 1501 Callowhill Street

#### **NATURE OF REQUEST:**

The approval of a First Amendment to the Contract for Professional Services ("Services Contract") between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia ("City"), and Talson Solutions, LLC ("Talson"), for construction management and owner's representation at the properties located at 400 N. Broad Street (the "Broad Street Property") and 1501 Callowhill Street (the "Callowhill Street Property") (the Broad Street Parcel and the Callowhill Street Parcel, together, the "Properties"). The First Amendment would extend the term of the Services Contract for one (1) additional year, with a maximum additional compensation not to exceed One Hundred Fifty Thousand Dollars (\$150,000).

# **BACKGROUND:**

The Properties are currently being developed by 400 North Broad Partners, L.P. ("Landlord") and will be delivered as a turnkey project for the City to occupy. The Broad Street Property contains approximately 468,234 rentable square feet which is anticipated to be developed for use by the Philadelphia Police Department, with various operational, administrative and accessory offices including, but not limited to, the City morgue and toxicology lab, and City Fire Department offices including the City Fire Command Center. The Callowhill Street Property is currently striped for 590 standard automobile parking stalls and will continue to be used for parking. Landlord will be performing the rehabilitation/development of the Properties at the direction of the City (herein, the "Project")

Per Resolution No. 2017-74, adopted by the Authority on September 13, 2017, the Authority, as agent for the City, entered into the Services Contract with Talson for construction management and owner's representation at the Properties. The Services Contract has a term that ran for three (3) years, or upon expenditure of maximum compensation, whichever was sooner. The Services Contract currently has approximately \$157,595 remaining from the original \$1,104,480 contract amount.

Development of the Properties is ongoing and there have been delays. Accordingly, the City has requested an extension of the Services Contract for one (1) additional year, with a maximum additional compensation not to exceed One Hundred Fifty Thousand Dollars (\$150,000). The extension will allow the continued construction management and owner's representation of the development of the Properties for the City.

# BACKGROUND/FINANCING:

All costs incurred/expended by the Authority under the Contract for Professional Services are paid by the City pursuant to a Cooperation Agreement between the City and the Authority dated October 16, 2017, as amended.

Proposed Resolution is attached.

Prepared by: Robert LaBrum Reviewed by: Ryan Harmon



# **BOARD FACTSHEET**

Meeting of November 4, 2020 Second Amendment to Redevelopment Agreement 6161 W. Girard Avenue

# NAME OF DEVELOPER/APPLICANT: Calvary Agape Development Corporation

Nature of Transaction: Per Resolution No. 2017-46 adopted on June 14, 2017, as previously amended by Resolution No. 2018-94, adopted on November 14, 2018, the Philadelphia Redevelopment Authority ("Authority") entered into a Redevelopment Agreement with Calvary Agape Development Corporation ("Calvary") wherein Calvary agreed to develop the property located at 6161 W. Girard Avenue (the "Property") into a child care center comprised of five (5) classrooms (three (3) on second floor, one (1) on first floor and one (1) in basement), a large play area, an administrative office and kitchen (the "Project").

Calvary has informed the Authority the original general contractor that was engaged by Calvary failed to secure the permits and plans needed to construct the Project. Calvary ended that contract and secured another general contractor to complete the Project. On October 23, 2020, permits were secured and rehabilitation is scheduled to commence on November 9, 2020.

Today the board is requested to authorize a resolution to enable the following:

- 1. Extend the construction start date to November 9, 2020
- 2. Extend the construction completion date to June 30, 2021

Legal Entity/Other Partners (if applicable): Calvary Agape Development Corporation

- Garth G. Gittens President
- · Dennis Lee Vice President
- Larry Washington Secretary

Mailing Address: 6142 Haverford Avenue, Philadelphia, PA 19151

**PROPERTY INFORMATION:** 6161 W. Girard Avenue

**Description:** 1,491 sq. ft., vacant structure **Zoning:** RSA3 **Use:** Residential

Disposition Value: \$45,000.00

# **COMMENTS OR OTHER CONDITIONS:**

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 Economic Opportunity Plan ranges have been approved by the City at MBE – 15% and WBE – 10%.

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

Prepared by: Tracy Pinson-Reviere, Project Manager II

Reviewed by: Angel Rodriguez, Senior Vice President of Land Development



# **BOARD FACTSHEET**

Meeting of November 4, 2020 Approval of Certificate of Completion 125 South 46<sup>th</sup> Street, 127-129 South 46<sup>th</sup> Street and 133-35 South 46<sup>th</sup> Street

NAME OF DEVELOPER/APPLICANT: 125-135 S 46th Street Associates, LP

**NATURE OF REQUEST:** The Board is asked to consider a Resolution authorizing the issuance of a Certificate of Completion for 125 South 46<sup>th</sup> Street, 127-129 South 46<sup>th</sup> Street and 133-135 South 46<sup>th</sup> Street (collectively, the "Properties").

**BACKGROUND:** Per Resolution No. 2016-108 adopted on October 20, 2016, as previously amended by Resolution No. 2018-63, adopted on August 8, 2018, the Redevelopment Authority entered into a Redevelopment Agreement with 125-135 S 46<sup>th</sup> Street Associates, LP ("Developer") to develop the Properties into two (2) three story properties of multi-family rental housing, totaling nineteen (19) units. The sale price for the Properties was Two Hundred Seventy Thousand Dollars (\$270,000). The documents relevant to this transaction are as follows:

- April 11, 2017 Deed Doc. ID No. 53198201
- April 11, 2017 Redevelopment Agreement Doc. ID No. 53198202
- December 21, 2018 First Amendment Doc. ID No. 53457358

#### DEVELOPMENT BACKGROUND AND REQUEST:

The housing units on the Properties were ultimately developed. Developer received its Certificates of Occupancy for the Properties from City of Philadelphia's Department of Licenses & Inspections.

Notwithstanding the above, Developer has failed to meet its Economic Opportunity Plan ("EOP") goals. The Redevelopment Authority has confirmed that the Developer failed to make a good and best faith effort to achieve the EOP goals of 18% MBE and 7% WBE as the goals achieved were only 0.44% MBE and 6% WBE. As construction is now complete, there is no opportunity to correct the situation and make efforts to meet the EOP goals.

The Board is being asked to consider the issuance of a Certificate of Completion as the remaining requirements of the Redevelopment Agreement have been met by the Developer.

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

Prepared by: Tracy Pinson-Reviere, Project Manager II

Reviewed by: Angel Rodriguez, Senior Vice President of Land Development



#### **BOARD FACTSHEET**

Meeting of November 4, 2020 Amendment to Resolution No. 2020-25, Adopted May 13, 2020 Approval of Nonrecourse Loan to Philadelphia Accelerator Fund

**NAME OF BORROWER/APPLICANT:** Philadelphia Accelerator Fund, a Pennsylvania domestic nonprofit corporation ("Borrower")

**BACKGROUND**: The need for Borrower came out of the City of Philadelphia's ("City") Housing Action Plan, which recommends:

"Establish a Housing Accelerator Fund to preserve affordable housing: Create a new fund to finance the acquisition and rehabilitation of affordable housing and to provide working capital for Low-Income Housing Tax Credit (LIHTC) projects. Local housing dollars will provide a one-time capital infusion, leveraging it to attract social impact capital and program-related investment dollars with the goal of achieving a leverage ratio of 10 to 1. Developers will benefit from longer terms and higher loan-to-value ratios than the market provides."

Borrower was incorporated as a Pennsylvania nonprofit corporation in October, 2019, with the mission to support the production and preservation of affordable housing and community development projects in the City to benefit low-income people and/or low-income communities.

Borrower has a thirteen (13) member board that includes five (5) public-sector positions and eight (8) private-sector members. PHDC staff is managing the affairs of Borrower under a Memorandum of Understanding ("MOU") until it is ready to apply to U.S. Department of Treasury, CDFI Fund, to become a Community Development Financial Institution ("CDFI"). A majority of Borrower's board members are non-government employees in-part to ensure eligibility for CDFI certification.

#### TRANSACTION:

Nature of Transaction: By Resolution No. 2020-25, adopted May 13, 2020, the Board authorized the Authority to provide a loan in an amount not to exceed Eight Million Dollars (\$8,000,000) (the "Authority Loan") to Borrower for the purpose of leveraging private capital that will be used to invest in producing and/or preserving affordable housing projects in the City. Specifically, the proceeds of the Authority Loan will be used by Borrower for the purposes of establishing a loan-loss reserve, providing guarantees, and/or to satisfy liquidity covenants.

Today, the Board is being asked to increase the principal amount of the Authority Loan by an additional One Million Dollars (\$1,000,000) such that the total amount of the Authority Loan shall be in an amount not to exceed Nine Million Dollars (\$9,000,000).

Because the Authority Loan documents have not yet been finalized and executed, the Board is requested to authorize an amendment to Resolution No. 2020-25, adopted on May 13, 2020, providing that the principal amount of the Authority Loan shall be increased to an amount not to exceed Nine Million Dollars (\$9,000,000). All other terms of Resolution No. 2020-25, adopted on May 13, 2020, not specifically amended herein shall continue in full force and effect.

Proposed Resolution is attached.

Prepared by: Ryan Harmon Reviewed by: Gregory Heller



# **BOARD FACTSHEET**

Meeting of August 12, 2020 Selection of Redeveloper Habitat for Humanity Philadelphia, Inc.

**NAME OF DEVELOPER/APPLICANT:** Habitat for Humanity Philadelphia, Inc.

Nature of Transaction: Selection of Habitat for Humanity Philadelphia, Inc. ("Redeveloper") as redeveloper proposing to develop twenty (20) units for homeownership to be sold for affordable housing with ten (10) units set aside for 30 - 60% Area Median Income ("AMI") and ten (10) units set aside for 61 – 80% AMI. Five (5) units will be constructed as single family 2-story buildings, five (5) units will be constructed as single family 3-story buildings and ten (10) units will be constructed as condominium units in five (5) 3-story duplex buildings.

**Legal Entity/Other Partners (if applicable):** Habitat for Humanity

Mailing Address: 1829 N. 19th Street, Philadelphia, PA 19121

PROPERTY INFORMATION: 1535 N. 33rd Street, 1601 -07 N. 33rd Street, 3201-07 W. Oxford Street,

3216 W. Oxford Street, 3225 -3231 W. Oxford Street (collectively, the "Property")

**Description:** Approximately 21,000 sq. ft., vacant lots

**Zoning**: RM-1 and RSA-5 **Use**: Affordable Housing

**Disposition Price:** Fifteen Dollars (\$15.00)

This transaction is a noncompetitive bid.

# FINANCING:

Redeveloper has provided documentation of available funds or reasonable ability to obtain necessary funds in an amount no less than total project costs.

# COMMENTS OR OTHER CONDITIONS:

Redeveloper 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 ranges have been set at MBE -0%, WBE-0% as Redeveloper proposes to use sweat equity.

This approval is contingent on the Philadelphia City Planning Commission's ("PCPC") approval for conformity of the project in accordance with the North Philadelphia Redevelopment Area Plan. The Planning Commission's meeting is scheduled for August 18, 2020. In the event there are any required

Item II (a) material modifications to the plans following PCPC's review, such required material modifications will be presented to the Board for consideration if necessary.

Prepared by: Roneece S. Dent, Senior Development Specialist

Reviewed by: Angel Rodriguez



# **BOARD FACTSHEET**

Meeting of December 9, 2020 Approval of First Amendment to Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department

**NAME OF GRANTOR**: The City of Philadelphia, acting through its Department of Public Property and its Finance Department (the "City")

**Background**: Pursuant to Resolution No. 2019-61, adopted on August 14, 2019, the Board authorized a Grant Agreement with the City, as grantor, wherein the City agreed to provide funding to the Philadelphia Redevelopment Authority ("Authority"), as grantee, in the amount of Ten Million Dollars (\$10,000,000) ("Grant Funds") for use in capital construction and improvement projects in and around the City (each, a "Project," and collectively, the "Projects"). The Grant Agreement was executed by the Authority and the City on October 23, 2019. The term of the Grant Agreement was for one (1) year.

The City appropriated the Grant Funds to be granted to the Authority. The City has granted the Grant Funds in accordance with individual Project requirements, and the Authority has managed, overseen and carried out the Projects.

Nature of Request/Transaction: Authorization is now sought to extend the term of the Grant Agreement for one (1) year, effective October 23, 2020.

The City will continue to provide a scope of work for each phase of a Project by sending the Authority a work order form, which the Authority will review and approve. The Authority will continue to receive an administrative fee in the amount of eight percent (8%) of the total costs and expenses which are actually incurred by the Authority relative to each Project.

The City may terminate the Grant Agreement with thirty (30) days' advance written notice.

Proposed Resolution is attached.

Prepared by: Ryan Harmon

#### **RESOLUTION NO.**

RESOLUTION AUTHORIZING APPROVAL OF A FIRST AMENDMENT TO GRANT AGREEMENT WITH THE CITY OF PHILADELPHIA, ACTING THROUGH ITS DEPARTMENT OF PUBLIC PROPERTY AND ITS FINANCE DEPARTMENT, AS GRANTOR, AND THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS GRANTEE, EXTENDING THE TERM OF THE GRANT AGREEMENT, TO FINANCE CAPITAL CONSTRUCTION AND IMPROVEMENT PROJECTS IN AND AROUND THE CITY

WHEREAS, pursuant to Resolution No. 2019-61, adopted on August 14, 2019, the Board authorized a Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department (the "City"), as grantor, wherein the City agreed to provide funding to the Philadelphia Redevelopment Authority ("Authority"), as grantee, in the amount of Ten Million Dollars (\$10,000,000) ("Grant Funds") for use in capital construction and improvement projects in and around the City (each, a "Project," and collectively, the "Projects");

**WHEREAS,** the Grant Agreement was executed by the Authority and the City on October 23, 2019, and was for a term of one (1) year;

**WHEREAS,** the City and the Authority now seek authorization to extend the term of the Grant Agreement for one (1) year, effective October 23, 2020.

**NOW THEREFORE, BE IT RESOLVED,** by the Philadelphia Redevelopment Authority, that authorization is hereby given to enter into a First Amendment to Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department (the "City"), as grantor, to extend the term of the Grant Agreement for one (1) year, effective October 23, 2020.

**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 December 9, 2020 Approval of Second Amendment to Grant Agreement with the City of Philadelphia, acting through its Department of Parks & Recreation and its Finance Department

**NAME OF GRANTOR**: The City of Philadelphia, acting through its Department of Parks & Recreation and its Finance Department (the "City")

Additional Grant Amount: \$5,000,000

Background: Pursuant to Resolution No. 2018-59, adopted on August 8, 2018, the Board authorized a Grant Agreement with the City, as grantor, wherein the City agreed to provide funding to the Philadelphia Redevelopment Authority ("Authority"), as grantee, in the amount of Seven Million Dollars (\$7,000,000) ("Grant Funds") for use in capital construction and improvement projects in and around the City (each, a "Project," and collectively, the "Projects"). The Grant Agreement was executed by the Authority and the City on September 21, 2018. The term of the Grant Agreement was for one (1) year.

Pursuant to Resolution No. 2019-83, adopted on December 11, 2019, the Board authorized a First Amendment to Grant Agreement ("First Amendment") with the City, as grantor, wherein (i) the term of the Grant Agreement was extended for one (1) year, effective September 21, 2019, and (ii) the Grant Funds were increased by an additional Five Million Dollars (\$5,000,000) such that the total Grant Funds available under the Grant Agreement, as amended, is Twelve Million Dollars (\$12,000,000). The First Amendment was executed by the Authority and the City on December 20, 2019.

Nature of Request/Transaction: Authorization is now sought to extend the term of the Grant Agreement, as previously amended by the First Amendment, for an additional one (1) year, effective September 21, 2020.

The City will continue to provide a scope of work for each phase of a Project by sending the Authority a work order form, which the Authority will review and approve. The Authority will continue to receive an administrative fee in the amount of seven percent (7%) of the total costs and expenses which are actually incurred by the Authority relative to each Project.

The City may terminate the Grant Agreement with thirty (30) days' advance written notice.

Proposed Resolution is attached.

Prepared by: Ryan Harmon

#### **RESOLUTION NO.**

RESOLUTION AUTHORIZING APPROVAL OF A SECOND AMENDMENT TO GRANT AGREEMENT WITH THE CITY OF PHILADELPHIA, ACTING THROUGH ITS DEPARTMENT OF PARKS & RECREATION AND ITS FINANCE DEPARTMENT, AS GRANTOR, AND THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS GRANTEE, EXTENDING THE TERM OF THE GRANT AGREEMENT, AS PREVIOUSLY AMENDED, TO FINANCE CAPITAL CONSTRUCTION AND IMPROVEMENT PROJECTS IN AND AROUND THE CITY

WHEREAS, pursuant to Resolution No. 2018-59, adopted on August 8, 2018, the Board authorized a Grant Agreement with the City of Philadelphia ("City"), as grantor, wherein the City agreed to provide funding to the Philadelphia Redevelopment Authority ("Authority"), as grantee, in the amount of Seven Million Dollars (\$7,000,000) ("Grant Funds") for use in capital construction and improvement projects in and around the City (each, a "Project," and collectively, the "Projects");

**WHEREAS,** the Grant Agreement was executed by the Authority and the City on September 21, 2018, and was for a term of one (1) year;

**WHEREAS,** pursuant to Resolution No. 2019-83, adopted on December 11, 2019, the Board authorized a First Amendment to Grant Agreement ("First Amendment") with the City, as grantor, wherein (i) the term of the Grant Agreement was extended for one (1) year, effective September 21, 2019, and (ii) the Grant Funds were increased by an additional Five Million Dollars (\$5,000,000) such that the total Grant Funds available under the Grant Agreement, as amended, is Twelve Million Dollars (\$12,000,000);

**WHEREAS,** the First Amendment was executed by the Authority and the City on December 20, 2019.

**WHEREAS,** the City and the Authority now seek authorization to extend the term of the Grant Agreement, as previously amended, for an additional one (1) year, effective September 21, 2020.

**NOW THEREFORE, BE IT RESOLVED,** by the Philadelphia Redevelopment Authority, that authorization is hereby given to enter into a Second Amendment to Grant Agreement with the City of Philadelphia, acting through its Department of Parks & Recreation and its Finance Department (the "City"), as grantor, to extend the term of the Grant Agreement, as previously amended, for an additional one (1) year, effective September 21, 2020.

**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 December 9, 2020 Cooperation Agreement The City of Philadelphia, acting through its Water Department

NAME OF APPLICANT/REQUESTOR: THE CITY OF PHILADELPHIA (the "City"), ACTING THROUGH ITS WATER DEPARTMENT (the "Water Department")

**Nature of Transaction**: Approval of a Cooperation Agreement (herein, the "Cooperation Agreement") between the Philadelphia Redevelopment Authority (the "Authority") and the City, acting through the Water Department.

Background: The City appropriates certain capital funding (the "City Funding") to be granted to the Authority through various grant and subgrant agreements for use in construction and improvement projects in and around the City on properties owned by the City (each, a "City Project," and collectively, the "City Projects"), including those projects arising out of the City's "Rebuilding Community Infrastructure" or "Rebuild" Program. The Authority acts as agent for the City in carrying out the City Projects and the City grants the City Funding to Authority in accordance with individual project requirements. The Authority manages and oversees the City Projects and uses the City Funding to pay for the City Projects.

The Authority also manages and/or oversees certain construction and improvement projects in and around the City on properties owned by the Authority (each, an "Authority Project," and collectively, the "Authority Projects"). The Authority typically uses its own capital funding or funding from other sources to pay for the Authority Projects. The City Projects and the Authority Projects shall be referred to herein, collectively, as the "Construction Projects."

The City, acting through the Water Department, has requested that the Authority include Water Department-identified green stormwater infrastructure projects ("Stormwater Infrastructure") in certain Construction Projects such that the Authority will provide owner's representative services to incorporate the Stormwater Infrastructure into those Construction Projects from the design phase to construction completion in an efficient manner.

The City, acting through the Water Department, desires to cooperate with the Authority in accordance with Section 8-402 of the Philadelphia Home Rule Charter and Section 1746.1 of the Redevelopment Cooperation Law, 35 P.S. §§ 1741 et seq. The City, acting through the Water Department, has agreed to pay for all costs and expenses incurred in connection with the Services (defined below).

#### **COOPERATION AGREEMENT SERVICES:**

The Authority will perform the following services (collectively, the "Services") as agent for the Water Department under the Cooperation Agreement:

- a. Pre-Construction. The Authority will:
- i. Determine, with the assistance of the Water Department, appropriate Construction Projects that are able and appropriate to incorporate Stormwater Infrastructure;
- ii. Review and evaluate project scope and work with the City and the Water Department, as applicable, to assemble and prepare project drawings, plans and specifications to be provided and included with the bid opportunity;
- iii. Communicate with the Water Department's project/construction manager during design process;
  - iv. Discuss and determine roles of all applicable agencies;
- v. Request economic opportunity goals from the Mayor's Office of Economic Opportunity or partner City agency and require compliance from selected contractor:
- vi. Establish correct prevailing wage rates and notify Office of Labor Standards;
- vii. Develop a bid package that separates Water Department-funded items from other project items;
- viii. Ensure bid package availability and schedule bid process with all applicable parties;
  - ix. Publicly advertise bid opportunity;
- x. Conduct pre-bid meeting and record and communicate with pre-bid meeting attendees;
- xi. Request questions and clarifications from potential bidders and provide responses from the Water Department within the specified time frame;
- xii. Receive, coordinate, and include the Water Department in all bid evaluation and selection for Construction Projects in which Stormwater Infrastructure is proposed to be incorporated;
- xiii. With cooperation from the Water Department, select most qualified bidder;

- xiv. Post identity of all bidders for Construction Projects in which Stormwater Infrastructure is proposed to be incorporated and identify the selected bidder:
- xv. Prepare and enter into a construction contract with the selected bidder (as owner if an Authority Project or as agent for the City if a City Project) and issue any required Water Department addendums to construction contracts;
- xvi. Request 100% performance and payment bonds and name the City as endorsed additional insured; and
  - xvii. Issue a notice to proceed.
  - b. Project Construction. The Authority will:
- i. Coordinate pre-construction meeting with the Water Department on-site along with contractor, consultants, and project partners;
- ii. Coordinate construction schedule with the Water Department and host kick-off meeting with the Water Department's Construction Unit;
- iii. Coordinate contractor submittals and obtain design approvals from the Water Department relative to the Stormwater Infrastructure;
  - iv. Coordinate with contractor to obtain all applicable permits;
- v. With oversight from, and involvement with, the Water Department, coordinate and monitor construction activities and all contractors;
- vi. Conduct periodic construction site observations and maintain project progress oversight with the Water Department;
- vii. Communicate with the City and the Water Department as needed regarding the Construction Project;
  - viii. Coordinate with all stakeholders as needed:
- ix. Schedule and conduct construction meetings and submit meeting notes to the Water Department and coordinate action as necessary;
- x. Coordinate a system for the review and process of change orders with the Water Department and contractor;
- xi. Coordinate requests for payment as prepared by the contractor and request approval and payment from the Water Department;
- xii. Process Water Department-approved payments in a timely manner;

Item II (d)

Coordinate punch list walk-through with contractors and the xiii.

Water Department and conduct project closeout;

Ensure that the contractor provides to the Water Department

all required post-construction documentation and project records upon project

completion; and

Perform such other services which may become necessary or

are requested upon the mutual agreement of the City, the Water Department and the

Authority.

COMMENTS OR OTHER CONDITIONS:

The Water Department shall pay an administrative fee to the Authority for its Services in an amount equal to seven percent (7.00%) of the Costs incurred by the Authority pursuant to the Cooperation Agreement ("Administrative Fee"). "Costs"

shall include all direct costs and all other expenditures which are actually incurred.

The Cooperation Agreement has a term of one (1) year which may be extended for

three (3) additional one (1) year periods.

In no event shall the amount certified by the City's Finance Department for the payment of Costs and the Administrative Fee during the term (or any renewal term) of the Cooperation Agreement exceed the maximum amount of Six Hundred Thousand

Dollars (\$600,000).

Proposed Resolution attached.

Prepared By:

Ryan Harmon

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#### **RESOLUTION NO.**

# RESOLUTION AUTHORIZING A COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AUTHORITY AND THE CITY OF PHILADELPHIA, ACTING THROUGH ITS WATER DEPARTMENT

WHEREAS, the City of Philadelphia (the "City"), acting through its Water Department (the "Water Department"), has requested that the Philadelphia Redevelopment Authority (the "Authority") enter into a Cooperation Agreement ("Cooperation Agreement") to include Water Department-identified green stormwater infrastructure projects ("Stormwater Infrastructure") in certain City and/or Authority construction projects such that the Authority will provide owner's representative services to incorporate the Stormwater Infrastructure into those construction projects from the design phase to construction completion in an efficient manner;

**WHEREAS**, the City, acting through the Water Department, desires to cooperate with the Authority in accordance with Section 8-402 of the Philadelphia Home Rule Charter and Section 1746.1 of the Redevelopment Cooperation Law, 35 P.S. §§ 1741 et seq., such that the Authority will provide the services set forth in the attached Fact Sheet as agent for the City, acting through the Water Department;

**WHEREAS**, the Water Department and the Authority have negotiated the Cooperation Agreement which states all terms, conditions, obligations and responsibilities of the parties.

**WHEREAS**, the Water Department shall pay an administrative fee to the Authority for its services in an amount equal to seven percent (7.00%) of the costs incurred by the Authority pursuant to the Cooperation Agreement ("Administrative Fee");

**WHEREAS**, the Cooperation Agreement has a term of one (1) year which may be extended for three (3) additional one (1) year periods;

**WHEREAS**, in no event shall the amount certified by the City's Finance Department for the payment of Costs and the Administrative Fee during the term (or any renewal term) of the Cooperation Agreement exceed the maximum amount of Six Hundred Thousand Dollars (\$600,000);

**NOW THEREFORE, BE IT RESOLVED** by the Philadelphia Redevelopment Authority, that the Redevelopment Authority is authorized to execute a Cooperation Agreement with the City, acting through the Water Department, on the terms and conditions set forth herein and in the attached Fact Sheet.

**FURTHER RESOLVING**, that the Executive Director is authorized to execute all further instruments, documents and agreements necessary to effectuate the purposes of this Resolution, which 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 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 December 9, 2020 Approval of Grant Agreement with the Philadelphia Housing Authority

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

**NATURE OF TRANSACTION:** Authorization for the Philadelphia Redevelopment Authority ("PRA") to enter into a Grant Agreement with PHA wherein PRA shall provide a grant to PHA in an amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) (the "Grant Funds").

The Grant Proceeds shall be used by PHA for the purposes outlined in the Choice Neighborhoods Implementation Grant Agreement (Grant Number PA3A518CNG113) dated December 17, 2014, as amended by that certain Addendum to the Choice Neighborhoods Implementation Grant Agreement (Endowment Trust) dated September 17, 2020 (collectively, the Choice Grant Agreement"), to be utilized solely for planning, providing and evaluation of community and support services for the primary benefit of the public and/or assisted housing residents of the North Central Neighborhood (as defined in the Choice Grant Agreement) and former residents of the Norris Apartments housing development occupying other public and/or assisted housing in accordance with the Transformation Plan (as defined in the Choice Grant Agreement).

#### COMMENTS OR OTHER CONDITIONS:

The source of the Grant Funds is PRA working capital.

Proposed Resolution is attached.

Prepared by: Ryan Harmon

#### **RESOLUTION NO.**

RESOLUTION AUTHORIZING THE APPROVAL OF A GRANT IN AN AMOUNT NOT TO EXCEED \$750,000 TO THE PHILADELPHIA HOUSING AUTHORITY FOR THE PURPOSES OUTLINED IN THE CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT AGREEMENT

BE IT RESOLVED, by the Philadelphia Redevelopment Authority ("Authority"), that authorization is hereby given to enter into a Grant Agreement with the Philadelphia Housing Authority ("PHA") wherein the Authority will grant funds in an amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) to PHA to be used by PHA for the purposes outlined in the Choice Neighborhoods Implementation Grant Agreement (Grant Number PA3A518CNG113) dated December 17, 2014, as amended by that certain Addendum to the Choice Neighborhoods Implementation Grant Agreement (Endowment Trust) dated September 17, 2020 (collectively, the Choice Grant Agreement"), to be utilized solely for planning, providing and evaluation of community and support services for the primary benefit of the public and/or assisted housing residents of the North Central Neighborhood (as defined in the Choice Grant Agreement) and former residents of the Norris Apartments housing development occupying other public and/or assisted housing in accordance with the Transformation Plan (as defined in the Choice Grant Agreement).

**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 December 9, 2020 Carl Mackley Apartments Preservation Development Sale, Assumption, Modification, Subordination of Existing Loans and New Financing for the Carl Mackley Apartments

#### TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority ("Authority") to consent to the sale of the Carly Mackley Apartments and permit the transfer, assumption, modification, subordination of existing Authority loans and provide additional financing to permit the acquisition and preservation of affordable housing units.

#### **BACKGROUND INFORMATION**

In 1997 and 1998, the Authority provided two (2) loans to CMH Development, L.P. ("Seller"), secured by two (2) mortgages as evidenced by the following two (2) notes: 1) loan in the amount of \$1,800,000 ("CMH Note"); 2) loan in the amount of \$1,650,000 ("CMH Note 2"). The CMH Note 1 and the CMH Note 2 are collectively referred to as the "CMH Notes." The proceeds of the CMH Notes provided financing to assist in the acquisition and substantial rehabilitation of 184 units of permanent rental housing for low-income residents located at 1401 E. Bristol Street (the "Property"). The CMH Note accrues interest at 6.86% and is due and payable on the thirtieth (30<sup>th</sup>) anniversary of the loan closing and the CMH Note 2 accrues interest at 1% and is due and payable on the fortieth (40<sup>th</sup>) anniversary of the loan closing (collectively, the "Project").

The fifteen (15) year low-income housing tax credit compliance period has ended, and the Seller has requested the Authority's consent to sell the Project to Carl Mackley Houses Limited Partnership ("Buyer") an entity formed to purchase and rehabilitate the Project.

Upon the sale of the Property, the principal amount of the CMH Notes in the amount of \$3,450,000 will be paid to the Authority and the interest on the CMH Notes in the amount of \$3,290,039 will be assumed by the Buyer ("Assumed Debt").

The Buyer has developed a preservation plan to rehabilitate the Project ("Preservation Project"). To finance the Preservation Project, the Buyer applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds, PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE") and secured financing from Merchants Capital comprised of a Federal Housing Administration ("FHA") 221 (d)(4) mortgage ("Permanent FHA Loan"). In addition, the Buyer

received a financing commitment from the Division of Housing and Community Development in the amount of \$2,000,000 ("New Financing"). The Authority will provide acquisition financing in the amount of \$800,000 ("Acquisition Loan") and \$300,000 of gap financing ("Gap Loan"). The Gap Loan will only be made available provided Winn Companies ("Winn") is unsuccessful in obtaining additional funding following applications to the Federal Home Loan Bank of Pittsburgh under the Affordable Housing Program and to the Commonwealth of Pennsylvania under the Redevelopment Assistance Program.

The Preservation Project consists of the forty-five (45) one-bedroom units, eighty-eight (88) two-bedroom units, seventeen (17) three bedrooms, and thirty-four (34) four-bedroom units. There are nineteen (19) visitable units, nineteen (19) accessible units, and eight (8) sensory units. The Preservation Project has a Housing Assistance Payments Contract through the U.S. Department of Housing and Urban Development that provides tenant-based rental assistance payments for ninety-two (92) units.

The Buyer will make the following capital improvements to the Property: site work, bathroom and kitchen repairs, new energy star appliances, replacement of windows, new dry walls, new interior two-panel doors, painting, common area repairs (doors, roof replacement, windows, painting) exterior work, replacement of mechanical units (hot water heater, HVAC system), plumbing, and electrical work.

#### PROPOSED FINANCING

The Authority is providing financing in the amount not to exceed \$6,090,039 ("Authority Loan"). The Authority Loan consists of New Financing, Assumed Debt and an Acquisition Loan. The Authority Loan will be secured by a mortgage as evidenced by the following two notes: 1) a loan in the amount of \$5,290,039 ("Rehabilitation Note"), and 2) a loan in the amount of \$800,000 ("Acquisition Note"). In addition, the Authority will provide Gap Financing if needed in the amount of \$300,000.

- 1 The Rehabilitation Note will be structured with a term of 42 years at 0% interest. During the Rehabilitation Note term period, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years.
- 2 The Acquisition Note shall bear no interest and payments shall be due annually from 25% of available surplus cash. Any unpaid balance shall be due and payable in forty-two (42) years.

The Authority Loan will be secured by a third lien position on the Property behind the construction loan financing provided by FHA ("Construction FHA Loan") and PHFA PHARE funding. Upon payment of the Construction FHA Loan, the Authority Loan will remain in a third lien position on the Property behind the Permanent FHA Loan and the PHFA PHARE Funds

The Gap Loan will bear no interest and payments on the Gap Financing Loan shall be due annually from 25% of available surplus cash. Any unpaid balance shall be due and payable in forty-two (42) years. The Gap Loan will be in a fourth lien position on the Property.

#### **BOARD ACTION**

- Permit the transfer of the Property to the Buyer
- Permit assumption by the Borrower of Assumed Debt
- Permit the Authority to enter a non-recourse construction/permanent loan in the amount of \$6,090,039 ("Authority Loan") consisting of two Authority notes.
- Permit the Authority to provide a commitment for Gap financing in the amount of \$300,000.

#### COMMENTS OR OTHER CONDITIONS:

The City of Philadelphia ("City") has approved the Economic Opportunity Plan for the Carl Mackley Preservation Development. The Development Team has no outstanding tax issues. The Authority Housing Construction Department has approved the plans, specification, and construction costs. The Philadelphia Planning Commission has stated they do not need to review this Project due to the funding source.

Proposed Resolution is attached

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director Housing Finance

#### RESOLUTION NO.

RESOLUTION AUTHORIZING THE AUTHORITY'S CONSENT TO THE SALE OF 1401 E. BRISTOL STREET AND PERMIT THE ASSUMPTION, MODIFICATION, AND SUBORDINATION OF EXISTING DEBT HELD BY THE AUTHORITY AND PROVIDE ADDITIONAL FINANCING TO CARL MACKLEY HOUSES LIMITED PARTNERSHIP.

WHEREAS, in 1997 and 1998, the Philadelphia Redevelopment Authority ("Authority") provided financing to CMH Development, L.P. ("Seller") in the amount One Million Eight Hundred Thousand Dollars (\$1,800,000) ("CMH Note") and One Million Six Hundred Fifty Thousand Dollars (\$1,650,000) ("CMH Note 2"). The CMH Note and CMH Note 2 are collectively referred to as the "CMH Notes". The CMH Notes provided financing to assist in the acquisition and substantial rehabilitation of 184 units of permanent rental housing for low income residents ("Project") located at 1401 E. Bristol Street ("Property"); and'

**WHEREAS**, the CMH Note accrues interest at the rate of six and eighty-six hundredths (6.86%) percent due and payable on the thirtieth (30<sup>th</sup>) anniversary of the loan closing; and

**WHEREAS,** the CMH Note 2 accrues interest at the rate of one (1%) percent due and payable on the 40<sup>th</sup> anniversary of the loan closing; and

**WHEREAS**, the fifteen (15) year low income housing tax credit compliance period has ended, and the Seller has requested the Authority's consent to sell the Project to Carl Mackley Houses Limited Partnership ("Buyer"), an entity formed to purchase and rehabilitate the Project; and

**WHEREAS,** upon the sale of the Property, the principal amount of the CMH Notes in the amount of Three Million Four Hundred Fifty Thousand Dollars (\$3,450,000) will be paid to the Authority and the interest on the CMH Notes in the amount of Three Million Two Hundred Ninety Thousand Thirty-nine Dollars (\$3,290,039) will be assumed by the Buyer ("Assumed Debt"); and

WHEREAS, the Buyer has developed a preservation plan to rehabilitate the Project ("Preservation Project") and, to finance the Preservation Project, applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds, PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE") and secured financing from Merchants Capital comprised of a Federal Housing Administration ("FHA") 221 (d) (4) mortgage ("Permanent FHA Loan"). The Borrower also secured construction financing from Merchants Capital ("Construction FHA Loan") and TD Bank, NA to bridge the Permanent FHA Loan and the equity proceeds during construction; and

WHEREAS, the Authority will provide financing in an amount not to exceed Six Million Ninety Thousand Thirty-nine Dollars (\$6,090,039) ("Authority Loan") that consists of Two Million Dollars (\$2,000,000) of additional financing ("New Financing"), Eight-Hundred

Thousand Dollars (\$800,000) in acquisition financing ("Acquisition Loan") and Assumed Debt; and

**WHEREAS**, the Authority Loan will be secured by a mortgage and evidenced by the following two notes: 1) loan in the amount of Five Million Two Hundred Ninety Thousand Thirty-nine Dollars (\$5,290,039) ("Rehabilitation Note"), and 2) loan in the amount of Eight Hundred Thousand Dollars (\$800,000) ("Acquisition Note"); and

**WHEREAS**, the Authority will make a commitment to provide gap financing ("Gap Loan") if the Preservation Project is unsuccessful in securing additional funds; and

**WHEREAS**, the Borrower will make capital improvements to the Preservation Project and maintain the units as low-income housing for an additional forty-two (42) years; and

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

- Permit the transfer of the Property to the Buyer;
- Permit assumption by the Borrower of Assumed Debt;
- Permit the Authority to enter a non-recourse construction/permanent loan in the amount of \$6,090,039 ("Authority Loan") consisting of two Authority notes:
  - 1. The Rehabilitation Note will be structured with a term of 42 years at 0% interest. During the Rehabilitation Note term period, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years.
  - 2. The Acquisition Note shall bear no interest and payments on the Acquisition Note shall be due annually from 25% of available surplus cash and any unpaid balance shall be due and payable in forty-two (42) years.
- The Authority Loan will be secured by a third lien position on the Property behind the Construction FHA Loan and PHFA PHARE Funds. Upon payment of the Construction FHA Loan, the Authority Loan will remain in a third lien position on the Property behind the Permanent FHA Loan and PHFA PHARE Funds.
- Permit the Authority to provide a Gap Loan in the amount of Three Hundred Thousand Dollars (\$300,000). The Gap Loan will only be made available provided the Borrower is unsuccessful in obtaining additional funding following applications to the Federal Home Loan Bank of Pittsburgh under the Affordable Housing Program and to the Commonwealth of Pennsylvania under the Redevelopment Assistance Program.

• The Gap Loan will bear no interest and payments will be due annually from 25% of available surplus cash and any unpaid balance will be due and payable in 42 years. The Gap Loan will be in a fourth lien position on 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.

#### Philadelphia Redevelopment Authority

#### **Project Fact Sheet**

**PROJECT NAME**Carl Mackley Apartments Preservation

Development

**ADDRESS** 1401 E. Bristol Street

**OWNER** Carl Mackley Houses Limited Partnership

GENERAL PARTNER Carl Mackley Houses GP LLC

**DEVELOPER** Winn Companies

GENERAL CONTRACTOR Domus, Inc.

TOTAL DEVELOPMENT COST \$40,777,835

TOTAL CONSTRUCTION COST \$22,428,747

**PRA FINANCING** \$2,000,000 – HTF New Funding

\$800,000 – Acquisition Loan

\$300,00 – Gap Loan

\$3,290,039- Assumed Debt

SCOPE OF CONSTRUCTION Preservation/Rehabilitation

#### BACKGROUND INFORMATION/PROJECT DESCRIPTION

In 1997 and 1998, the Philadelphia Redevelopment Authority ("Authority") provided two loans to CMH Development, L.P. ("Seller"), secured by two mortgages as evidenced by the following two notes: 1) loan in the amount of \$1,800,000 ("CMH Note"); 2) loan in the amount of \$1,650,000 ("CMH Note 2"). The CMH Note and the CMH Note 2 are collectively referred to as the "CMH Notes". The proceeds of the CMH Notes provided financing to assist in the acquisition and substantial rehabilitation of 184 units of permanent rental housing for low-income residents located at 1401 E. Bristol Street ("Property"). The CMH Note accrues interest at 6.86% and is due and payable on the thirtieth (30<sup>th</sup>) anniversary of loan closing. The CMH Note 2 accrues interest at 1% and is due and payable on the fortieth (40<sup>th</sup>) anniversary of loan closing ("Project").

The fifteen (15) year low-income housing tax credit compliance period has ended, and Seller has requested the Authority's consent to sell the Project to Carl Mackley Houses Limited Partnership ("Buyer") an entity formed to purchase and rehabilitate the Project.

Upon the sale of the Property, the principal amount of the CMH Notes in the amount of \$3,450,000 will be paid to the Authority and the interest on the CMH Notes in the amount of \$3,290,039 will be assumed by the Buyer ("Assumed Debt").

The Buyer has developed a preservation plan to rehabilitate the Project ("Preservation Project") and to finance the Preservation Project, the Buyer applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds, PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE") and secured financing from Merchants Capital comprised of a Federal Housing Administration ("FHA") 221 (d)(4) mortgage ("Permanent FHA Loan"). In addition, the Buyer received a financing commitment from the Division of Housing and Community Development in the amount of \$2,000,000 ("New Financing"). The Authority will provide an acquisition loan in the amount of \$800,000 ("Acquisition Loan"). Because of a gap in the Preservation Project budget, the Authority will provide a commitment in the amount of \$300,000 of gap financing ("Gap Loan"). The Gap Loan will only be made available provided Winn Companies ("Winn") is unsuccessful in obtaining additional funding following applications to the Federal Home Loan Bank of Pittsburgh under the Affordable Housing Program and to the Commonwealth of Pennsylvania under the Redevelopment Assistance Program.

The Preservation Project consists of the forty-five (45) one-bedroom units, eighty-eight (88) two-bedroom units, seventeen (17) three bedrooms, and thirty-four (34) four-bedroom units. There is also a one-bedroom employee unit. There are 19 visitable units, 19 accessible units, and 8 sensory units. The Project has a Housing Assistance Payments Contract through the U.S. Department of Housing and Urban Development that provides tenant-based rental assistance payments for ninety-two (92) units.

The Buyer will make the following capital improvements to the Property: site work, bathroom and kitchen repairs, new energy star appliances, replacement of windows, new dry walls, new interior two-panel doors, painting, common area repairs (doors, roof replacement, windows, painting) exterior work, replacement of mechanical units (hot water heater, HVAC system), plumbing, and electrical work.

#### DEVELOPER/BORROWER DESCRIPTION

**Carl Mackley Houses Limited Partnership** a Pennsylvania Limited Partnership was formed for the sole purpose of developing the Preservation Project. Carl Mackley Houses GP LLC will serve as the general partner. Winn will serve as the developer/sponsor and will organize and advance the Preservation Project through the development process, structure the Preservation Project financing and syndication of equity proceeds. Winn will also serve as property manager and service provider.

**Winn** as developed properties in Philadelphia, New York, New Jersey, Connecticut, Massachusetts, Washington DC, and Rhode Island. Below are the Philadelphia projects:

Venango House- 2104 W. Venango Street -Total Project Cost \$14,500,000 – 106 Units –
 Owned and Managed – Completed

• Breslyn House Apartments – 4624-42 Walnut Street – Total Project Cost \$14,700,000 – 60 Units – Owned and Managed – Completed

#### **PROJECT FINANCING**

**The Authority** is providing non-recourse financing in an amount not to exceed \$6,090,039 ("Authority Loan"). The Authority Loan consists of New Financing, Assumed Debt and an Acquisition Loan. The Authority Loan will be evidenced by the following two notes:

- 1) Acquisition note in the amount of \$800,000 ("Acquisition Note"). The Acquisition Note shall bear no interest and payments shall be due annually from 25% of available surplus cash. Any unpaid balance shall be due and payable in forty-two (42) years.
- 2) New Financing and Assumed Debt note in the aggregate amount of \$5,290,039 which will be structured with a balloon payment at the end of a loan term of 42 years at 0% interest.

The Authority Loan will be secured by a third lien position on the Property behind the construction loan financing provided by FHA ("FHA Construction Loan") and PHFA PHARE funding. Upon payment of the Construction FHA Loan, the Authority Loan will remain in a third lien position on the Property behind the Permanent FHA Loan in the amount of \$13,800,000 or such other loan amount supported by FHA underwriting of the Property and the PHFA PHARE Funds.

**The Authority** will provide a Gap Loan in the amount of \$300,000. The Gap Loan shall bear no interest and payments shall be due annually from 25% of available surplus cash and any unpaid balance shall be due and payable in forty-two (42) years. The Gap Loan will be in a fourth lien position on the Property.

**FHA Construction Loan** is providing tax exempt bond construction financing in an amount between \$13,800,000 and \$14,400,000 based on final underwriting criteria which will bridge the Permanent FHA Loan and advance loan proceeds. At construction completion the Permanent FHA Loan proceeds will be used to repay the FHA Construction Loan. The FHA Construction Loan will be secured by a first lien position on the Property during construction.

**TD Bank, N. A.** will provide an equity bridge in an approximate amount of \$12,600,000, which will bridge the equity contributions and advance loan proceeds. This loan will have a maturity date which is twenty-four months from the date of loan closing and will be repaid from the equity provided by the investment limited partner. The equity bridge loan will be secured by a first priority assignment of General Partner interest in the Project and a first priority assignment and pledge of general partner interest in the proceeds of equity in the Project.

**The Richman Group** has reserved/allocated 99.99% interest in the Limited Partnership for a net purchase price of \$16,947,733 of which \$12,149,777 shall be in respect of Low-Income Housing Tax Credits and \$4,797,956 shall be with respect to Federal Historic Rehabilitation Tax Credit.

**PHFA PHARE funds** in the amount of \$1,950,000 will be in a second lien position on the Property.

**Interim Income** in the amount of \$428,806.

**Deferred Developer Fee** in the amount of \$710,274.

Working Capital Escrow in the amount of \$276,000.

**Energy Rebates** in the amount of \$100,000.

#### **APPROVALS**

- · Construction Division approval of plans, specifications and cost
- The participation ranges for MBE are 18%, WBE 7% has been approved by the Office of Economic Opportunity
- Department of Revenue's tax clearance for all member of the Development Team
- The Philadelphia Planning Commission has stated they do not need to review this project due to the funding source

#### **EXHIBITS**

- Project Development Team
- · Winn Companies
- Development Budget
- Operating Proforma
- MBE/WBE approval
- · Site Plan

# <u>Carl Mackley Apartments Preservation Development</u> <u>Project Development Team</u>

**OWNER** Carl Mackley Houses Limited Partnership

Six Faneuil Hall Market Place

Boston, MA 02109

GENERAL PARTNER Carl Mackley Houses, GP LLC

Six Faneuil Hall Market Place

Boston, MA 02109

**DEVELOPER** WDP Manager Corp.

Winn Companies

6 Faneuil Hall Market Place

Boston, MA 02109

**CONTRACTOR** Domus, Inc.

346 E. Walnut Lane Philadelphia, PA 19144

**ARCHITECT** Kramer + Marks Architects

27 S. Main Street Ambler, PA 19002

**ATTORNEY** Berman Indictor LLP

2.0 University Place 30 N. 41<sup>st</sup> Street, Ste. 450 Philadelphia, PA 19104

MANAGEMENT AGENT Winn Managed Properties, LLC

Six Faneuil Hall Marketplace

Boston, MA 02109

December of Figure 1		
<u>Development Financing</u>		
PRA HTF	\$ 2,000,000	4.90%
PRA Acquisition Financing	800,000	1.96%
PRA Gap Financing	300,000	0.74%
PRA Existing Debt Assumption	3,290,039	8.07%
Limited Partnership	12,149,777	29.80%
Limited Partnership (Federal HTC)	4,797,956	11.77%
Limited Partnership (State HTC)	174,983	0.43%
Tax Exempt Bond (Perm Mortgage Loan)	13,800,000	33.84%
Deffered Developer Fee	710,274	1.74%
Return of Working Capital Escrow	276,000	0.68%
NOI During Rehab Period	428,806	1.05%
PHARE Loan	1,950,000	4.78%
PA Energy Rebate	 100,000	0.25%
Total Financing	\$ 40,777,835	100.00%

PRA
Maximum \$2 million

Development Costs			PRA
			Maximum Rates
Construction Costs			
General Requirements	\$ 1,169,273	5.22%	
Building Demolition	0		
Selective Demolition	484,672		
Site Work	156,185		
Offsite Improvements			
Environ Remed(gc con)			
Sub-total Site Work	10.017.005		
Structures	18,847,035		
Builders Profit	895,647		
Builders Overhead	389,758		
Bond Premium	115,595		
Building Permits	100,703	E 000/	00/ ()/5 00/ (
Construction Contingency Other: Insurance & other fees	1,121,437	5.00%	3% (nc)/5.0%(rehab)
Other: COVID PPE	194,879 75,000		
Total Construction Costs	\$ 23,550,184		
Fees			
Architectural Fee - Design	\$ 607,103		See PHFA Guidelines
Architectural Fee- Adiminstration	202,367		See PHFA Guidelines
Legal - Development	120,000		
Civil Engineering	100,000		
Survey	12,175		
Soil/Structural Report	20,000		
Environmental Audit	86,278		
Environmental Remediation	0		
Energy Audit	10,000		
HERS Rater	40,000		
Passive House Consultant	0		
Project Capital Needs Asssessment	5,850		
Property Appraisal	9,000		
Market Study	15,070		
Cost Certification	15,000		
Other: Historic Consultant	30,051		
Other	0		
Fees Subtotal	\$ 1,272,894		

Misc. Development Charges			
Multifamily Housing Applic Fee	\$	6,000	
Agency Legal Closing Fee	Ψ	10,000	
Tax Credit Reservation Fee		71,476	
Tax Credit Reservation Fee		7 1,470	
Tax Credit Carryover Allocation Fee		1,000	
Furnishings (Common Area)		50,000	
Rent-up expense		0	limit \$1,200 per unit/\$600 proce
Relocation		600,000	limit \$1,200 per unit/\$600 prese
Utility Tap in, Hook up, & Municipal Fee Subsidy Layering Review Fee		0	
Other: Builder's Risk Insurance		150,143	
		· ·	
Other: Security during construction	Ф.	187,520	
Misc. Development Subtotal	\$	1,076,139	
0			
Construction & Financing Charges	Φ	FF0 000	
Construction Loan Interest	\$	556,000	
Construction Loan Origination Fee		172,500	
Construction Loan Credit Enhancement		0	
Construction Loan Application Fee		179,400	
Taxes During Construction		0	
Insurance During Construction		0	
Title Insurance		146,047	
Recording		25,675	
PHFA Construction Servicing Fee		6,000	
Other: Lender Legal and DD		120,250	
Construction/Financing Subtotal	\$	1,205,872	
Permanent Financing			
Agency Loan Reservation Fee	\$	_	
Agency Loan Orignation Fee	Ψ	98,000	
Permanent Loan Origination Fee		75,000	
Permanent Loan Credit Enhancement		0	
Cost Of Issuance/Underwriters Discount		0	
Non-Agency Permanent Financing Legal for		60,000	
Other: Agency Loan Legal fee		40,000	
Other: Non-Agency Perm Financing Legal		18,000	
Other: TEFRA, Trustee and Rating Fees		3,500	
Permanent Financing Subtotal	Ф	294,500	
Permanent Financing Subtotal	\$	294,500	
Land and Building Purchase			
Acquisition of Land	\$	830,000	
Acquistion of Existing Structures		7,289,593	
Acquisition Legal Fees		0	
Closing Costs		0	
Demolition Of Existing Structures		0	
Other: Transfer Tax		173,678	
Land/Building Purchase Subtotal	\$	8,293,271	
Total Replacement Costs	\$	35,692,860	
Total Replacement 003t3	Ψ	33,032,000	

### Project: Carl Mackley Apartments Development Budget

D										
	ent Reserves		Φ							
Operating F			\$ \$ \$ \$ \$ \$ \$	- 						
	ion Reserve		<b>D</b>	521,733						
	sidy Reserve		<b>\$</b>	-						\$ 1,240
	Tax Reserve 1 yr		\$	-						
	Reserve 1 yr		\$	-						
	ice Reserve		\$	625,000						
	I Deposit to RFR		\$	184,000						
Other: Worl	king Capital Deposit		\$	276,000						
Reserve	es Subtotal		\$	1,606,733						
Developer	's Fee		\$	2,625,000						\$ 2,757,327
Syndicatio										
Organizatio			\$	1,100						
	interst during constru		\$	565,000						
Bridge Loar	n Interest After Constr	uction	\$	-						
Bridge Loar	n Fees & Expenses		\$ \$ \$ \$ \$	126,000						
Legal Fees			\$	-						
Accounting	Fees		\$	12,442						
Compliance	e Monitoring		\$	147,200						
Other: Ager	ncy Energy Benchmar	king Fee	\$	1,500						
Syndica	ation Fees Subtotal		\$	853,242	-					
Total De	evelopment Costs		\$	40,777,835						
					-					
	Tota	I Units		184	1					
	Tota	l Sq. Ft.		233,816						
				per unit	ре	r sq. ft.				
	Total Construction Costs		\$	127,990	\$	101				
	Total Replacement Costs		\$	193,983	\$	153				
	Total Development Costs		\$	221,619	\$	174				
	Replacement Cost + Dev	. Fee	\$	208,249	\$	164				\$ 225
				Cost Analysis						
Proposed Unit								nded per Unit Cost A	<u>Niowable</u>	
0 Bdrm		units @	\$	206,974			\$	-		
1 Bdrm	45	units @	\$	237,265			\$	10,676,925		
2 Bdrm	88	units @	\$	288,519	per	unit	\$	25,389,672		
3 Bdrm		units @	\$	373,251			\$	6,345,267		
4 Bdrm	34	units @	\$	409,711	per	unit	\$	13,930,174		
Totals	184						\$	56,342,038		
Cost per Unit	Allowable		\$	306,207	per	unit				
Cost per Unit	for Project		\$	193,983	per	unit	Allo	owable	Waive <b>NO</b>	r Required?
Cost per Sau	are Foot Allowable		¢	225	nef				NO	
1			\$ \$		-		Λ1	lowable		
Cost per sq. I	Ft. for Project		Þ	164					• • • • • • • • • • • • • • • • • • •	  hamulaa hiddisss: sssss
120% of 234-Condominium					03.3	35%	ın	e % neeas to be 100	J‰/Delow of	herwise bidding is req'd

### Project: Carl Mackley Apartments Development Budget

HOME Maximum Subsidy					
Maximum 234- Condo-Elevator		226,820 pe	er unit allowable		
DHCD HOME Funding	\$	10,870 ре	er unit		
Developer's F	ee Analysis/Maxim	num Developer's Fe	ee Allowable for Projec	t	
Total Replacement Cost	\$	35,692,860			
less acquisition costs		(8,119,593)			
Basis for Developer's Fee ===>	\$	27,573,267			
Total Fee Allowable	\$	2,757,327		Waive	r Required?
Developer Fee for Project	\$	2,625,000	Allowable	NO	
less reinvested dev. Fee	\$	(710,274)			
Net Developer's Fee for Project	\$	1,914,726			
Scope of Construction: ref (rehab or nc)		ator in Building? or no)	no	•	

Type 30%	1 Bdr 2 Bdr 3 Bdr 3 Bdr 1 Edra 7 Ortal % of Units	Inits Se include utility alllowan	Trending Assumptions Income Income Szonenses Vacanor (resdential) Vacanor/ (commercial) Management Fee		Income from Operations Gross Rental Income Rental Subsidy. HAP Section 8 Other Income Commercial Vacancy (Residential) Vacancy (Residential)	NET RENTAL INCOME	EFFECTIVE GROSS INCOME	Operating Expenses Management Fee Administrative Expense Proper Pad Utilities Operating & Maintenance Water/Saviarimenance Protect Transa & Insurance Protect Transa & Insurance Investor Service Fee Investor Service Fee	NET OPERATING INCOME	First Mortgage Loan - Debt Service	Cash Flow after Debt Service	Investor Services and Partnership Management Fees PHARE Loan PRA Naw Acraietion Loan
Unit Di 30% - PBS8	5 5 0 14 8%	14 3% ce schedule for app excel spreadsheet to		•			•			9.		Management Fees
Unit Distribution 50% - PBS8	7 32 0 13 <b>52</b> 28%	52 28% roval o reflect per unit sub	2.0% 3.0% 5.0% 10% 5.1%	-	\$ 849,204 1,430,760 13,248 8,400 (113,998)	\$ 2,186,774	\$ 2,186,774	\$ 111.525 86.021 141.373 394.607 137.503 317.764 192.786 5.1.473.588	\$ 713,176	607,227	\$ 105,949	\$25,487
60% - PBS8	9 6 11 26 14%			2	\$ 866,188 1,459,375 13,513 8,568 (116,278)	\$ 2,230,509	\$ 2,230,509	\$ 113.766 88 601 145.614 406.445 141.628 327.318 198.569 1.513.931	\$ 716,579	607,227	\$ 109,352	\$ 4,080
50% - LIHTC	20 22 1 3 <b>46</b> 25%	46 25%		3	\$ 883,512 1,488,563 13,783 8,739 (118,604) (874)	\$ 2,275,119	\$ 2,275,119	\$ 116.031 91.289 149.983 418.639 145.877 337,137 204,526 92.000 \$ 1,555.451	\$ 719,668	607,227	\$ 112,441	\$ 4,162
60% - LIHTC	14 20 5 7 7 46 25%	46 25%		4	\$ 901,182 1,518,334 14,059 8,914 (120,976) (891)	\$ 2,320,622	\$ 2,320,622	\$ 118.352 93.997 154.442 431.198 140.253 347.251 210.661 \$ 1.598.194	\$ 722,428	607,227	\$ 115,201	\$ 4,245
Total	45 88 17 34 184 100%	184		2	\$ 919,206 1,548,701 14,340 9,092 (123,395) (909)	\$ 2,367,034	\$ 2,367,034	\$ 120.719 96.817 159.117 444.134 154.761 357.669 216.961 8 1,642.197	\$ 724,838	607,227	\$ 117,611	\$ 4,330
Uffity Allowance (all units)	8 8 2 8			9	\$ 937,590 1,579,675 14,627 9,274 (125,863)	\$ 2,414,375	\$ 2,414,375	\$ 123.133 99.721 163.890 457.488 457.488 158.404 223.491 \$ 1,687.495	\$ 726,880	607,227	\$ 119,653	\$ 4,416
Net Rents - LIHTC Only 50%	\$\$ 665 \$\$ 764 \$\$ 750 \$\$			7	\$ 956,342 1,611,268 14,919 9,460 (128,380) (946)	\$ 2,462,662	\$ 2,462,662	\$ 125,596 102,713 108,807 471,181 164,186 373,451 230,195 92,000 \$ 1,734,129	\$ 728,534	607,227	\$ 121,307	\$ 4,505
%09 <sub>^</sub>	\$ 706 \$ 800 \$ 860 \$ 980 <b>Total</b>			8	\$ 975,468 1,643,494 15,218 9,649 (130,948) (965)	\$ 2,511,916	\$ 2,511,916	\$ 128.108 105.794 173.871 485.317 169,111 390.834 237,101 \$ 1,782.137	\$ 729,779	607,227	\$ 122,552	\$ 4,595
Total	\$ 23,184 \$ 32,808 \$ 5,050 \$ 9,725 \$ 70,767			6	\$ 994,978 1,676,363 1,5522 9,842 (133,567) (984)	\$ 2,562,154	\$ 2,562,154	\$ 130,670 108,968 179,087 499,876 174,185 402,559 244,214 92,000 \$ 1,831,560	\$ 730,594	607,227	\$ 123,367	\$ 4,687 \$29,670
Rents- HAP Section 8 30%	\$ 1,035 \$ 1,185 \$ 1,445 \$ 3,1,560			10	\$ 1,014,877 1,709,891 15,833 10,039 (136,238)	\$ 2,613,397	\$ 2,613,397	\$ 133.283 112.237 194.460 514.873 178,410 414.636 251.541 82.00 81.882.440	\$ 730,957	607,227	\$ 123,730	\$ 4,780
50%	\$ 1,035 \$ \$ 1,145 \$ \$ \$ 1,560 \$ \$			11	\$ 1,035,175 1,744,088 16,149 10.240 (138,963) (1,024)	\$ 2,665,665	\$ 2,665,665	\$ 135.949 115.604 189.983 590.319 184.783 477.075 259.087 92.000 \$ 1,934,820	\$ 730,845	607,227	\$ 123,618	\$ 4,876 \$29,685
%09	1,035 <b>\$</b> 1,185 <b>\$</b> 1,445 <b>\$</b> 1,560 <b>\$</b> Total <b>\$</b>	Total \$		12	\$ 1,055,878 1,778,970 16,472 10,444 (141,742) (1,044)	\$ 2,718,978	\$ 2,718,978	\$ 138.668 119.073 19.5683 546.228 190.336 439.887 266.860 \$ 1,988,745	\$ 730,233	607,227	\$ 123,006	\$ 4,973
Total	11,385 54,510 15,895 37,440 119,230	119,230		13	\$ 1,076,996 1,814,550 16,802 10,653 (144,577) (1,065)	\$ 2,773,358	\$ 2,773,358	\$ 141.441 122.645 201.564 201.564 186.046 433.084 274.865 82.004.261	\$ 729,097	607,227	\$ 121,870	\$ 5,073
Total Housing Expense - LIHTC Only 50%	<i>ა</i>			14	\$ 1,098,536 1,850,841 17,138 10,866 (147,469) (1,087)	\$ 2,828,825	\$ 2,828,825	\$ 144.270 108.324 207.611 579.494 201.928 46.677 283.111 92.000 \$ 2.101.414	\$ 727,411	607,227	\$ 120,184	\$ 5,174
LIHTC Only 50%	715 820 814 1,042			15	\$ 1,120,507 1,887,857 17,480 11,084 (150,418)	\$ 2,885,402	\$ 2,885,402	\$ 147.155 130,114 213.839 596,878 207,605 291,605 \$ 2,160,254	\$ 725,147	607,227	\$ 117,920	\$ 5,278

## City of Philadelphia Economic Opportunity Plan

#### CARL MACKLEY HOUSES 1401 E. Bristol St. Philadelphia, PA 19124

I. Introduction, Definitions, Goals and Diversity Practices

The City of Philadelphia, acting through its offices of the Division of Housing and Community Development ("DHCD") and Office of Economic Opportunity ("OEO") (collectively, "City") and the Philadelphia Redevelopment Authority ("PRA") strongly encourage the use of certified Minority ("MBE"), Women ("WBE"), Disabled ("DSBE") and Disadvantaged¹ ("DBEs") Business Enterprises (collectively, "M/W/DSBEs") and minority and female workers in all aspects of the development and use of a parcel(s) of land located at 1401 E. Bristol Street, which may include financial investment, design, construction and operations (Project). In support of this objective, City and PRA will require that Carl Mackley Houses Limited Partnership ("Purchaser") of this parcel commit to this Economic Opportunity Plan ("EOP" or "Plan") as required by Section 17-1602 of The Philadelphia Code, as amended.

This Plan contains ranges of projected M/W/DSBE utilization and goals for the employment of minority and female workers in connection with the Project. Purchaser shall cause this Plan to be made part of and incorporated into all bids, proposals and solicitations and any resulting agreement(s) entered into between Purchaser and any participant in connection with the development and use of the parcel. By submission of this Plan, Purchaser makes a legally binding commitment to the City and PRA to abide by the provisions of this Plan which include its commitment to exercise its Best and Good Faith Efforts throughout the project and its commitment to cause its participants to use their Best and Good Faith Efforts to provide subcontracting opportunities for M/W/DSBEs in all phases of the project and to employ a diverse workforce. This Plan expressly applies to all contracts awarded in connection with the Project.

Neither Purchaser nor any participant shall discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, gender identity, ancestry, age, or handicap in the award and performance of contracts pertaining to this Plan. Purchaser has summarized its current and past practices relating to Purchaser's diversity practices ("Diversity Practices Statement"). This statement, included as Attachment "A" to this Plan, identifies and describes Purchaser's processes used to develop diversity at all levels of Purchaser's organization including, but not limited to, board and managerial positions. This Diversity Practices Statement summarizes Purchaser's strategic business plans specific to its current or past practices of M/W/DSBE utilization on its government and non-government projects and procurement activities. Purchaser further agrees to identify any "Equity Ownership" held in connection with this Project which shall mean the percentage of beneficial ownership in the Purchaser's organization or development team that is held by minority persons, women and disabled persons. In the event Equity Ownership is identified, Purchaser agrees to abide by the reporting requirements enumerated in Section 17-1603 (1)(g)(.3).

<sup>&</sup>lt;sup>1</sup>Disadvantaged Business Enterprises ("DBEs") are those socially or economically disadvantaged minority and woman owned businesses certified under 49 C.F.R. Part 26.

Purchaser hereby verifies that all information submitted to the City in response to this Plan, is true and correct and is notified that the submission of false information is subject to the penalties of 18 Pa.C.S. Section 4904 (relating to unsworn falsification to authorities) and 18 Pa.C.S. Section 4107.2 (a)(4) (relating to fraud in connection with minority business enterprises or women's business enterprises).

For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by OEO. Only the work or supply effort of firms that are certified as M/W/DSBEs by an OEO approved certifying agency<sup>2</sup> will be eligible to receive credit as a Best and Good Faith Effort. In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered M/W/DSBEs maintained by the OEO and available online at www.phila.gov/oeo/directory.

For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives herein stated. Best and Good Faith Efforts are rebuttably presumed met, when commitments are made within the M/W/DSBE Participation Ranges established for this development and a commitment is made to employ a diverse workforce as enumerated herein.

#### II. Goals

#### A. M/W/DSBE Participation Ranges

The City of Philadelphia has established a citywide goal of 35% M/W/DSBE utilization as informed by its Annual Disparity Study.<sup>3</sup> This citywide goal should be used as a benchmark for the Purchaser's expression of Best and Good Faith Efforts which are efforts taken by Purchaser to provide meaningful and representative opportunities for M/W/DSBEs in the Project. For this project, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable through the exercise of Best and Good Faith Efforts is stated below as participation ranges. These percentages relate to the good faith estimated cost of the entire Project. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g. MBE and WBE and DSBE or WBE and DSBE) will only be credited toward one participation range as either an MBE or WBE or DSBE. The firm will not be credited toward more than one category. These ranges are based upon an analysis of factors such as the size and scope of the development and the availability of MBEs, WBEs, DSBEs and DBEs to participate in this Project:

MBE	WBE
18%	7%

<sup>&</sup>lt;sup>2</sup>A list of "OEO approved certifying agencies" can be found at www.phila.gov/oeo

<sup>&</sup>lt;sup>3</sup> The City of Philadelphia FY'16 Annual Disparity Study recommends a an overall goal of 35% based upon an analysis of FY'16 utilization and availability.

#### B. Workforce Goals for a Diverse Workforce

As a benchmark for the expression of "Best and Good Faith Efforts" to provide meaningful and representative opportunities for diverse workers in the Project, the following goals have been established for the employment of minority persons and females in the Project workforce of apprentices and journeymen at the following levels<sup>4</sup>:

African American Journeypersons – 22% of all journey hours worked across all trades Asian Journeypersons –3% of all journey hours worked across all trades Hispanic Journeypersons – 15% of all journey hours worked across all trades Female Journeypersons – 5% of all journey hours worked across all trades

Minority Apprentices -50% of all hours worked by all apprentices Female Apprentices -5% of all hours worked by all apprentices

#### III. Responsiveness

- A. Purchaser shall, and shall cause its participants to identify all M/W/DSBE commitments and agree to employ a diverse workforce on the form entitled, "M/W/DSBE Participation and Workforce Commitments." The commitments on this form constitute a representation that the identified M/W/DSBE is capable of providing commercially useful goods or services relevant to the commitments and that the Purchaser and its participants have entered into legally binding agreements with the listed M/W/DSBEs for the work or supply effort described and the dollar/percentage amount(s) set forth on the form. In calculating the percentage of M/W/DSBE participation, the standard mathematical rules apply in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern.
- B. M/W/DSBE commitments are to be memorialized in a written subcontract agreement. Letters of intent, quotations, contracts, subcontracts and any other documents evidencing commitments with M/W/DSBEs, including the M/W/DSBE Participation and Workforce Commitments Form, become part of and an exhibit to this Plan.
- C. DHCD will review the M/W/DSBE Participation and Workforce Commitments Form for the purpose of determining whether Best and Good Faith Efforts have been made. DHCD reserves the right to request further documentation and/or clarifying information at any time during the construction and development of the Project.
- D. If Purchaser, its participants or any subsequent developer makes any changes in contracts that have been reviewed by DHCD under the Plan, or if Purchaser at the time of Closing has not yet identified contracts entered into for the development of the Project, then Purchaser, its participants or any subsequent developer shall have the obligation to inform DHCD of any changes to the approved Plan and shall use Best and Good Faith efforts to use M/W/DSBEs for any new contracts.

<sup>&</sup>lt;sup>4</sup> These goals are informed by the City of Philadelphia's annual disparity assessment of workforce diversity, the

<sup>&</sup>quot;Economic Opportunity Plan Employment Composition Analysis Fiscal Year 2016."

#### IV. Compliance and Monitoring of Best and Good Faith Efforts

A. A hard copy of this Plan, as certified below by OEO, shall be filed with the Chief Clerk of City Council within fifteen (15) days of Closing. The Plan shall be filed with:

Michael Decker, Chief Clerk of City Council Room 402 City Hall Philadelphia, Pennsylvania 19107

- B. Purchaser and its participants agree to cooperate with DHCD in its compliance monitoring efforts, and to submit, upon the request of DHCD, documentation relative to their implementation of the Plan, including the items described below:
  - Copies of signed contracts and purchase orders with M/W/DSBE subcontractors;
  - Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation; and
  - Telephone logs and correspondence relating to M/W/DSBE commitments.
  - To the extent required by law, the Purchaser and its participants shall ensure that all its on-site contractors maintain certified payrolls which include a breakout of hours worked by minority and female apprentices and journeypersons; these documents are subject to inspection by the City.

#### C. Prompt Payment of M/W/DSBEs

 The Purchaser and its participants agree and shall cause all its contractors to ensure that all M/W/DSBEs participating in the Project receive payment for their work or supply effort within five (5) business days after receipt of a proper invoice following satisfactory performance.

#### D. Oversight Process

1. Where the dollar value of development is in excess of Five Million Dollars (\$5,000,000), the Plan shall establish a Project Oversight Committee, consisting of, as appropriate, the contractor, developer or recipient of financial assistance and representatives of the Purchaser, PRA, OEO, DCHD, City Council, and appropriate community organizations. Such Committee shall meet regularly, beginning no later than the initiation of the design phase of the project, and shall be responsible for facilitating compliance with the Plan. OEO will implement the Oversight Process, as required by Section 17-1603(b) of The Philadelphia Code. The Oversight Committee, through the Oversight Process, shall have within its purview the reconciliation of all compliance related issues or grievances. The Oversight Committee Process, as needed, will involve convening individual consultation or periodic small group meetings to include any or all of the constituent parties.

#### V. Remedies and Penalties for Non-Compliance

A. The Purchaser acknowledges and agrees that its compliance with the requirements of this Plan is a material inducement for the Ordinance of City Council and Purchaser's failure to substantially comply with the Plan may result in enforcement actions and the imposition of penalties as authorized by Sections 17-1605 and 17-1606 of The Philadelphia Code. Notwithstanding the foregoing, no privity of contract exists between PRA, the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither PRA nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.

Coul Montrley Houses Limited Doutmoushing

Lawrence H. Curtis, its President	Carl Mackley Houses Limited Partnership By: Carl Mackley Houses GP LLC, its Partner By: WDP Manager Corp, its Manager	10/6/2020
PRINT NAME OF PURCHASER		DATE
SIGNATURE OF PURCHASER		10/6/2020 DATE
Lynn T. Newsome LYNN NEWSOME, DHCD COMPL	IANCE DIRECTOR	11/19/2020 DATE
IOLA HARPER, DIRECTOR, OFFIC	CE OF ECONOMIC OPPORTUNITY <sup>5</sup>	DATE

[See Forms on following pages; these Forms, must be submitted by Purchaser]

<sup>&</sup>lt;sup>5</sup> Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.



#### **MEMORANDUM**

Т0:	Lynn Newsome, DHCD Compliance Director
FROM:	Zena Holland, Community Investment Group

**SUBJECT:** Economic Opportunity Plan/Solicitation and Commitment Forms

Carl Mackley Apartments Preservation

**DATE:** November 9, 2020

Attached please find the Economic Opportunity Plan and Solicitation and Commitment forms for the Carl Mackley Apartments Preservation Development. If the Plan meets the DHCD's goals, please fill out the bottom half of this memorandum. Thank you.

Project Name:	Carl Mackley Apartments Preservation

Project Address: 1401 E. Bristol Street

Owner: Carl Mackley Houses Limited Partnership

Developer: Winn Companies

Unit Breakdown: 184 - rental units

PRA Funding Amount: \$2,000,000 - Housing Trust Funds

+ \$300,000 - Gap Funding

+ \$800,000 - Acquisition Loan

General Contractor: Domus, Inc.

Construction Cost: \$22,428,747

Total Development Cost: \$40,333,087

I, Lynn Newsome, have reviewed the Affirmative Action Plan and approved the plan submitted by (the contractor) for (the project) for the following goals:

MBE Goals: 18%
WBE Goals: 7%
DBE Goals:

Lynn T. Newsome 11/19/2020

Lynn Newsome Date

### CONTRACTOR'S PAST CONTRACTS WITH PRA:

Contract:	Date:
Projected MBE Goals:	Achieved MBE:
Projected WBE Goals:	Achieved WBE:
Projected DBE Goals:	Achieved DBE:
Contract:	Date:
Projected MBE Goals:	Achieved MBE:
Projected WBE Goals:	Achieved WBE:
Projected DBE Goals:	Achieved DBE:
Contract:	Date:
Projected MBE Goals:	Achieved MBE:
Projected WBE Goals:	Achieved WBE:
Projected DBE Goals:	Achieved DBE:

# GENERAL CONTRACTOR'S PAST CONTRACTS WITH PHDC: DOMUS, INC.

Contract: Casa Indiana Date: 11/23/20

Projected MBE Goals: 25% Achieved MBE: 19%

Projected WBE Goals: 10% Achieved WBE: 2%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: Cantrell Senior Housing Date: 2/28/19

Projected MBE Goals: 18% Achieved MBE: 23%

Projected WBE Goals: 7% Achieved WBE: 9%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: Roberto Clemente Homes Date: 7/22/19

Projected MBE Goals: 18% Achieved MBE: 17%

Projected WBE Goals: 7% Achieved WBE: 2%

Projected DBE Goals: 2% Achieved DBE: 0%

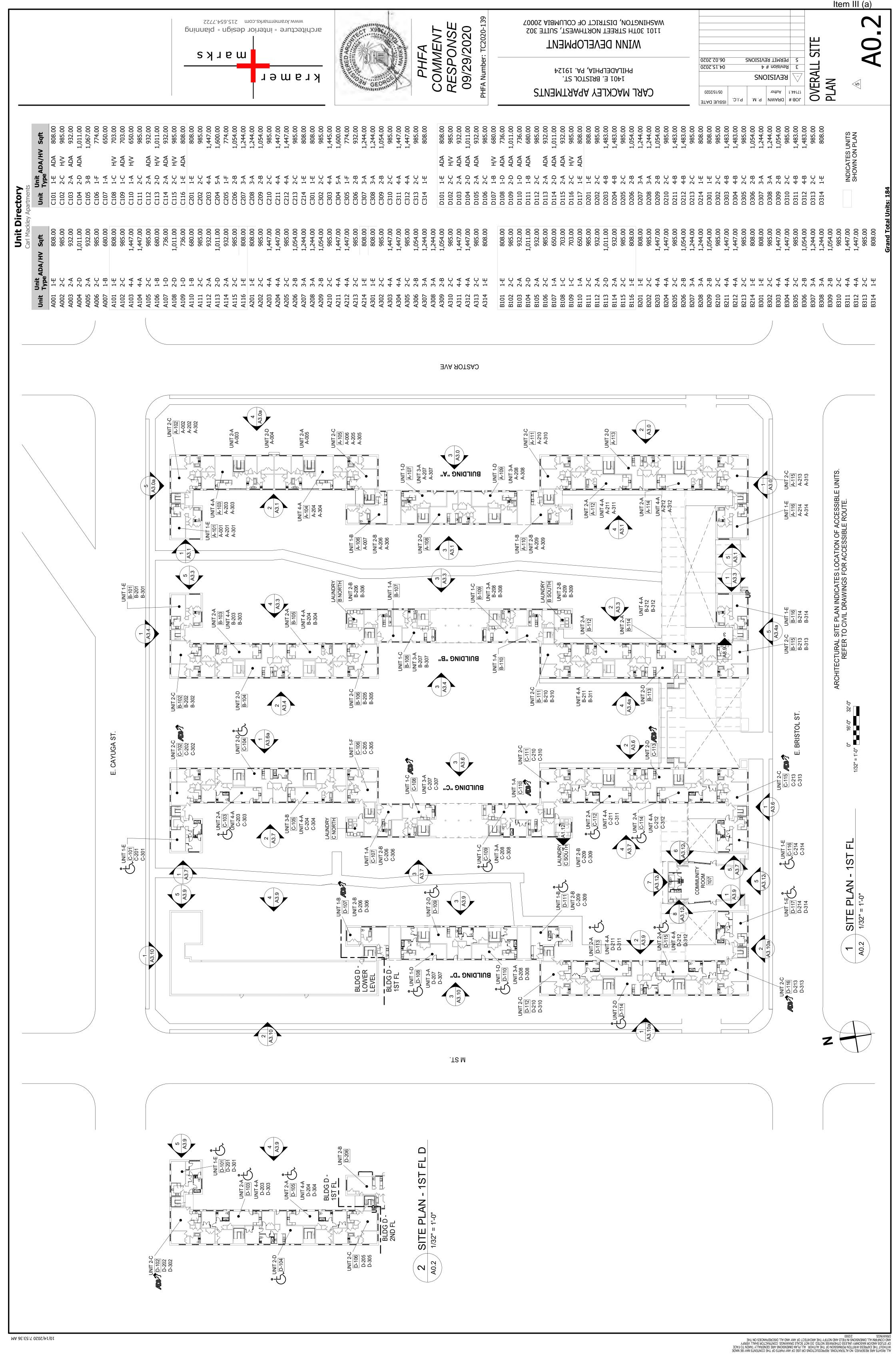
#### V. Remedies and Penalties for Non-Compliance

A. The Purchaser acknowledges and agrees that its compliance with the requirements of this Plan is a material inducement for the Ordinance of City Council and Purchaser's failure to substantially comply with the Plan may result in enforcement actions and the imposition of penalties as authorized by Sections 17-1605 and 17-1606 of The Philadelphia Code. Notwithstanding the foregoing, no privity of contract exists between PRA, the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither PRA nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.

Lawrence H. Curtis, its President	Carl Mackley Houses Limited Partnership By: Carl Mackley Houses GP LLC, its Partner By: WDP Manager Corp, its Manager	10/6/2020
PRINT NAME OF PURCHASER		DATE
		10/6/2020
SIGNATURE OF PURCHASER		DATE
Lynn T. Newsome LYNN NEWSOME, DHCD COMPL		11/19/2020
LYNN NEWSOME, DHCD COMPLIANCE DIRECTOR		DATE
All by	OF FOONOMIO OPPORTUNITY!	11/30/2020
IOLA HARPER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY5		DATE

[See Forms on following pages; these Forms, must be submitted by Purchaser]

<sup>&</sup>lt;sup>5</sup> Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.





#### **BOARD FACTSHEET**

Meeting of December 9, 2020 Parkside Neighborhood Preservation New Financing and Modification of Existing Loan

#### TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority ("Authority") to enter a non-recourse construction permanent loan with MF Parkside Preservation LLC ("Borrower") in an amount not to exceed Two Million One Hundred Thirty-Six Thousand Two Hundred Forty Dollars (\$2,136,240) ("Authority Loan"). The Authority Loan consists of assumed Authority debt in the amount of One Hundred Thirty-Six Thousand Two Hundred Forty Dollars (\$136,240) ("Assumed Debt") and new financing in an amount not to exceed Two Million Dollars (\$2,000,000) "New Financing"). The proceeds of the Authority Loan will be used to preserve eighty-two (82) units of affordable housing ("Project"). The Project is located at 1237-1243 Belmont Ave., 4104 Parkside Ave., 4106 Parkside Ave., 4201 Girard Ave., 4202 Parkside Ave., 4208 Parkside Ave., 4210 Parkside Ave., 4216 Parkside Ave., 4218 Parkside Ave., 4222 Parkside Ave., 4238 Parkside Ave., 4240 Parkside Ave., and 4244 Parkside Avenue in the East Parkside neighborhood of West Philadelphia (collectively, the "Properties").

#### BACKGROUND INFORMATION

#### **PARKSIDE BELMONT**

In 2018, the Authority provided a loan to Parkside 2000 Associates, L.P secured by a mortgage ("Belmont Mortgage") on certain property located at 1237-43 Belmont Avenue ("Belmont Property") and evidenced by a note in the amount of the Assumed Debt. The proceeds of the Assumed Debt provided financing to assist in the moderate rehabilitation of twelve (12) units of permanent rental housing for low income residents. As part of the Project, the Belmont Mortgage will be satisfied. The Assumed Debt will be included as part of a new mortgage which will be secured by the Properties.

#### **PROJECT DESCRIPTION**

The following capital improvements will be made to the Properties: replacement of flooring, furnaces, air handlers, condensers, water heaters, light fixtures, building systems' update, windows repair/replacement, as-needed HVAC upgrades, building envelope repairs, porch and masonry work, new appliances, as-needed bathroom and kitchen upgrades, and painting. The

renovations will also include accessibility upgrades to nine (9) units along with a new two-stop elevator bringing the units up to full ADA compliance.

The Project will be targeted to individuals who are formerly homeless, experiencing mental illness, or physically disabled with income at or below 60% of the Area Median Income.

The Project has a HAP Contract for Project Based Assistance on forty-nine (49) units for an additional twenty (20) years to support this effort. Twenty-six (26) units will receive tenant-based rental assistance from the City of Philadelphia (the "City").

#### **FINANCING**

The Authority Loan in an amount not to exceed Two Million One Hundred Thirty-Six Thousand Two Hundred Forty Dollars (\$2,136,240) (consisting of Assumed Debt and New Financing) will be structured with a term of forty-two (42) years at 0% interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty-two (42) years. The Authority Loan will be secured by a third lien position on the Properties behind the Construction Loan financing provided by Citi Bank, N.A. ("CITI") ("Construction Loan") and Pennsylvania Housing Finance Agency's ("PHFA") Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHARE") funding. Upon payment of the Construction Loan, the Authority Loan will remain in a third lien position on the Properties behind permanent financing provided by CITI in the amount of Three Million Three Hundred Thousand Dollars (\$3,300,000) or such other loan amount supported by CITI's underwriting of the Properties at the time of conversion ("CITI Permanent Loan") and the PHFA PHARE funds.

#### **BOARD ACTION**

The Board is asked to consent to the following:

- Permit the transfer of the Belmont Property to the Borrower;
- Permit the Belmont Mortgage to be satisfied;
- Permit the assumption by the Borrower of Assumed Debt;
- Permit the Authority to enter into a non-recourse construction/permanent loan in an amount not to exceed Two Million One Hundred Thirty-Six Thousand Two Hundred Forty Dollars (\$2,136,240) ("Authority Loan") with Borrower (consisting of New Financing and Assumed Debt);
- The term of the Authority Loan will be for forty-two (42) years at 0% percent interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty-two (42) years.
- The Authority Loan will be secured by a third lien position on the Properties behind the Construction Loan and PHFA PHARE Funds during construction. Upon payment

of the Construction Loan, the Authority Loan will remain in a third lien position behind the CITI Permanent Loan and the PHFA PHARE funds on the Properties.

#### COMMENTS OR OTHER CONDITIONS:

The City has approved the Economic Opportunity Plan for the Parkside Neighborhood Preservation Development. The Development Team has no outstanding tax issues. The Authority Housing Construction Department has approved the plans, specification, and construction costs. The Philadelphia Planning Commission has stated they do not need to review this Project due to the funding source.

#### Proposed Resolution is attached

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director Housing Finance

#### RESOLUTION NO.

RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION PERMENANT LOAN WITH MF PARKSIDE PRESERVATION LLC AND TO PERMIT EXISTING AUTHORITY DEBT TO BE ASSUMED AND RESTRUCTURED UNDER NEW TERMS AND CONDITIONS

WHEREAS, Mission First Housing Development Corporation, the sponsor, has developed a preservation plan to combine certain properties in their inventory into a single project, Parkside Neighborhood Preservation ("Project"), consisting of eighty-two (82) affordable housing units in sixteen (16) buildings located at 1237-1243 Belmont Ave, 4104 Parkside Ave., 4106 Parkside Ave., 4201 Girard Ave., 4202 Parkside Ave., 4208 Parkside Ave., 4210 Parkside Ave., 4218 Parkside Ave., 4222 Parkside Ave., 4238 Parkside Ave., 4240 Parkside Ave., and 4244 Parkside Avenue ("Properties") under one owner, MF Parkside Preservation LLC ("Borrower"); and

WHEREAS, in 2018 the Authority provided financing in the amount of One Hundred Thirty-Six Thousand Two Hundred Forty Dollars (\$136,240) ("Belmont Loan") to Parkside 2000 Associates, L.P., secured by a mortgage ("Belmont Mortgage") on the property located at 1237-43 Belmont Avenue ("Belmont Property"). The proceeds of the Belmont Loan provided financing to assist in the moderate rehabilitation of twelve (12) units of permanent rental housing; and

**WHEREAS,** as part of the Project, the Belmont Loan will be assumed by the Borrower ("Assumed Debt") and the Belmont Mortgage will be satisfied. The Assumed Debt will be included as part of a new mortgage which will be secured by the Properties; and

**WHEREAS,** the Borrower will make capital improvements to the Properties and maintain the units as low-income housing to serve individuals who are formerly homeless, experiencing mental illness, or physically disabled with income at or below sixty (60%) percent of Area Median Income; and

WHEREAS, to finance the Project, the Borrower applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds and PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE"). In addition, the Borrower received a financing commitment from the Division of Housing and Community Development in the amount of Two Million Dollars (\$2,000,000) ("New Financing"); and

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

The Board is asked to consent to the following:

- Permit the satisfaction of the Belmont Mortgage;
- Permit the transfer of the Belmont Property to the Borrower;

- · Permit the assumption by the Borrower of Assumed Debt;
- Permit the Authority to enter a non-recourse construction/permanent loan in and amount not to exceed \$2,136,240 ("Authority Loan") with Borrower consisting of New Financing and Assumed Debt;
- The term of the Authority Loan will be for forty-two (42) years at 0% percent interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty-two (42) years;
- The Authority Loan will be secured by a third lien position behind construction financing provided by Citi Bank, N.A., ("CITI") and PHFA PHARE Funds. Upon payment of the construction loan, the Authority Loan remain in a third lien position behind a CITI Permanent Loan and PHFA PHARE Funds.

**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** Parkside Neighborhood Preservation

ADDRESS 1237- 1243 Belmont Ave., 4104 Parkside Ave.,

4106 Parkside Ave., 4201 Girard Ave., 4202 Parkside Ave., 4208 Parkside Ave., 4210 Parkside Ave., 4216 Parkside Ave., 4218 Parkside Ave., 4222 Parkside Ave., 4238 Parkside Ave., 4240 Parkside Ave., and 4244

Parkside Avenue

OWNER/BORROWER MF Parkside Preservation LLC

GENERAL PARTNER MF Parkside Preservation Manager LLC

**DEVELOPER/SPONSOR**Mission First Housing Development Corporation

("MFHDC")

GENERAL CONTRACTOR Columbus Property Management & Development,

Inc.

TOTAL DEVELOPMENT COST \$16,852,238

TOTAL CONSTRUCTION COST \$6,358,757

PRA FINANCING \$2,000,000 - Housing Trust Funds

& \$136,240 Assumed Debt

SCOPE OF CONSTRUCTION Acquisition/Rehabilitation

### **PROJECT DESCRIPTION**

The Parkside Neighborhood Preservation development will consist of the acquisition and historic preservation of eighty-two (82) affordable housing units in sixteen (16) buildings ("Project"). The Project includes one (1) efficiency, sixty-six (66) one-bedrooms, thirteen (13) two-bedrooms, and two (2) three-bedroom units located in sixteen (16) existing multifamily walk-up buildings. The Project is located at 1237-1243 Belmont Ave., 4104 Parkside Ave., 4106 Parkside Ave., 4201 Girard Ave., 4202 Parkside Ave., 4208 Parkside Ave., 4210 Parkside Ave., 4216 Parkside Ave., 4218 Parkside Ave., 4222 Parkside Ave., 4238 Parkside Ave., 4240 Parkside Ave., and 4244 Parkside Avenue ("Properties") in the East Parkside neighborhood of West Philadelphia.

The following capital improvements will be made to the Properties: Replacement of flooring, furnaces, air handlers, condensers, water heaters, light fixtures, building systems' update, windows repair/replacement, as-needed HVAC upgrades, building envelope repairs, porch and masonry work, new appliances, and as-needed bathroom and kitchen upgrades, and painting. The

renovations will also include accessibility upgrades to nine (9) units along with a new two-stop elevator bringing the units up to full ADA compliance.

The Project will be targeted to individuals who are formerly homeless, experiencing mental illness, or physically disabled with income at or below 60% of the Area Median Income. The Project has a HAP Contract for Project Based Assistance on 49 units for an additional 20 years to support this effort. Twenty-six (26) units will receive tenant-based rental assistance from the City of Philadelphia Behavioral Health System.

### **OWNER/BORROWER DESCRIPTION**

MF Parkside Preservation LLC, ("Borrower"), a limited liability Company, was formed for the sole purpose of developing the Project. MF Parkside Preservation Manger LLC will serve as general partner. MFHDC will serve as the developer/sponsor and will organize and advance the Project through the development process, structure the financing, and the syndication of equity proceeds.

**MFHDC** is a Mission First Housing Group company that is a nonprofit full-service real estate organization that provides affordable housing and services through their affiliates. MFHDC, through their affiliate 1260 Housing Development Corporation, administers over a dozen contracts for the City of Philadelphia serving residents with physical and mental disabilities, partnering with various agencies. Below are past projects:

- **Apartments at New Market West** 41 rental units 13-27 N. Salford Street currently under construction.
- Mission First Northeast Affordability Initiative 38 rental units 7900-02 Castor Ave.,
   6735 Bustleton Ave., 1327-37 Crease St., 1647 Dyre St., and 419 Chandler Street completed 2020.
- Mission First Center City Affordability Initiative 29 rental units 1237-43 Belmont Ave., 2211 Walnut St., 1213 Spruce St., and 443 McKean Street – PRA funding \$488,639-completed 2020.
- **Partnership Preservation Initiative** 92 rental units scattered site- PRA funding \$5,500,000- completed 2015.
- **Legacy Preservation Initiative** 139 rental units- scattered site PRA funding \$1,500,000- completed 2014.
- **MPB School Apartments** 28 rental units 2811-2819 W. Sedgley Avenue PRA funding \$3,700,000 Completed 2012.

### **BACKGROUND INFORMATION**

In 2018, the Authority provided a loan to Parkside 2000 Associates, L.P. secured by a mortgage ("Belmont Mortgage") evidenced by a note in the amount of \$136,240 ("Belmont Loan"). The proceeds of the Belmont Loan provided financing to assist in the moderate rehabilitation of twelve (12) units of permanent rental housing for low income residents located at 1237-43 Belmont Avenue ("Belmont Property"). As part of the Project, the Borrower will assume the Belmont Loan ("Assumed Debt"), and the Belmont Mortgage will be satisfied. The Assumed Debt will be included as part of a new mortgage which will be secured by the Properties.

### **PROJECT FINANCING**

The Authority is providing a non-recourse construction/permanent loan in an amount not to exceed \$2,136,240 ("Authority Loan") consisting of Assumed Debt and \$2,000,000 of new financing. The Authority Loan will be structured with a term of 42 years at 0% interest. During the Authority Loan period, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years. The Authority Loan will be secured by a third lien position on the Properties behind the Construction Loan financing provided by Citi Bank, N.A. ("CITI") ("Construction Loan") and Pennsylvania Housing Finance Agency's ("PHFA") Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHARE") funding. Upon payment of the Construction Loan, the Authority Loan will remain in a third lien position on the Properties behind permanent financing provided by CITI in the amount between \$3,300,000 - \$3,600,000 that will be supported by CITI's underwriting of the Properties at the time of conversion ("CITI Permanent Loan") and the PHFA PHARE funds.

**R4 Capital** has agreed to purchase 99.99% interest in the Borrower in the estimated amount of \$5,779,723 in exchange for low income housing in the amount of \$4,148,180 and historic tax credits in the amount of \$1,681,543.

CITI is providing tax exempt construction financing in the amount up to \$8,700,000 which will bridge the equity contributions and advance loan proceeds. At construction completion and satisfaction of conditions set by the investor, the equity and the CITI Permanent Loan will be used to repay the Construction Loan. The Construction Loan will be secured by a first lien position on the Properties during construction.

**PHFA** will provide PHARE funds in the amount of \$1,000,000. This loan will be secured by a second lien position on the Properties.

**MFHDC** will allow \$746,144 to be assumed by the Borrower. This funding was part of the financing that was provided to Parkside 2000 Associates, L.P.

**Sellers Note** MFHDC will provide a seller's note in the amount of \$2,501,782 for the acquisition of the Properties.

**Reinvested Developer fee** in the amount of \$746,554.

**Interim Income** in the amount of \$249,000.

**Energy Rebates** in the amount of \$12,795.

**Existing Properties Reserves** in the amount of \$5,000.

**Capital Magnet Funds** will provide a Construction/Permanent Loan to the Project in the amount of \$450,000 during construction. At conversion the Borrower will repay \$200,000 and \$250,000 will convert to a permanent loan.

**TD Housing for Everyone** in the amount of \$125,000.

### **APPROVALS**

- Environmental Clearance from the Philadelphia City Planning Commission
- · Construction Division approval of plans, specifications and costs
- The participation ranges for MBE are 16 %, WBE 14% has been approved by the Office of Economic Opportunity
- Department of Revenue's tax clearance for all members of the Development Team

### **EXHIBITS**

- Development Team
- Board of Directors Mission First Housing Development Corporation
- · Development Budget
- Operating Pro forma
- MBE/WBE/DBE approval
- · Site Plan

### **Project Development Team**

OWNER/BORROWER MF Parkside Preservation LLC

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

**GENERAL PARTNER** MF Parkside Preservation Manager LLC

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

Mission First Housing Development Corporation DEVELOPER/SPONSOR

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

**ARCHITECT** Kitchen and Associates, Inc.

> 756 Haddon Avenue Collingswood, NJ 08108

**CONTRACTOR** Columbus Property Management & Development, Inc.

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

Michael J. Robins **ATTORNEY** 

Berman Indictor LLP

30 North 41st Street, Suite 450

Philadelphia, PA 19104

Columbus Property Management & Development MANAGEMENT AGENT

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

SUPPORTED SEVICES Columbus Property Management & Development/

Mission First Development Corporation

2042-48 Arch Street, 2<sup>nd</sup> Floor

Philadelphia, PA 19103

# **Board of Directors Mission First Housing Development Corporation**

Harry G. Dittmann Gina Muldrow Mark A. Duffy Mike Davidson, Esq. Marva E. Williams, Ph.D James Kilcoyne Joel Lawson Russell Johnson Michael Simmons Mary Walker

Development Financing		
PRA Housing Trust	2,136,240	12.68%
Limited Partner Equity	5,779,723	34.30%
Reinvested Developer Fee	746,554	4.43%
Permanent First Mortgage	3,300,000	19.58%
1260 FHLB Assumed	746,144	4.43%
Seller Note	2,501,782	14.85%
Interim Income	249,000	1.48%
Energy Rebates	12,795	0.08%
Existing Reserves	5,000	0.03%
PHARE	1,000,000	5.93%
MFHDC Capital Magnet Fund	250,000	1.48%
TD Housing for Everyone	125,000	0.74%
Total Financing	\$ 16,852,238	100.00%

Γ	PRA
	Maximum Rates
	Maximum \$2 million
1	

Development Costs				PRA
Construction Costs				Maximum Rates
General Requirements	\$	328,752	5.18%	
Building Demolition 0		0	3.1070	
Selective Demolition		O		
Site Work 201,000		0		
Offsite Improvements		· ·		
Environ Remed(gc con) 9,000				
Sub-total Site Work		210,000		
Structures		5,269,206		
Builders Profit		328,752		
Builders Overhead		109,584		
Bond Premium		62,463		
Building Permits		50,000		
Construction Contingency		317,938	5.00%	3% (nc)/5.0%(rehab)
Other:		0		
Other:		0		
Total Construction Costs	\$	6,676,695		
Fees				
Architectural Fee - Design	\$	290,142		See PHFA Guidelines
Architectural Fee- Adiminstration	,	110,725		See PHFA Guidelines
Legal - Development		70,000		
Civil Engineering		24,000		
Survey		19,225		
Soil/Structural Report		8,000		
Environmental Audit		78,000		
Energy Audit		20,000		
Project Capital Needs Asssessment		36,000		
Property Appraisal		23,000		
Market Study		8,000		
Cost Certification		15,000		
Other: Historical Consultant		30,000		
Other: DCED State HTC Fees		1,600		
Other: NPS Fees		16,627		
Fees Subtotal	\$	750,319		

Misc. Development Charges   Sand Multifamily Housing Applic Fee   Sand Agency Legal Closing Common Area   Sand Agency Legal Closing Common Area   Sand Agency Legal Common Agency Common Agency Legal Common Agency Common	
Multifamily Housing Applic Fee	
Agency Légal Closing Fee         5,000           Tax Credit Reservation Fee         27,138           Tax Credit Carryover Allocation Fee         0           Tax Credit Cost Certificatin Fee         1,000           Furnishings (Common Area)         30,000           Rent-up expense         0           Relocation         30,000           Utility Tap in, Hook up, & Municipal Fee         500           Subsidy Layering Review Fee         2,000           Other         0           Misc. Development Subtotal         \$ 368,788           Construction & Financing Charges         Construction Loan Interest         \$ 146,893           Construction Loan Interest         \$ 146,893           Construction Loan Credit Enhancement         0           Construction Loan Application Fee         52,963           Taxes During Construction         67,431           Itile Insurance         72,500           Recording         5,000           PHFA Construction Servicing Fee         6,000           Other         0           Construction/Financing Subtotal         \$ 397,561           Permanent Financing         \$ -           Agency Loan Reservation Fee         0           Permanent Loan Origination Fee         0 </td <td></td>	
Tax Credit Reservation Fee         27,138           Tax Credit Corty Allocation Fee         0           Tax Credit Corty Certificatin Fee         1,000           Furnishings (Common Area)         30,000           Relocation         300,150           Utility Tap in, Hook up, & Municipal Fee         500           Subsidy Layering Review Fee         2,000           Other         0           Misc. Development Subtotal         \$ 368,788           Construction Loan Interest         \$ 146,893           Construction Loan Origination Fee         41,250           Construction Loan Origination Fee         52,963           Taxes During Construction         5,524           Insurance During Construction         67,431           Title Insurance         72,500           Recording         5,000           PHFA Construction/Financing Subtotal         \$ 397,561           Permanent Financing           Agency Loan Reservation Fee         0           Agency Loan Origination Fee         0           Permanent Loan Origination Fee         0           Permanent Loan Credit Enhancement         0           Cost of Issuance/Underwriters Discount         49,875           Other: PHFA 42 m fees         7,500	
Tax Credit Carryover Allocation Fee 1,000 Furnishings (Common Area) 30,000 Rent-up expense 0 0 Rent-up expense 0 0 Rent-up expense 0 0 Subsidy Layering Review Fee 2,000 Utility Tap in, Hook up, & Municipal Fee Subsidy Layering Review Fee 0,000 Utility Tap in, Hook up, & Municipal Fee Subsidy Layering Review Fee 0,000 Utility Tap in, Hook up, & Municipal Fee 2,000 Utility Tap in, Hook up, & Municipal Fee 300 Subsidy Layering Review Fee 0,000 Utility Tap in, Hook up, & Municipal Fee 5,000 Utility Tap in, Hook up, & Municipal Fee 5,000 Utility Tap in, Hook up, & Municipal Fee 5,000 Utility Tap in, Hook up, & Municipal Fee 5,000 Utility Tap in, Hook up, & Municipal Fee 7,000 Whisc. Development Subtotal \$146,893 Construction Loan Interest \$146,893 Construction Loan Origination Fee 41,250 Construction Loan Origination Fee 52,963 Taxes During Construction 67,431 Titlle Insurance 72,500 Recording 5,000 PHFA Construction Servicing Fee 6,000 Uther Construction Servicing Fee 6,000 Uther Construction Financing Subtotal \$397,561  Permanent Financing Agency Loan Reservation Fee \$- Agency Loan Grightion Fee 9 Permanent Loan Origination Fee 9 Permanent Financing Subtotal \$397,561  Permanent Financing Subtotal \$3,500 Permanent Financing Subtotal \$138,375  Land and Building Purchase Acquisition of Land \$600,000 Acquisition of Existing Structures 5,095,000 Acquisition of Existing Structures 5,005,000 Closing Costs 116,748 Demolition Of Existing Structures 5,000 Other: Existing Reserves 5,000	
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Furnishings (Common Area)   30,000   Rent-up expense   0   0   0   0     Relocation   300,150   300,150     Utility Tap in, Hook up, & Municipal Fee   500     Subsidy Layering Review Fee   0   0     Misc. Development Subtotal   \$ 368,788      Construction & Financing Charges	
Rent-up expense   0   Relocation   300,150   Utility Tap in, Hook up, & Municipal Fee Subsidy Layering Review Fee	
Relocation	· · · · · · · · · · · · · · · · · · ·
Utility Tap in, Hook up, & Municipal Fee Subsidy Layering Review Fee         2,000           Other         2,000           Misc. Development Subtotal         \$ 368,788           Construction & Financing Charges         146,893           Construction Loan Interest         \$ 146,893           Construction Loan Origination Fee         41,250           Construction Loan Application Fee         52,963           Taxes During Construction         5,524           Insurance During Construction         67,431           Title Insurance         72,500           Recording         5,000           PHFA Construction Servicing Fee         6,000           Other         0           Construction/Financing Subtotal         \$ 397,561           Permanent Financing         \$ 397,561           Permanent Financing         \$ 0           Agency Loan Reservation Fee         0           Permanent Loan Origination Fee         0           Permanent Loan Credit Enhancement         0           Cost of Issuance/Underwriters Discount         49,875           Other: PHFA 42 m fees         7,500           Other: PHFA TEFRA Notice Fee         3,500           Permanent Financing Subtotal         \$ 138,375           Land and Building Purch	0 per unit/\$600 pres
Subsidy Layering Review Fee         2,000           Other         0           Misc. Development Subtotal         \$ 368,788           Construction & Financing Charges         Construction Loan Interest           Construction Loan Origination Fee         41,250           Construction Loan Application Fee         52,963           Taxes During Construction         67,431           Insurance During Construction         67,431           Ititle Insurance         72,500           Recording         5,000           PHFA Construction Servicing Fee         6,000           Other         0           Construction/Financing Subtotal         397,561           Permanent Financing         397,561           Permanent Loan Origination Fee         0           Agency Loan Orignation Fee         0           Permanent Loan Origination Fee         0           Permanent Loan Origination Fee         55,000           Permanent Loan Credit Enhancement         0           Cost of Issuance/Underwriters Discount         49,875           Other: PHFA 42 m fees         7,500           Other: PHFA 42 m fees         7,500           Other: PHFA TEFRA Notice Fee         3,500           Permanent Financing Subtotal         \$ 138,3	
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Misc. Development Subtotal         \$ 368,788           Construction & Financing Charges         Construction Loan Interest         \$ 146,893           Construction Loan Origination Fee         41,250           Construction Loan Application Fee         52,963           Taxes During Construction         67,431           Insurance During Construction         67,431           Ititle Insurance         72,500           Recording         5,000           PHFA Construction Servicing Fee         6,000           Other         0           Construction/Financing Subtotal         \$ 397,561           Permanent Financing         \$ -           Agency Loan Reservation Fee         \$ -           Agency Loan Orignation Fee         55,000           Permanent Loan Origination Fee         55,000           Permanent Loan Credit Enhancement         0           Cost of Issuance/Underwriters Discount         49,875           Other: PHFA 42 m fees         7,500           Other: PHFA 42 m fees         7,500           Other: PHFA 42 m fees         3,500           Permanent Financing Subtotal         \$ 138,375           Land and Building Purchase         5,095,000           Acquisition of Existing Structures         5,095,000 <t< td=""><td></td></t<>	
Construction & Financing Charges         \$ 146,893           Construction Loan Interest         \$ 146,893           Construction Loan Origination Fee         41,250           Construction Loan Application Fee         52,963           Taxes During Construction         5,524           Insurance During Construction         67,431           Title Insurance         72,500           Recording         5,000           PHFA Construction Servicing Fee         6,000           Other         0           Construction/Financing         397,561           Permanent Financing         Agency Loan Reservation Fee           Agency Loan Origination Fee         0           Permanent Loan Credit Enhancement         0           Cost of Issuance/Underwriters Discount         49,875           Other: Conversion Costs         22,500           Other: PHFA 42 m fees         7,500           Other: PHFA TEFRA Notice Fee         3,500           Permanent Financing Subtotal         138,375           Land and Building Purchase         8           Acquisition of Existing Structures         5,095,000           Acquisition Legal Fees         10,000           Closing Costs         116,748           Demolition Of Existing Structures	
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Permanent Loan Credit Enhancement  Cost of Issuance/Underwriters Discount Other: Conversion Costs Other: PHFA 42 m fees Other: PHFA TEFRA Notice Fee Permanent Financing Subtotal  Land and Building Purchase Acquisition of Land Acquisition of Existing Structures Acquisition Legal Fees Closing Costs Demolition Of Existing Structures Other: Existing Reserves  0  0  0  0  0  0  0  0  0  0  0  0  0	
Cost of Issuance/Underwriters Discount Other: Conversion Costs Other: PHFA 42 m fees Other: PHFA TEFRA Notice Fee 3,500 Permanent Financing Subtotal \$138,375   Land and Building Purchase Acquisition of Land \$600,000 Acquisition Legal Fees 10,000 Closing Costs 116,748 Demolition Of Existing Structures 5,000 Other: Existing Reserves 5,000	
Other: Conversion Costs Other: PHFA 42 m fees Other: PHFA TEFRA Notice Fee 3,500 Permanent Financing Subtotal  Land and Building Purchase Acquisition of Land Acquisition of Existing Structures Acquisition Legal Fees Closing Costs Demolition Of Existing Structures Other: Existing Reserves  22,500 7,500  600,0	
Other: Conversion Costs Other: PHFA 42 m fees Other: PHFA TEFRA Notice Fee 3,500 Permanent Financing Subtotal  Land and Building Purchase Acquisition of Land Acquisition of Existing Structures Acquisition Legal Fees Closing Costs Demolition Of Existing Structures Other: Existing Reserves  22,500 7,500  600,0	
Other: PHFA 42 m fees 7,500 Other: PHFA TEFRA Notice Fee 3,500 Permanent Financing Subtotal \$ 138,375  Land and Building Purchase Acquisition of Land \$ 600,000 Acquistion of Existing Structures 5,095,000 Acquisition Legal Fees 10,000 Closing Costs 116,748 Demolition Of Existing Structures 0 Other: Existing Reserves 5,000	
Other: PHFA TEFRA Notice Fee 3,500  Permanent Financing Subtotal \$ 138,375   Land and Building Purchase Acquisition of Land \$ 600,000 Acquistion of Existing Structures 5,095,000 Acquisition Legal Fees 10,000 Closing Costs 116,748 Demolition Of Existing Structures 0 Other: Existing Reserves 5,000	
Permanent Financing Subtotal\$ 138,375Land and Building Purchase\$ 600,000Acquisition of Land\$ 600,000Acquistion of Existing Structures5,095,000Acquisition Legal Fees10,000Closing Costs116,748Demolition Of Existing Structures0Other: Existing Reserves5,000	
Acquisition of Land \$ 600,000  Acquisition of Existing Structures 5,095,000  Acquisition Legal Fees 10,000  Closing Costs 116,748  Demolition Of Existing Structures 0  Other: Existing Reserves 5,000	
Acquisition of Land \$ 600,000 Acquistion of Existing Structures 5,095,000 Acquisition Legal Fees 10,000 Closing Costs 116,748 Demolition Of Existing Structures 0 Other: Existing Reserves 5,000	
Acquistion of Existing Structures 5,095,000 Acquisition Legal Fees 10,000 Closing Costs 116,748 Demolition Of Existing Structures 0 Other: Existing Reserves 5,000	
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Closing Costs 116,748  Demolition Of Existing Structures 0  Other: Existing Reserves 5,000	
Demolition Of Existing Structures 0 Other: Existing Reserves 5,000	
Other: Existing Reserves 5,000	
1	
Total Banks and Conta	
Total Replacement Costs \$ 14,158,486	

## Project: Parkside Neighborhood Preservation Development Budget

Dovolonmo	ant Basariyaa						
	ent Reserves		æ				
Operating F Tranformati			\$ \$ \$	-			
			φ	-			0.4.040
	sidy Reserve		φ	-			\$ 1,240
	Tax Reserve 1 yr		\$ \$ \$ \$	24,105			
	Reserve 1 yr		ф	52,597			
	ice Reserve		<b>\$</b>	500,000			
	Intial Deposit			82,000			
Reserve	es Subtotal		\$	658,702			
Developer'	's Fee		\$	1,500,000			\$ 846,349
<u>Syndicatio</u>							
Organizatio			\$	2,500			
Bridge Ioan	interst during cons	truction	\$	200,155			
	n Interest After Con-	struction	\$	32,258			
	n Fees & Expenses		\$\$\$\$\$\$\$	137,037			
Legal Fees			\$	45,000			
Accounting			\$	11,000			
Compliance			\$	65,600			
Other: Inves	stor due diligence		\$	41,500			
Syndica	ntion Fees Subtota	1	\$	535,050	-		
Total De	evelopment Costs		\$	16,852,238	=		
					<b>.</b>		
		otal Units		82			
	<u>T</u>	otal Sq. Ft.		118,841	]		
				per unit	per sq. ft.		
	Total Construction Cos	sts	\$	81,423	\$ 56		
	Total Replacement Co	sts	\$	172,664	\$ 119		
	Total Development Co	sts	\$	205,515	\$ 142		
	Replacement Cost + D	ev. Fee	\$	190,957	\$ 132	_	\$ 225
			-	Cost Analysis			
Proposed Unit	Mix					Blended per Unit Cost All	<u>lowable</u>
0 Bdrm	1	units @	\$	206,974	per unit	\$ 206,974	
1 Bdrm	66	units @	\$	237,265	per unit	\$ 15,659,490	
2 Bdrm	13	units @	\$	288,519	per unit	\$ 3,750,747	
3 Bdrm	2	units @	\$	373,251		\$ 746,502	
4 Bdrm	0	units @	\$	409,711	per unit	\$ -	
Totals	82					\$ 20,363,713	
Cost per Unit	Allowable		\$	248,338	per unit		
Cost per Unit			\$		per unit	Allowable	Waiver Required?
Cost per Sau	are Foot Allowable		\$	225	psf		NO
					•	Allowable	
Cost per Sq. I			\$	132	psf		
I	120% of 234-Condon	nınium			69.53%	ine % needs to be 100%	%/below otherwise bidding is req'd

## Project: Parkside Neighborhood Preservation Development Budget

HOME Maximum Subsidy							
Maximum 234- Condo-Elevator			183,954	per unit	allowable		
DHCD HOME Funding		\$	24,390	per unit			
Developer's	s Fee Analys	sis/Maxim	um Developer's	Fee Allow	vable for Project		
Total Replacement Cost		\$	14,158,486				
less acquisition costs			(5,695,000)				
Basis for Developer's Fee ===>		\$	8,463,486				
Total Fee Allowable		\$	846,349			Waive	r Required?
Developer Fee for Project		\$	1,500,000		Allowable	NO	
less reinvested dev. Fee		\$	(746,554)				
Net Developer's Fee for Project		\$	753,446				
Scope of Construction:	rehab	Eleva	tor in Building	j?	yes		
(rehab or nc)		(yes	or no)				

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ange a		
ine 7.	отпа	
al V	Prof	
	rating	
6	Ope	

Rental Income																									
	Uni	Unit Distribution				. 1	Tenant Pa	Tenant Paid Rents*				Rental A	Rental Assistance Payment	ayment			Utility Allowance**	ince**				Total Ho	Total Housing Costs		
Type	0%-20%	20-30%	30-60%	Total	0%-50%		20-30%	30-60%	%	Total	0%-50%		20%-40%	20%-60%	ļ	Total	0%-20%		20-30%	30-60%	Total	0%-20%		20%-40% 5	20%-60%
0 Bdr	0	0	-	-	69	69	•	€9	620 \$	620	69	<del>69</del>		€9	69		49	€9	<del>69</del>	2	69	8	9	<del>69</del>	684
1 Bdr	0	0	55	22	69	· 69	•	69	199 \$	10,922	€9	69		69	\$ 299	36,120	69	· <del>69</del>	· <del>69</del>	8	69	8 8			950
1 Bdr- Mob	0	0	6	6	69	69	•	69	199 \$	1,787	69	٠	•	69	\$ 299	5,911	69	69	69	92	69	\$ 82	69	<del>69</del>	950
1 Bdr - Sen	0	0	2	2	€9	5	•	69	199 \$	397	€9	٠		69	\$ 299	1,313	69	€9	<del>69</del>	92	69	\$ 26	9	<del>\$</del>	951
1 Bdr	0	0	0	0	€9	<del>69</del>	•	69	<del>ده</del> ا		69	٠	•	69	69		69	<del>69</del>	69	•	69	<del>69</del>	<b>€</b> >	<del>69</del>	
1 Bdr	0	0	0	0	69	69	•	69	٠		69	٠	•	69	69		69	69	69	•	69	69	69	<del>69</del>	
2 Bdr	0	0	13	13	€9	5	•	69	434 \$	5,648	€9	٠		69	555 \$	7,213	69	€9	<del>69</del>	108	69	108 \$	9	<del>\$</del>	1,097
2 Bdr Mob or §	0	0	0	0	€9	<del>69</del>	•	69	<del>ده</del> ا		69	٠	•	69	69		69	<del>69</del>	69	•	69	<del>69</del>	<b>€</b> >	<del>69</del>	
3 Bdr	0	0	2	2	€9	<del>69</del>	•	69	\$ 69	137	69	<del>69</del>		69	1,323 \$	2,645	<del>69</del>	<del>69</del>	<del>69</del>	137	69	137 \$	69	<del>69</del>	1,528
4+ Bdr	0	0	0	0	49	<del>69</del>	•	69	<b>⇔</b>		69	٠		69	69		69	€9	69	•	69	<del>69</del>	<b>€</b> >	<del>59</del>	
Total	0	0	82	82																					
% of Units	%0	%0	100%	400%				Total	* -	19,511				Total	\$	53,202	**Average UA by BR type	by BR type			s	593			
					*Average	*Average tenant paid rents by BR type; does not include rental subsidy	ents by BR	type; does	not include	rental subsidy															
* Please include	Please include utility alllowance schedule for approval	e schedule for	approval		Note that	Note that the property's one OBR unit is one of only 7 unsu	Sone OBR (	unit is one c	only 7 uns	subsidized units, w	bsidized units, where the tenant pays the full 50% AMI rent	he full 50% A	4MI rent												
** If rental subsidy please after excel spreadsheet to reflect per unit subsidy	dy please alter e	xcel spreadshe	et to reflect pe	er unit subsidy																					

2.0%	3.0%	200

	-	2	3	4	2	9	7	8	6	10	#	12	13	14	15	16	17	18	19	20
Income from Operations Gross Rental Income Rental Subsidy- Type Vacancy	\$ 234,132 638,424 43,628	\$ 238,815 651,192 44,500	\$ 243,591 664,216 45,390	\$ 248,463 677,501 46,298	\$ 253,432 691,051 47,224	\$ 258,501 \$ 704,872 48,169	\$ 263,671 718,969 49,132	\$ 268,944 733,348 50,115	\$ 274,323 748,015 51,117	\$ 279,809 762,976 52,139	\$ 285,406 778,235 53,182	\$ 291,114 793,800 54,246	\$ 296,936 809,676 55,331	\$ 302,875 825,870 56,437	\$ 308,932 842,387 57,566	\$ 315,111 859,235 58,717	\$ 321,413 876,419 59,892	\$ 327,841 893,948 61,089	\$ 334,398 911,827 62,311	\$ 341,086 930,063 63,557
NET RENTAL INCOME	\$ 828,928	\$ 845,507	\$ 862,417	\$ 879,665	\$ 897,259	\$ 915,204	\$ 933,508	\$ 952,178	\$ 971,222	\$ 990,646	\$ 1,010,459	\$ 1,030,668	\$ 1,051,281	\$ 1,072,307	\$ 1,093,753	\$ 1,115,628	\$ 1,137,941	\$ 1,160,700	\$ 1,183,914	\$ 1,207,592
Other Income - Service	\$ 3,215	\$ 3,280	\$ 3,345	\$ 3,412	\$ 3,480	\$ 3,550	\$ 3,621	\$ 3,693	\$ 3,767	\$ 3,843	\$ 3,919	\$ 3,998	\$ 4,078	\$ 4,159	\$ 4,243	\$ 4,327	\$ 4,414	\$ 4,502	\$ 4,592	\$ 4,684
EFFECTIVE GROSS INCOME	\$ 832,143	\$ 848,786	\$ 865,762	\$ 883,077	\$ 900,739	\$ 918,754	\$ 937,129	\$ 955,871	\$ 974,989	\$ 994,489	\$ 1,014,378	\$ 1,034,666	\$ 1,055,359	\$ 1,076,466	\$ 1,097,996	\$ 1,119,956	\$ 1,142,355	\$ 1,165,202	\$ 1,188,506	\$ 1,212,276
Operating Expenses Management Fee	\$ 65,739	\$ 67,054	\$ 68,395	\$ 69,763	\$ 71,158	\$ 72,582	\$ 74,033	\$ 75,514	\$ 77,024	\$ 78,565	\$ 80,136	\$ 81,739	\$ 83,373	\$ 85,041	\$ 86,742	\$ 88,476	\$ 90,246	\$ 92,051	\$ 93,892	\$ 95,770
Operating & Maintenance	39,885	41,092 131,389	32,906 42,325 135,331	43,594 139,391	34,906 44,902 143,572	46,249 147,880	30,920 47,637 152,316	39,034 49,066 156,886	59,175 50,538 161,592	52,054 166,440	53,616 171,433	55,224 176,576	56,881 181,873	58,587 187,330	60,345 192,949	46, 160 62, 155 198,738	43,820 64,020 204,700	55,940 210,841	27,946 67,919 217,166	04,227 69,956 223,681
Water/Sewer Payroll Expense	54,690	56,331 166,152	58,021 171,137	59,761	61,554	63,401	65,303 192,616	67,262	69,280 204,346	71,358	73,499	75,704	77,975	80,314	82,724 244,000	85,205 251,320	87,761	90,394	93,106	95,899
Property Taxes & Insurance	82,389	84,861	87,407	90,029	92,730	95,511	98,377	101,328	104,368	107,499	110,724	114,046	117,467	120,991	124,621	128,359	132,210	136,177	140,262	144,470
Replacement Reserve	41,000	42,230	43,497	44,802	46,146	47,530	48,956	50,425	51,938	53,496	55,101	56,754	58,456	60,210	62,016	63,877	65,793	67,767	69,800	71,894
TOTAL EXPENSES	\$ 603,514	\$ 620,962	\$ 638,920	\$ 657,404	\$ 676,428	\$ 600,969 \$	\$ 716,164	\$ 736,908	\$ 758,261	\$ 780,238	\$ 802,860	\$ 826,144	\$ 850,111	\$ 874,781	\$ 900,174	\$ 926,311	\$ 953,216	\$ 980,910	\$ 1,009,417	\$ 1,038,760
NET OPERATING INCOME	\$ 228,630	\$ 227,825	\$ 226,842	\$ 225,674	\$ 224,311	\$ 222,744	\$ 220,965	\$ 218,963	\$ 216,728	\$ 214,250	\$ 211,519	\$ 208,522	\$ 205,248	\$ 201,686	\$ 197,822	\$ 193,644	\$ 189,139	\$ 184,292	\$ 179,089	\$ 173,516
Debt Service	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620	170,620
Cash Flow after Debt Service	\$ 58,010	\$ 57,205	\$ 56,222	\$ 55,054	\$ 53,691	\$ 52,124	\$ 50,345	\$ 48,343	\$ 46,108	\$ 43,630	\$ 40,899	\$ 37,902	\$ 34,628	\$ 31,066	\$ 27,202	\$ 23,024	\$ 18,519	\$ 13,672	\$ 8,469	\$ 2,896
Supportive Service	0	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	\$ 0	0 \$	0 \$	0 \$	\$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$
Cash Flow After Supp Services	\$ 58,010	\$ 57,205	\$ 56,222	\$ 55,054	\$ 53,691	\$ 52,124	\$ 50,345	\$ 48,343	\$ 46,108	\$ 43,630	\$ 40,899	\$ 37,902	\$ 34,628	\$ 31,066	\$ 27,202	\$ 23,024	\$ 18,519	\$ 13,672	\$ 8,469	\$ 2,896
Other: Investor Service Fee	5,000	5,000	5,000	5,000	5,000	2,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	2,000	5,000	5,000	2,000	5,000	5,000	2,896
Secondary Cash Flow	\$ 53,010	\$ 52,205	\$ 51,222	\$ 50,054	\$ 48,691	\$ 47,124	\$ 45,345	\$ 43,343	\$ 41,108	\$ 38,630	\$ 35,899	\$ 32,902	\$ 29,628	\$ 26,066	\$ 22,202	\$ 18,024	\$ 13,519	\$ 8,672	\$ 3,469	0 \$



#### MEMORANDUM

TO:

Lynn Newsome, DHCD Compliance Director

FROM:

Tori Engelstad, Community Investment Group

SUBJECT:

Economic Opportunity Plan

Parkside Neighborhood Preservation

DATE:

October 29, 2020

Attached please find the Economic Opportunity Plan the Parkside Neighborhood Preservation Development. If the Plan meets the DHCD's goals, please fill out the bottom half of this memorandum. Thank you.

Project Name:

Parkside Neighborhood Preservation

Project Address(s):

1237 Belmont Ave., 1239 Belmont Ave., 1241 Belmont Ave., 1243 Belmont Ave., 4104 Parkside Ave., 4106 Parkside Ave., 4201 Girard Ave., 4202 Parkside Ave., 4208 Parkside Ave., 4210 Parkside Ave., 4216 Parkside Ave., 4218 Parkside Ave., 4222 Parkside Ave., 4238 Parkside Ave., 4240 Parkside Ave., and

4244 Parkside Avenue

Owner:

MF Parkside Preservation LLC

General Partner:

MF Parkside Preservation Manager LLC

Developer:

Mission First Housing Development Corporation

Unit Breakdown:

82 - rental units

Funding Amount:

\$2,000,000 - Housing Trust Funds

General Contractor:

Columbus Property Management & Development, Inc.

Construction Cost:

\$6,332,323

Total Development Cost:

\$16,718,570

I, Lynn Newsome, have reviewed the Affirmative Action Plan and approved the plan submitted by (the contractor) for (the project) for the following goals:

MBE Goals:

16%

WBE Goals: 14%

DBE Goals:

Lynn T. Newsome

10/29/2020

Lynn Newsome

Date

### **GENERAL CONTRACTOR'S PAST CONTRACTS WITH RDA:**

Contract: Inglis Accessible Housing Date:

Projected MBE Goals: 18% Achieved MBE: 26%

Projected WBE Goals: 7% Achieved WBE: 10%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: Melville Way Date:

Projected MBE Goals: 18% Achieved MBE: 8%

Projected WBE Goals: 7% Achieved WBE: 9%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: Melon 1 Corporation Date:

Projected MBE Goals: 18% Achieved MBE: 10%

Projected WBE Goals: 7% Achieved WBE: 0%

Projected DBE Goals: 2% Achieved DBE: 0%

# City of Philadelphia Economic Opportunity Plan

PARKSIDE PRESERVATION INITIATIVE 4201 GIRARD AVE., 4104, 4106, 4202, 4208, 4210, 4216, 4218, 4222, 4238, 4240, and 4244 PARKSIDE AVE., 1237-43 BELMONT AVE PHILADLEPHIA, PA 19104

I. Introduction, Definitions, Goals and Diversity Practices

The City of Philadelphia, acting through its offices of the Division of Housing and Community Development ("DHCD") and Office of Economic Opportunity ("OEO") (collectively, "City") and the Philadelphia Redevelopment Authority ("PRA") strongly encourage the use of certified Minority ("MBE"), Women ("WBE"), Disabled ("DSBE") and Disadvantaged¹ ("DBEs") Business Enterprises (collectively, "M/W/DSBEs") and minority and female workers in all aspects of the development and use of a parcel(s) of land located at 4201 Girard Ave., 4104, 4106, 4202, 4208, 4210, 4216, 4218, 4222, 4238, 4240, and 4244 Parkside Ave., 1237-43 Belmont Ave. Philadelphia, PA 19104, which may include financial investment, design, construction and operations (Project). In support of this objective, City and PRA will require that the MF Parkside Preservation LLC ("Purchaser") of this parcel commit to this Economic Opportunity Plan ("EOP" or "Plan") as required by Section 17-1602 of The Philadelphia Code, as amended.

This Plan contains ranges of projected M/W/DSBE utilization and goals for the employment of minority and female workers in connection with the Project. Purchaser shall cause this Plan to be made part of and incorporated into all bids, proposals and solicitations and any resulting agreement(s) entered into between Purchaser and any participant in connection with the development and use of the parcel. By submission of this Plan, Purchaser makes a legally binding commitment to the City and PRA to abide by the provisions of this Plan which include its commitment to exercise its Best and Good Faith Efforts throughout the project and its commitment to cause its participants to use their Best and Good Faith Efforts to provide subcontracting opportunities for M/W/DSBEs in all phases of the project and to employ a diverse workforce. This Plan expressly applies to all contracts awarded in connection with the Project.

Neither Purchaser nor any participant shall discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, gender identity, ancestry, age, or handicap in the award and performance of contracts pertaining to this Plan. Purchaser has summarized its current and past practices relating to Purchaser's diversity practices ("Diversity Practices Statement"). This statement, included as Attachment "A" to this Plan, identifies and describes Purchaser's processes used to develop diversity at all levels of Purchaser's organization including, but not limited to, board and managerial positions. This Diversity Practices Statement summarizes Purchaser's strategic business plans specific to its current or past practices of M/W/DSBE utilization on its government and non-government projects and procurement activities. Purchaser further agrees to identify any "Equity Ownership" held in connection with this Project which shall mean the percentage of beneficial ownership in the Purchaser's

<sup>&</sup>lt;sup>1</sup>Disadvantaged Business Enterprises ("DBEs") are those socially or economically disadvantaged minority and woman owned businesses certified under 49 C.F.R. Part 26.

organization or development team that is held by minority persons, women and disabled persons. In the event Equity Ownership is identified, Purchaser agrees to abide by the reporting requirements enumerated in Section 17-1603 (1)(g)(.3).

Purchaser hereby verifies that all information submitted to the City in response to this Plan, is true and correct and is notified that the submission of false information is subject to the penalties of 18 Pa.C.S. Section 4904 (relating to unsworn falsification to authorities) and 18 Pa.C.S. Section 4107.2 (a)(4) (relating to fraud in connection with minority business enterprises or women's business enterprises).

For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by OEO. Only the work or supply effort of firms that are certified as M/W/DSBEs by an OEO approved certifying agency² will be eligible to receive credit as a Best and Good Faith Effort. In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered M/W/DSBEs maintained by the OEO and available online at www.phila.gov/oeo/directory.

For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives herein stated. Best and Good Faith Efforts are rebuttably presumed met, when commitments are made within the M/W/DSBE Participation Ranges established for this development and a commitment is made to employ a diverse workforce as enumerated herein.

#### II. Goals

### A. M/W/DSBE Participation Ranges

The City of Philadelphia has established a citywide goal of 35% M/W/DSBE utilization as informed by its Annual Disparity Study.<sup>3</sup> This citywide goal should be used as a benchmark for the Purchaser's expression of Best and Good Faith Efforts which are efforts taken by Purchaser to provide meaningful and representative opportunities for M/W/DSBEs in the Project. For this project, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable through the exercise of Best and Good Faith Efforts is stated below as participation ranges. These percentages relate to the good faith estimated cost of the entire Project. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g. MBE and WBE and DSBE or WBE and DSBE) will only be credited toward one participation range as either an MBE or WBE or DSBE. The firm will not be credited toward more than one category. These ranges are based upon an analysis of factors such as the size and scope of the development and the availability of MBEs, WBEs, DSBEs and DBEs to participate in this Project:

<sup>&</sup>lt;sup>2</sup>A list of "OEO approved certifying agencies" can be found at www.phila.gov/oeo

<sup>&</sup>lt;sup>3</sup> The City of Philadelphia FY'16 Annual Disparity Study recommends a an overall goal of 35% based upon an analysis of FY'16 utilization and availability.

MBE	WBE
16%	14%

#### B. Workforce Goals for a Diverse Workforce

As a benchmark for the expression of "Best and Good Faith Efforts" to provide meaningful and representative opportunities for diverse workers in the Project, the following goals have been established for the employment of minority persons and females in the Project workforce of apprentices and journeymen at the following levels<sup>4</sup>:

African American Journeypersons – 22% of all journey hours worked across all trades Asian Journeypersons –3% of all journey hours worked across all trades Hispanic Journeypersons – 15% of all journey hours worked across all trades Female Journeypersons – 5% of all journey hours worked across all trades

Minority Apprentices – 50% of all hours worked by all apprentices Female Apprentices – 5% of all hours worked by all apprentices

### III. Responsiveness

- A. Purchaser shall, and shall cause its participants to identify all M/W/DSBE commitments and agree to employ a diverse workforce on the form entitled, "M/W/DSBE Participation and Workforce Commitments." The commitments on this form constitute a representation that the identified M/W/DSBE is capable of providing commercially useful goods or services relevant to the commitments and that the Purchaser and its participants have entered into legally binding agreements with the listed M/W/DSBEs for the work or supply effort described and the dollar/percentage amount(s) set forth on the form. In calculating the percentage of M/W/DSBE participation, the standard mathematical rules apply in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern.
- B. M/W/DSBE commitments are to be memorialized in a written subcontract agreement. Letters of intent, quotations, contracts, subcontracts and any other documents evidencing commitments with M/W/DSBEs, including the M/W/DSBE Participation and Workforce Commitments Form, become part of and an exhibit to this Plan.
- C. DHCD will review the M/W/DSBE Participation and Workforce Commitments Form for the purpose of determining whether Best and Good Faith Efforts have been made. DHCD reserves the right to request further documentation and/or clarifying information at any time during the construction and development of the Project.
- D. If Purchaser, its participants or any subsequent developer makes any changes in contracts that have been reviewed by DHCD under the Plan, or if Purchaser at the time of Closing has not yet identified contracts entered into for the development of the Project, then Purchaser, its participants or any subsequent developer shall have the obligation to inform DHCD of any

<sup>&</sup>lt;sup>4</sup> These goals are informed by the City of Philadelphia's annual disparity assessment of workforce diversity, the

<sup>&</sup>quot;Economic Opportunity Plan Employment Composition Analysis Fiscal Year 2016."

changes to the approved Plan and shall use Best and Good Faith efforts to use M/W/DSBEs for any new contracts.

### IV. Compliance and Monitoring of Best and Good Faith Efforts

A. A hard copy of this Plan, as certified below by OEO, shall be filed with the Chief Clerk of City Council within fifteen (15) days of Closing. The Plan shall be filed with:

Michael Decker, Chief Clerk of City Council Room 402 City Hall Philadelphia, Pennsylvania 19107

- B. Purchaser and its participants agree to cooperate with DHCD in its compliance monitoring efforts, and to submit, upon the request of DHCD, documentation relative to their implementation of the Plan, including the items described below:
  - Copies of signed contracts and purchase orders with M/W/DSBE subcontractors;
  - Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation; and
  - Telephone logs and correspondence relating to M/W/DSBE commitments.
  - To the extent required by law, the Purchaser and its participants shall ensure that all its on-site contractors maintain certified payrolls which include a breakout of hours worked by minority and female apprentices and journeypersons; these documents are subject to inspection by the City.

### C. Prompt Payment of M/W/DSBEs

 The Purchaser and its participants agree and shall cause all its contractors to ensure that all M/W/DSBEs participating in the Project receive payment for their work or supply effort within five (5) business days after receipt of a proper invoice following satisfactory performance.

### D. Oversight Process

1. Where the dollar value of development is in excess of Five Million Dollars (\$5,000,000), the Plan shall establish a Project Oversight Committee, consisting of, as appropriate, the contractor, developer or recipient of financial assistance and representatives of the Purchaser, PRA, OEO, DCHD, City Council, and appropriate community organizations. Such Committee shall meet regularly, beginning no later than the initiation of the design phase of the project, and shall be responsible for facilitating compliance with the Plan. OEO will implement the Oversight Process, as required by Section 17-1603(b) of The Philadelphia Code. The Oversight Committee, through the Oversight Process, shall have within its purview the reconciliation of all compliance related issues or grievances. The Oversight Committee Process, as needed, will involve convening individual consultation or periodic small group meetings to include any or all of the constituent parties.

### V. Remedies and Penalties for Non-Compliance

A. The Purchaser acknowledges and agrees that its compliance with the requirements of this Plan is a material inducement for the Ordinance of City Council and Purchaser's failure to substantially comply with the Plan may result in enforcement actions and the imposition of penalties as authorized by Sections 17-1605 and 17-1606 of The Philadelphia Code. Notwithstanding the foregoing, no privity of contract exists between PRA, the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither PRA nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.

MF Parkside Preservation LLC	
PRINT NAME OF PURCHASER	DATE
-lalk	10/29/2020
SIGNATURE OF PURCHASER	10/28/2020 DATE
OIONATORE OF TOROHADER	DAIL
LYNN NEWSOME, DHCD COMPLIANCE DIRECTOR	DATE
IOLA HARPER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY <sup>5</sup>	DATE

[See Forms on following pages; these Forms, must be submitted by Purchaser]

<sup>&</sup>lt;sup>5</sup> Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.

### V. Remedies and Penalties for Non-Compliance

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MF Parkside Preservation LLC	
PRINT NAME OF PURCHASER	DATE
-/alk	10/28/2020
SIGNATURE OF PURCHASER	DATE
Lynn T. Newsome	10/29/2020
LYAN NEWSOME, DHCD COMPLIANCE DIRECTOR	DATE
TOLA HARPER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY <sup>5</sup>	11/2/2020 DATE

[See Forms on following pages; these Forms, must be submitted by Purchaser]

<sup>&</sup>lt;sup>5</sup> Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.

Item III (b) CS001

PHILADELPHIA, PA 19102 SCATTERED SITES PARKSIDE, BELMONT & CIRARD AVES.

PHFA# TC2020- 144/N-175
PARKSIDE APARTMENTS

Eugene F. Schiavo LIC. #:RA-014472-B

LOCATION MAP

AVERFOR

**VICINITY MAP** 

60% DESICH DEVELOPMENT SET - 9/1/20

Asociates.com

VARIOUS SITES

existing refrigerators more than 15 years old will be labeled type. Existing heat pumps, air conditioning wall air conditioners more than 20 years old will be

**DRAWING LIST** 

PROJECT TEAM

SIGNATURE BLOCK

OWNER: MF Parkside Preservation LLC J. Alfredo de la Pena

ARCHITECT: Kitchen and Associat Eugene Schiavo, AIA, PP, LEED® AP

**BELMONT** 

PA

TERED SITES

PENNSYLVANIA HOUSING FINANCE AGENCY

TABULAR SCHED

APPLICANT'S CERTIFICATION

RTIFICATION

APPLICANT'S CE

APPLICANT'S CERTIFICATION

CERTIFICATION

APPLICANT'S

As the design architect, I certify that:

FPS

To the best of my knowledge and belief I certify that I have designed the rely development in conformance with the following rules and regulations as they this development and as amended by Federal, State and local authorities.

The Fair Housing Act of 1988 & Fair H

EFS CAD ANSI A117.1-2009 (or edition currently

FFS CAD Pennsylvania Uniform Construction Cc

EFS CAD Uniform Federal Accessibility Standard

19102 N-175

PHE

the following threshold criteria. (Initial all that apply) The #29 for any threshold criteria that will not be provided gating factors responsible for the inability to meet the

As the design architect, I hereby certify that I either have designed or will design development to include the following number of units to meet current accessibility Number of existing fully accessible units (by current standards): XERO Number of fully accessible units provided: NIME (0)

Number of accessible units required under local mandate: NAM Number of accessible units required under state mandate: Number of accessible units required under federal mandate. Number of fully accessible units provided: NAM

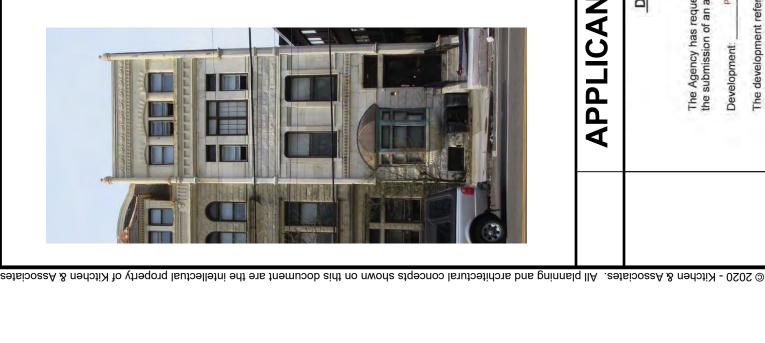
650 to 950 s.f. 850 to 1,300 s.f. 1,000 to 1,550 s.f. 1,200 to 1,750 s.f. 1,400 to 2,000 s.f. FLATS 90 to 200 s.f. 400 to 600 s. 550 to 850 s. 700 to 1,100 950 to 1,350 1,100 to 1,55

EFS CAS

exceed the energy efficiency requirements of Energy 8 stuced HERS index as indicated below. Check the ncrease energy efficiency by achieving s Zero Energy Ready Home Program.

3IMcloud: bimmgr.local - BIMcloud/19006\_Parkside/19006\_PARKSIDE,COVERSHEET,Thursday, October 22, 2020,1:24 PM





PHILADELPHIA, PA 19102 SCATTERED SITES PARKSIDE, BELMONT & CIRARD AVES.

PHFA# TC2020- 144/N-175

60% DESICH DEVELOPMENT SET

Item III (b)

CS002

**PARKSIDE APARTMENTS** 



ROVIDE ADEQUATE BLOCKING FOR ALL WALL MOUNTED CCESSORIES AND CABINETS IN NEW WORK, INCLUDING FOR RAB BARS IN ALL TOILET ROOMS / BATHROOMS.

NLARGED DRAWINGS/DETAILS SHALL TAKE PRECEDENCE WER SMALLER SCALE DRAWINGS.

: 5-B (EXISTING)
CIRCA 1890
32' (EXISTING - VARIES)
82 (EXISTING); 82 (PROPOSED)

CONSTRUCTION TYPE: AGE OF STRUCTURE: BUILDING HEIGHT: NUMBER DWELLINGS: 8

ETAILS AND SECTIONS ON THE DRAWINGS ARE TAKEN AT PECIFIC LOCATIONS AND ARE INTENDED TO SERVE AS YPICAL CONSTRUCTION FOR ALL SIMILAR CONDITIONS. IODIFICATIONS SHALL BE MADE BY THE CONTRACTORS T CCOMMODATE MINOR VARIATIONS.

NOT SCALE DRAWINGS. MATERIALS, FENESTRATIONS AND TANCES SHOWN SHALL BE SUPERSEDED BY WRITTEN TEXTOMENSIONS.

IMENSIONS ARE TO STUD AND/OR FACE OF MASONRY, NLESS NOTED OTHERWISE

2017 OF PHILADELPHIA ADMINIST RATIVE CODE
2018 INTERNATIONAL EXISTING BUILDING CODE
2018 INTERNATIONAL BUILDING CODE
2018 INTERNATIONAL MECHANICAL CODE
2018 INTERNATIONAL PLUMBING CODE
2018 INTERNATIONAL FUEL GAS CODE
2018 INTERNATIONAL FUEL GAS CODE
2018 INTERNATIONAL FUEL GAS CODE
2017 NATIONAL ELECTRIC CODE
2017 NATIONAL ELECTRIC CODE
2017 PHILADELPHIA FIRE CODE

NTHROOM

FPLACE DOOR: EXISTING FRAME AND TRIM. REPLACE DOOR
WITH 6-PANEL DOOR, LATCH AND HINGES. PREP AND PAINT.

FPLACE FLOORING: IF HARDWOOD, REFINISH. IF VCT, THEN
REPLACE WITH SHEET VINYL. IF CERAMIC OR PORCELAIN TILE,
THEN REPAIR.

REPAIR

REPAIR DRYWALL FINISH:

DRYWALL OR PLASTER SURFACES.

REPAIR CEILING FINISH:

AS REQUIRED, PREP AND REI

DRYWALL OR PLASTER SURFACES.

REPLACE LIGHT FIXTURE:

SEE ELECTRICAL DRAWINGS.

ADD DRYER VENTILATION: ADD OR REPAIR AS REQUIRED
ADD FIRE EXTINGUISHER: REPLACE EXISTING.

APARTMENT ENTRY
EXISTING FRAME AND TRIM. REPLACE
DOOR WITH SOLID CORE WOOD RATED 6-PANEL DOOR. PREPAND PAINT.

LEGEND

ARCHITECTURAL

AS REQUIRED, PREP AND REPAIR DRYWAL

REPAIR WALL FINISH: SURFACES.

ARE NO EXISTING H&VI UNITS

CE WINDOW:
IF STREET OR SIDE EXPOSURE, F
OR REPLACE HISTORIC WOOD WINDOW. REPAIR/REPLAC
INTERIOR STORM WHERE PRESENT. IF REAR EXPOSURE
REPLACE WITH ENERGY STAR VINYL WINDOW.
CE HOT WATER HEATER: SEE MECHANICAL DRAWINGS.

PLACE DOOR HARDWARE: REPLACE HINGES, LATCH, DEADBOLT, CHAIN LATCH, PEEP, CLOSER, WEATHERSTRIPPING. KICKPLAT AT HC UNITS.

PROVIDE FLOATING ENG

PLACE FLOORING: HARDWOOD FLOOR.

EPLACE LIGHT FIXTURE: SEE ELECTRICAL DRAWINGS.
EPLACE CLOSET DOOR: EXISTING FRAME AND TRIM. REPLADOOR WITH 6-PANEL DOOR, LATCH AND HINGES. PREP AND PAINT.

EPAIR DRYWALL FINISH: AS REQUIRED, PREP AND I DRYWALL OR PLASTER SURFACES. EPAIR CEILING FINISH: AS REQUIRED, PREP AND I DRYWALL OR PLASTER SURFACES.

APPLICABLE BUILDING CODES:

CITY OF PHILADELPHIA ADMINISTRATIVE CODE

2018 INTERNATIONAL EXISTING BUILDING CODE

2018 INTERNATIONAL BUILDING CODE

L BUILDINGS ARE OCCUPIED RESIDENTIAL BUILDII ENERAL CONTRACTOR SHALL COORDINATE WORK CHEDULE WITH OWNER.

HE WORD "PROVIDE" MEANS THE GENERAL CONTRACTOR UY NEW, FURNISH AND INSTALL THE GIVEN PRODUCT OR YSTEM.

L WORK SHALL BE IN CONFORMANCE WITH ALL FEDERAL IATE AND LOCAL CODE AND ACTS, MANUFACTURER'S ECOMMENDATIONS AND INDUSTRY STANDARDS OF GOOD

ISHA REGULATIONS SHALL APPLY WHERE REQUIRED DUR HE COURSE OF THE WORK AS IT APPLIES TO WORKMEN'S AFETY. GENERAL CONTRACTOR SHALL DESIGNATE A SAFETY DIRECTOR" WHO SHALL BE RESPONSIBLE FOR ALISHA SAFETY REQUIREMENTS.

RESIDENTIAL, R-2
RESIDENTIAL, R-2
RM-1 (RESIDENTIAL ML

1239-43 BELMONT

4104 PARKSIDE

4201 GIRARD

RSA-3 (RESIDENTIAL S

ATTACHED-3)

4202 PARKSIDE

4208 PARKSIDE

4216 PARKSIDE

4216 PARKSIDE

4216 PARKSIDE

4218 PARKSIDE

4224 PARKSIDE

4244 PARKSIDE

WORD "PROVIDE" MEANS THE GENERAL CONTRACTOR TO BUY NEW, FURNISH AND INSTALL THE GIVEN PRODUCT OR SYSTEM

SURE, REF REPLACE OSURE,

REPLACE WINDOW:

OR REPLACE HISTORIC WOOD WINDOW. REPAIR/F
INTERIOR STORM WHERE PRESENT. IF REAR EXP
REPLACE WITH ENERGY STAR VINYL WINDOW.

LACE CLOSET DOOR: EXISTING FRAME AND TRIM. REPLAC DOOR WITH 6-PANEL DOOR, LATCH AND HINGES. PREPAND PAINT.

HALL (CORRIDOR)
REPLACE FLOORING:
HARDWOOD FLOOR.

EPLACE FLOORING/BASE: REPLACE MISSING HISTORIC CERAMIC OR PORCELAIN FLOOR AND WALL TILES TO MATCH IN ENTRY VESTIBULE. SOME BUILDINGS HAVE EXISTING WOOD PANELING WAINSCOT TO REMAIN.

EPLACE STAIR TREAD: REMOVE CARPET FROM STAIR. REFINISH WOOD. SECURE LOOSE TREADS. PROVIDE STAI TREAD CARPET TILE/MATS.

0 4 4

R WALL FINISH: AS REQUIRED, PREP AND RE-PLASTER HISTORIC WALL SURFACES.

AND PAINT/STAIN ALL EXTERIOR WOODWORK AND TRIM AND METAL DOORS TO MATCH EXISTING COATING TYPE.

GENERAL

GENERAL

CODE SUMMARY

**BUILDING DATA:** 

ACE ALL WINDOWS -UNIT. FIRST CHOICE FOR STREET AND SIDE FACING WINDOWS IS TO REPAIR THE WINDOW TO RESTORE TO FULL OPERABILITY. SOME WINDOWS HAVE INTERIOR STORMS WHICH ARE TO BE REPAIRED OR REPLACED. OTHER WINDOWS SHALL BE REPLACED WITH ENERGY STAR LOW-E GLAZED VINYL UNITS. WHERE PRESENT, BASEMENT WINDOW EXTERIOR METAL GRILLS TO REMAIN; PREP AND PAINT.

Y STAR) AND ND TRIM. PREP

EXTERIOR DOOR: INSULATED METAL DOOR (ENERG) HARDWARE PACKAGE WITHIN EXISTING FRAME AN AND PAINT.

ENTRY DOOR HISTORIC SOLID WOOD, DUTCH OR GLAZED SOLID WOOD DOOR SHALL BE REFINISHED. REPLACE WEATHERSTRIPPING. COORD WITH ACCESS CONTROL FOR SECURE LOCKING.

TWO BEDROOM TOTAL

ONE BEDROOM TOTAL

BELMONT AVE

UNIT DISTRIBUTION

SCOPE OF WORK MATRIX OUTLINE SPECIFICATION

HARDWOOD

PROVIDE FLOATING ENGIR

REPAIR DRYWALL FINISH: AS REQUIRED, PREP AND DRYWALL OR PLASTER SURFACES.

REPAIR CEILING FINISH: AS REQUIRED, PREP AND DRYWALL OR PLASTER SURFACES.

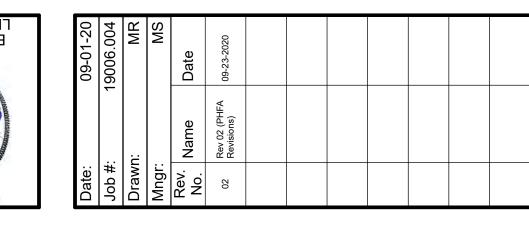
REPLACE LIGHT FIXTURE: SEE ELECTRICAL DRAWIN

LACE ROOF:

LOW-SLOPE ROOF SYSTEM TO BE REPLACED IN ITS ENTIRETY WITH WHITE TPO SYSTEM. EXISTING SLATE SHINGLES SHALL BE REPAIRED. ASPHALT SHINGLES TO BE REPLACED WITH HISTORIC STYLE ASPHALT SHINGLES. FRONT GUTTERS AND DOWNSPOUTS TO BE REPLACED WITH HISTORIC STYLE MODERN MATERIAL PRODUCTS. REAR GUTTERS AND DOWNSPOUTS TO BE REPLACED WITH HISTORIC STYLE MODERN MATERIAL PRODUCTS. REAR GUTTERS AND TIE DOWNSPOUTS INTO EXISTING BOOTS.

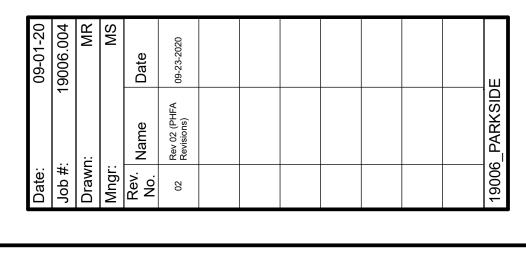
BRICK:
REPOINT BRICK AS REQUIRED WHERE
INDICATED. REPLACE MASONRY AND STONE SILLS AND HEADS
WHERE INDICATED IN KIND. PROVIDE MORTAR ANALYSIS AND
MORTAR DESIGN COMPATIBLE WITH EXISTING HISTORIC BRICK
USE HAND TOOLS.

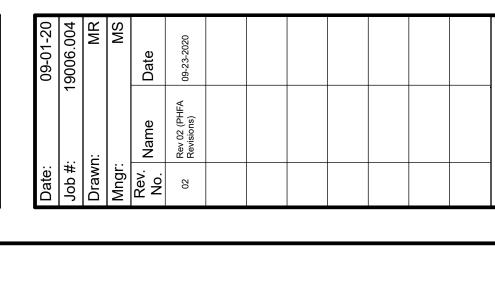
WHERE INDICATED, REPLACE MISSING SSED TIN CEILING PANELS TO MATCH EXISTIN

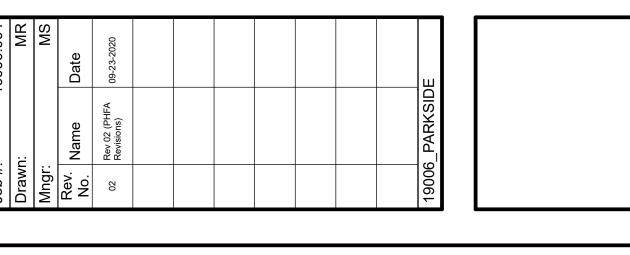


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		 		Name	Rev 02 (PHFA Revisions)				19006_PARKSIDE	
Date:	:# qof	Drawn:	Mngr:	Rev. No.	02				19006	

Date:		09-01-20
:# qof		19006.004
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Mngr:		MS
Rev. No.	Name	Date
02	Rev 02 (PHFA Revisions)	09-23-2020
19006	S PARKSIDE	Щ.



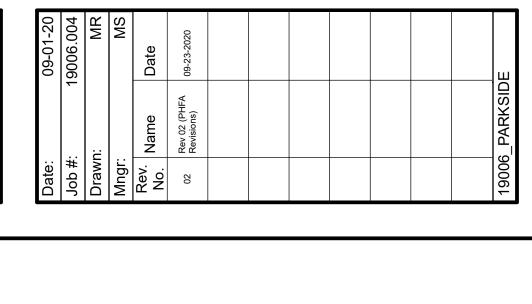




19006.004	MR MR	MS	Date	09-23-2020				  ш
			Name	Rev 02 (PHFA Revisions)				19006_PARKSIDE
Job #:	Drawn:	Mngr:	Rev. No.					19006

Date:		09-01-20
Job #:		19006.004
Drawn:	n:	MR
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Rev. No.	Name	Date
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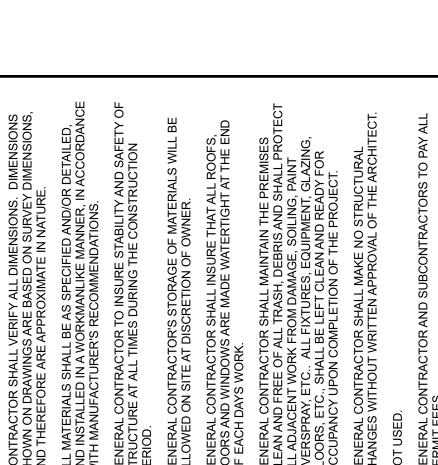
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Date:	:# qof	Dra	Mngr:	Rev. No.	02				

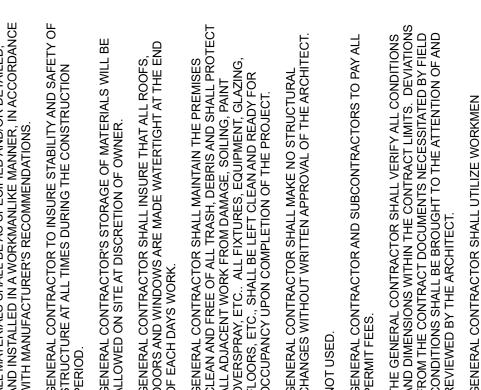


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DIMENDIONO.	ANNULAR SPACE PROTECTION: ANNULAR SPACE BETWEEN PENETRATING ITEM AND FIRE RATED ASSEMBLY PENETRATED SHALL BE FILLED THE FULL THICKNESS OF WALL WITH AN APPROVED MATERIAL / SYSTEM MAINTAINING THE INTEGRITY OF THE FIRE RATED ASSEMBLY.			
	GN 44			





SCOPE PER 2018 INTERNATIONAL EXISTING BUILDING CODE

PROJECT SCOPE

REFINISH TUB:

REPLACE TUB FIXTURE:

REPLACE TUB SURROUND:

REPLACE TUB SURROUND:

REPLACE TOILET:

WITH SEATAND COVER. SEE PLUMBING DRAWINGS.

REPLACE VANITY:

H TANK TYPI 3S.

CET. SEE

EPLACE VANITY: PRC CULTURED MARBLE EPLACE VANITY FAUCET: PLUMBING DRAWING

EPAIR CEILING FINISH: AS REQUIRED, PREP AND REPAIR DRYWALL OR PLASTER SURFACES.

EPLACE LIGHT FIXTURE: SEE ELECTRICAL DRAWINGS.

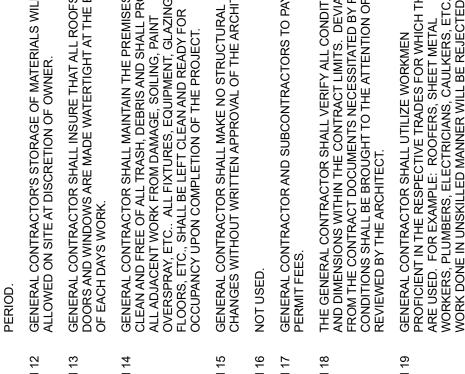
EPLACE CLOSET DOOR: EXISTING FRAME AND TRIM. REP. DOOR WITH 6-PANEL DOOR, LATCH AND HINGES. PREP AN PAINT.

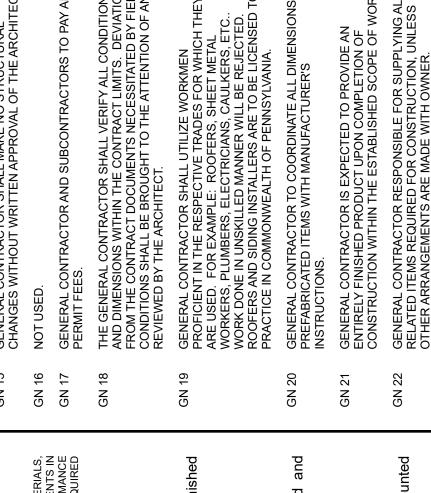
PAIR DRYWALL FINISH: AS REQUIRED, PREP AND REPAD BRYWALL OR PLASTER SURFACES.

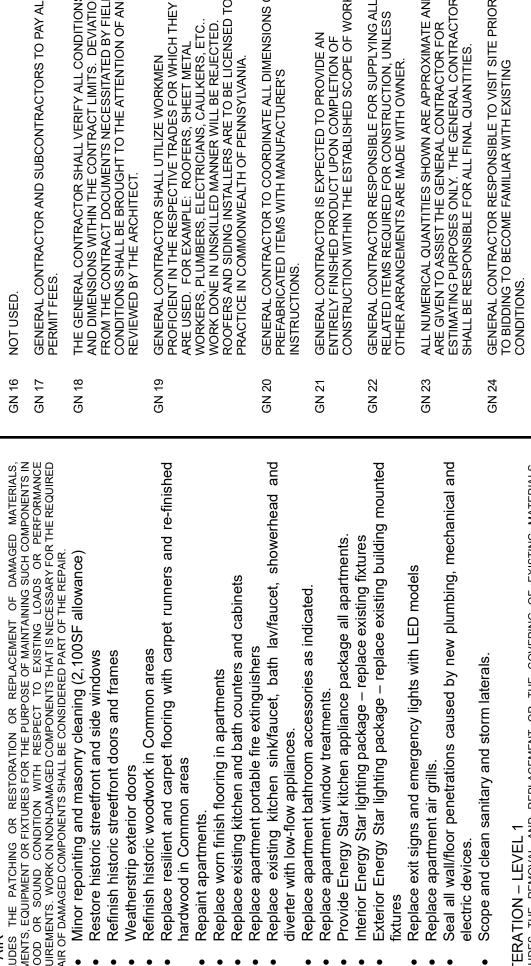
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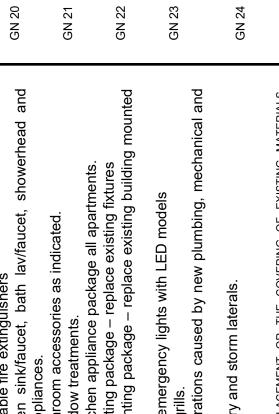
PLACE MED CABINET: PROVIDE METAL CABINET AND TWO INTERNAL SHELVES.

Project site has 16 two- to four-story reside The buildings were constructed circa 1890.









M. REPLAC

REPAIR CEILING FINISH:

AS REQUIRED, PREP AND RE
DRYWALL OR PLASTER SURFACES.

REPLACE LIGHT FIXTURE:

BOOR WITH 6-PANEL DOOR, LATCH AND HINGES. PRI
PAINT.

PLACE COUNTERTOP: REPLACE. PROVIDE SIDESPLASH
REQUIRED. CALK SPLASH TO WALL. SEE SPECIFICATIONS
PLACE REFRIGERATOR: PROVIDE ENERGY STAR FRIDGE.

ACE WALL & BASE CABINETS: REPLACE IN KIND. AT HANDICAP UNITS, PROVIDE CABINETRY AS INDICATED. SPECIFICATIONS

PAIR DRYWALL FINISH: AS REQUIRED, PREP AND DRYWALL OR PLASTER SURFACES.

EDROOM

EPLACE DOOR: EXISTING FRAME AND TRIM. REPLACE DOOF
WITH 6-PANEL DOOR, LATCH AND HINGES. PREP AND PAINT.

EPLACE FLOORING: PROVIDE FLOATING ENGINEERED
HARDWOOD FLOOR.

D/REPLACE GFI OUTLET: SEE ELECTRICAL DRAWINK
PLACE WINDOW: IF STREET OR SIDE EXPOS
OR REPLACE HISTORIC WOOD WINDOW. REPAIR/R
INTERIOR STORM WHERE PRESENT. IF REAR EXPOR

PROVIDE FLOATING ENGINEERED

VREPLACE ACCESS CONTROL: REPLACE DEDICATED AND WIRING TO NEW EXTERIOR CALL STATION.

ARTMENT KITCHEN

PROVIDE FLOATING ENGINEER

HARDWOOD FLOOR.

PAIR DRYWALL FINISH: AS REQUIRED, PREP AND REPA

DRYWALL OR PLASTER SURFACES.

AS REQUIRED, PREP AND REI DRYWALL OR PLASTER SURFACES.

RECESSED CABINET FIRE EXTINGUISHER

FEC

DETAIL NUMBER SHEET ON WHCH DETAIL APPEAR!

 $\bigcirc_{\mathcal{D}_{\mathcal{S}}}$ 

 $\boxtimes$ 

NTERIOR ELEV LETTER DETAIL NUMBER SHEET ON MHC

MALL MOUNTED FIRE EXTINGUISH

DING DOOR

SECTION NUMBER SHEET ON WHICH SECTION APPEAR

CD L

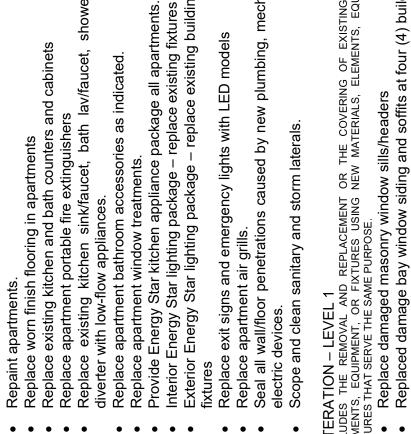
ELEVATION NUM! SHEET ON WHICH ELEVATION APP!

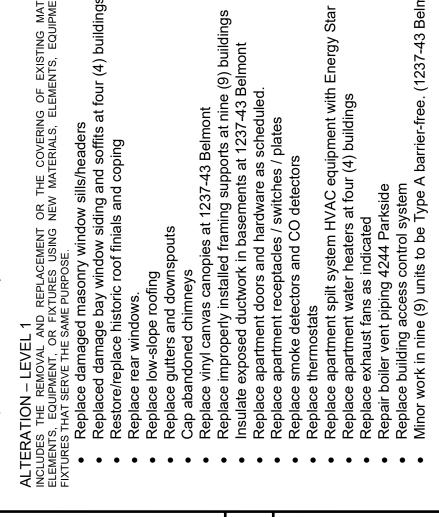
DRAMING

~ V

 $\varTheta$ 

EPLACE EXHAUST FAN: DRAWINGS. DD/REPLACE GFI OUTLET:





HERE NEW WORK CONNECTS TO, DISTURBS, IMPACTS OF ITERS THE EXISTING AND/OR ADJACENT BUILDING IN ANY AY, THE GENERAL CONTRACTOR SHALL FINISH EXISTING. ICESSARY TO PROVIDE CONTINUOUS TRANSITION.

HE OWNER WILL REMOVE ALL LOOSE FL REA FOR RENOVATION WORK.



- DEV. AREA STATS

**PHFA 2019 APP.** 

REPLACE COOLING SYSTEM: DISTRIBUTION SYSTEM TO REMAIN.

SEE MECHANICAL DRAWINGS.

REPLACE THERMOSTAT PROVIDE PROGRAMMABLE DEVICE.

SEE MECHANICAL DRAWINGS.

SMOKE/CO DETECTOR REPLACE EXISTING DEVICES. SEE ELECTRICAL DRAWINGS. PROVIDE 10-YR SEALED BATTERY SMOKE DETECTOR IN EACH BEDROOM IF NONE PRESENT.

MECH
REPLACE HEATING SYSTEM: DISTRIBUTION SYSTEM TO
SEE MECHANICAL DRAWINGS

EPLACE WINDOW:

OR REPLACE HISTORIC WOOD WINDOW. REPAIR/F
INTERIOR STORM WHERE PRESENT. IF REAR EXP
REPLACE WITH ENERGY STAR VINYL WINDOW.

EPLACE RANGE HOOD: PROVIDE HOOD TO MATCH EXISTING (RECIRC OR DUCTED EXHAUST). SEE SPECIFICATIONS.

HEARING & VISUALI IMPAIRED SYMBOL

INTERNATIONAL SYMBOL OF ACCESSIBILITY

102 A

-(M622

####

FLOOR FINISH TRANSITION DESIGNATION

REPLACE DISHWASHER: SEE SPECIFICATIONS.

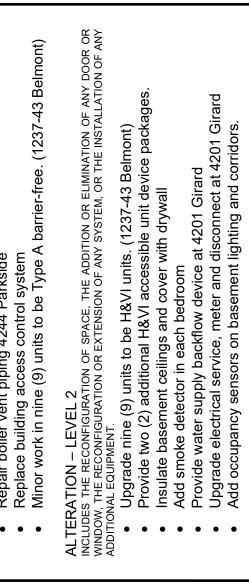
REPLACE MICROWAVE: SEE SPECIFICATIONS
REPLACE GARBAGE DISPOSAL: SEE SPECIFICATIONS
REPLACE SINK: REPLACE IN-KIND. SEE PLUMBING DRAWINGS.
REPLACE FAUCET AS SPECIFICATIONS
SEE PLUMBING DRAWINGS.

**ABBREVIATION** 

PLACE RANGE/OVER: SEE SPECIFICATIONS. PROVIDE SPLASH GUARD PANEL AT REAR, AND AT SIDE IF APPLIANI TUCKED IN A CORNER.

ACE DOOR: EXISTING FRAME AND TRIM. REPLACE DOOR WITH 6-PANEL DOOR, LATCH AND HINGES. PREP AND PAINT.

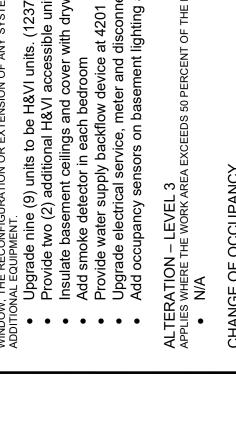
*mmercial & Commercial Re* (Check if cost is included in proj project)



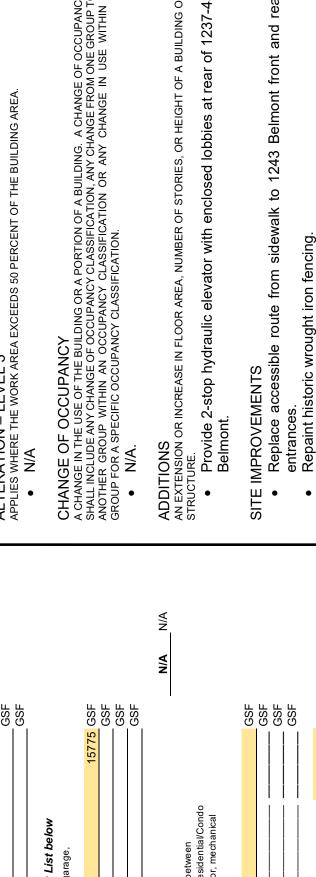
REMOVAL OF UTILITIES SHOWN ON DEMOLITION DRAWINGS SHALL BE ACCOMPLISHED BY APPROPRIATE CONTRACTOR (I.E., FIXTURE REMOVAL, CAPPING, ETC.), TO BE PLUMBING CONTRACTOR AND ARE INDICATED HERE FOR PURPOSES OF SCOPE. SEE HEATING, PLUMBING AND ELECTRICAL DRAWINGS FOR REMOVAL WITHIN THE APPROPRIATE CONTRACT.

HERE NEW WORK MEETS OR CONNECTS TO EXISTING RUCTURES, THEN THE PROJECT SCOPE INCLUDES DDIFICATIONS TO EXISTING AS REQUIRED TO COMPLETE ID FINISH THE RENOVATION AS INDICATED.

EATING, ELECTRICAL EQUIPMENT CONDUIT, PIPING AND ITEMS TO BE REMOVED SHALL BE REMOVED TO ABOVE IG, BELOW FLOOR, OR BEHIND WALL, CAPPED AND MAC



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IERAL CONTRACTOR SHALL NOT CONSIDER NEW ISTRUCTION AND DEMOLITION NOTES AND DETAILS TO BE INCLUSIVE. IT IS THE GENERAL CONTRACTOR'S PONSIBILITY TO INSPECT AND ASSESS EACH AREA AND TO FILL THE INTENT OF THE WORK INDICATED BY THE ITRACT DOCUMENTS.

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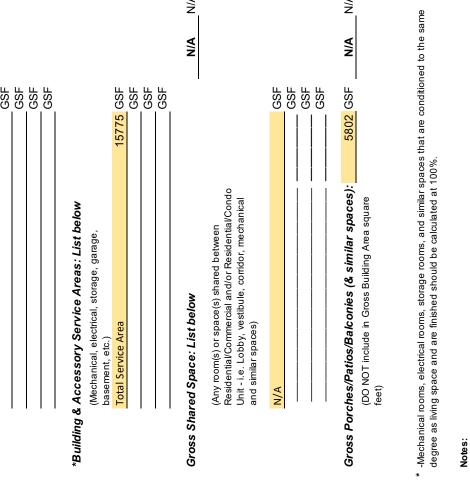
SPECT FLOORS FOR HIGH AND LOW AREAS. CONTRACTO O PROPERLY PREPARE SUBSTRATE AS REQUIRED BY FINIS OORING MANUFACTURER TO RECEIVE ALL NEW FINISHES

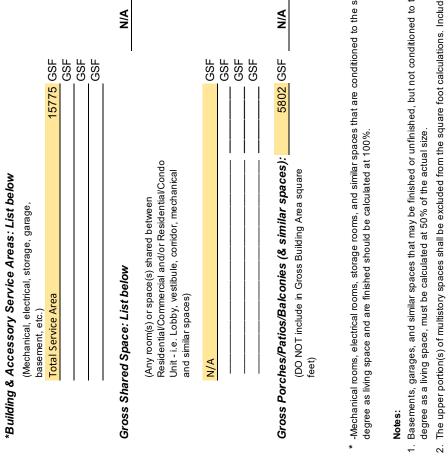
ON EXISTING WALLS NOTED TO REMAIN, EXISTING INTERIC FINISHES ARE TO BE REMOVED OR REPLACED AS NECESS, TO PROVIDE CONSISTENT APPEARANCE AND TO THE QUAL OF NEW FINISHES

LL PATCHING AND REPAIRING SHALL BE DONE BY THE CONTRACTOR WITH MATERIALS THAT MATCH EXISTING DJACENT MATERIALS (IN FINISH, TEXTURE AND MATER

IERAL CONTRACTOR TO TAKE ALL NECESSARY CAUTIONS TO SHUT DOWN EXISTING UTILITIES (WATER, AND ELECTRIC) TO AVOID DANGER TO EMPLOYEES AND UCTURE DURING DEMOLITION. VERIFY LOCATION OF STING UTILITIES PRIOR TO DEMOLITION.

GENERAL CONTRACTOR SHALL TAKE CARE IN DEMOLISHING BEARING WALLS AND OTHER STRUCTURAL ELEMENTS WITHOUT FIRST PROVIDING PROPER TEMPORARY SUPPORT DO NOT REMOVE TEMPORARY SUPPORT UNTIL PERMANENT BEARING WALLS AND STRUCTURAL ELEMENTS ARE CONSTRUCTED AND SECURED





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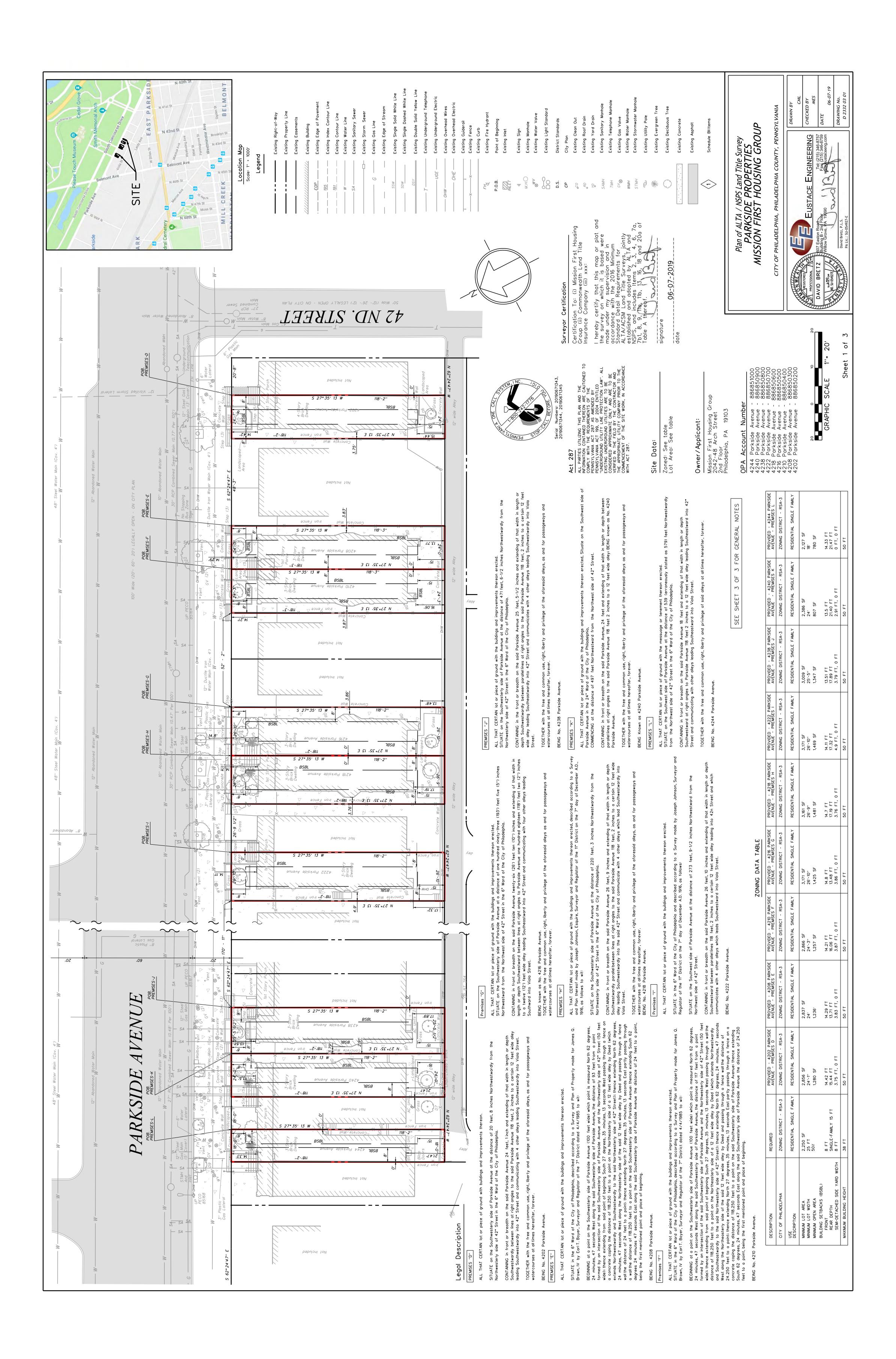
		Unit - I.e. Lobby, Vestibule, comdor, mechanical and similar spaces)
		N/A
	TUBEE	Gross Porches/Patios/Balconies (& similar spaces):
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	H&VI	* -Mechanical rooms, electrical rooms, storage rooms, and similar spa degree as living space and are finished should be calculated at 10
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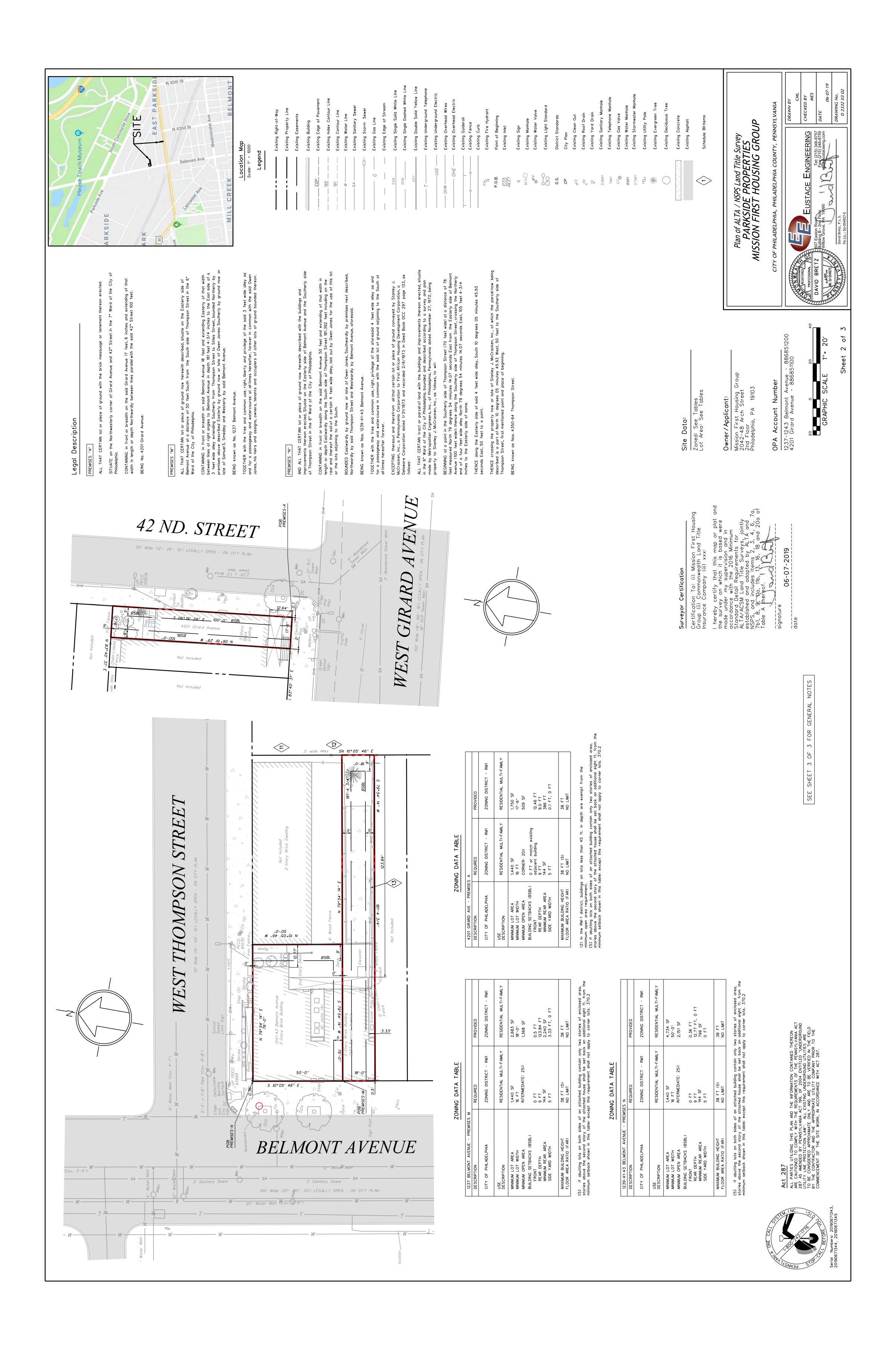
and similar spaces)	N/A		<b>Gross Porches/Patios/Balconies (&amp; simila</b> (DO NOT include in Gross Building Ar feet)		* -Mechanical rooms, electrical rooms, storage rooms, degree as living space and are finished should be o	Notes:	1. Basements, garages, and similar spaces that may be degree as a living space, must be calculated at 50% 2. The upper portion(s) of multistory spaces shall be extremely the the lowest floor area.			
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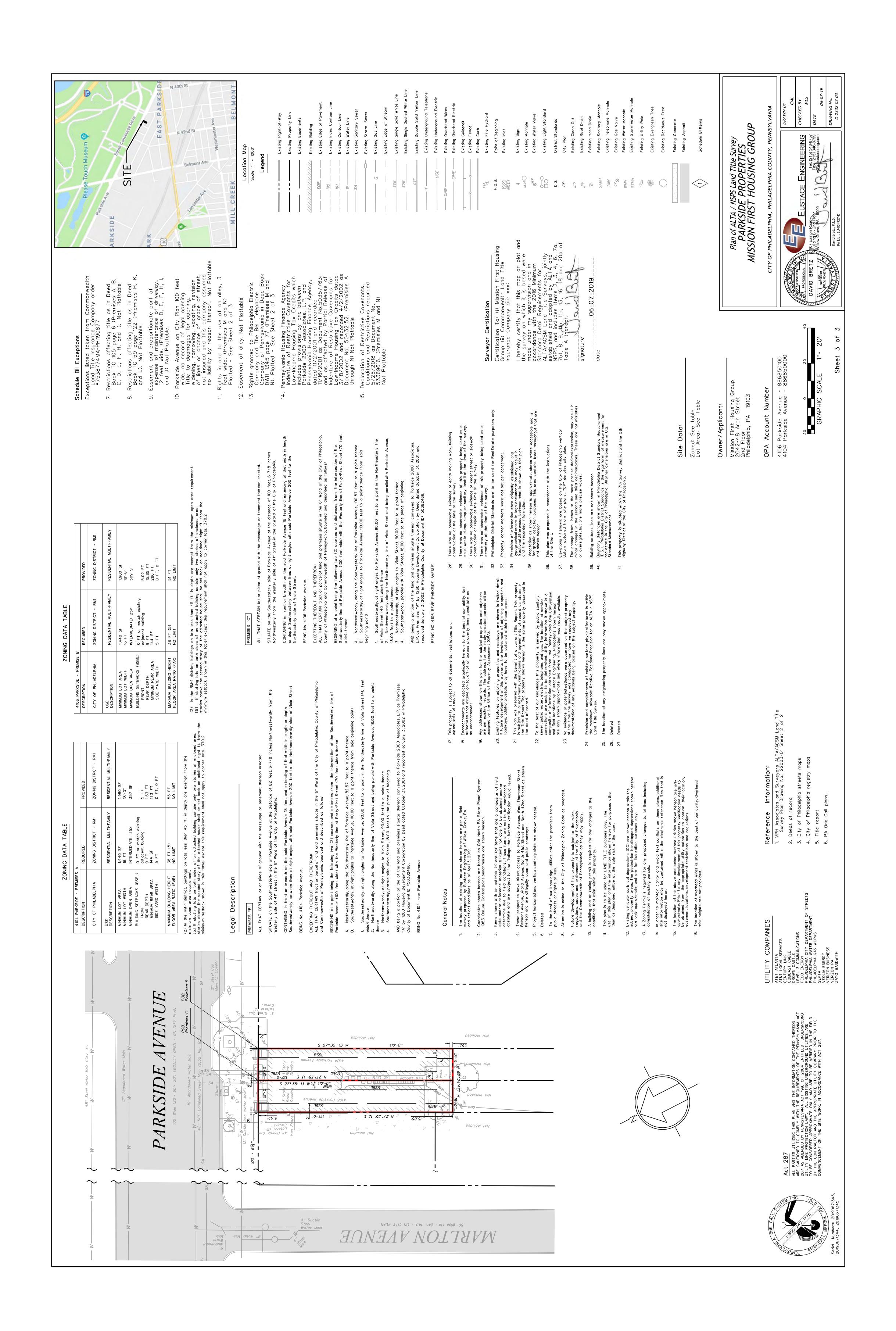
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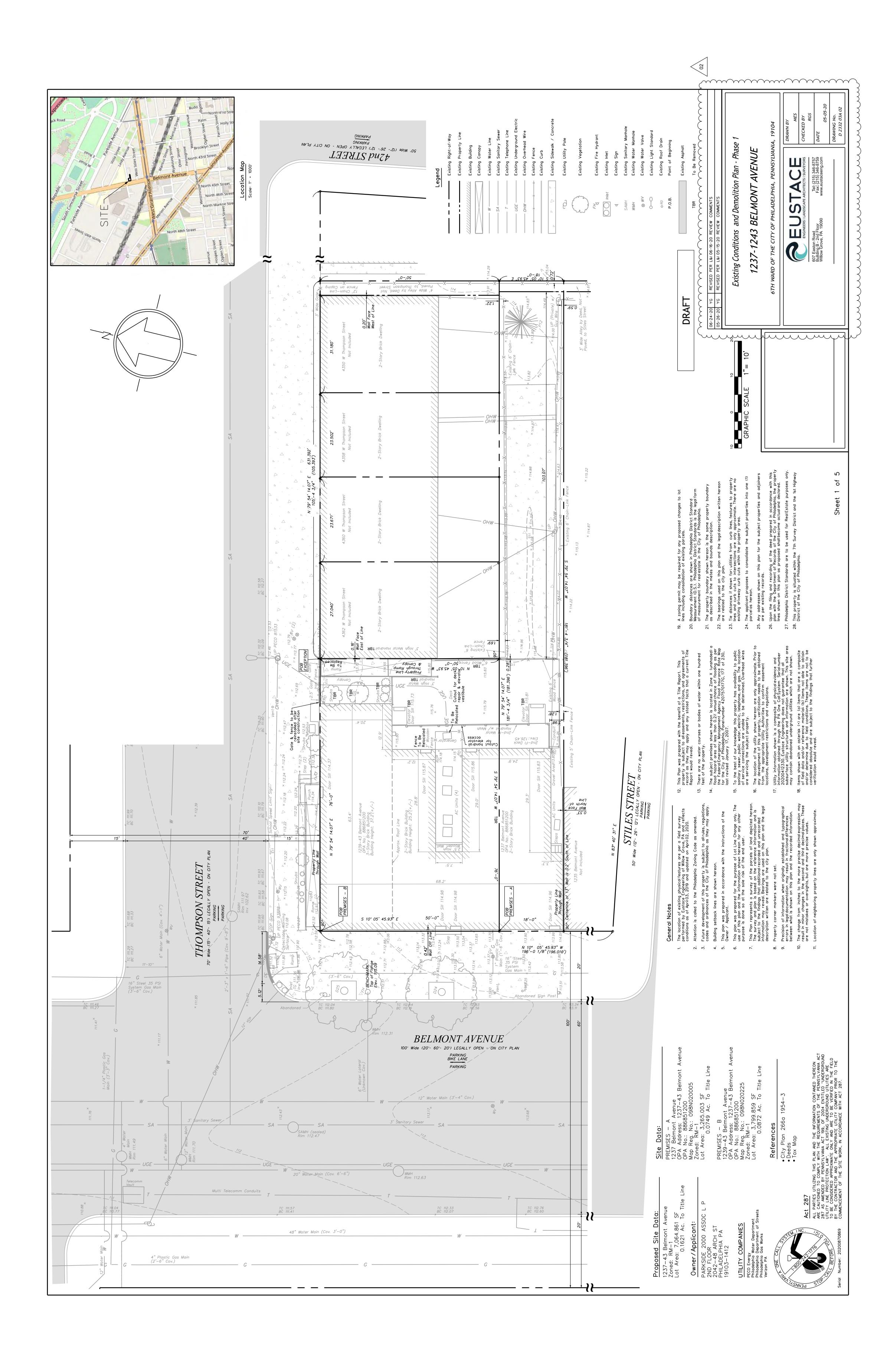




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#### **BOARD FACTSHEET**

Meeting of December 9, 2020 Rowan Judson Diamond Preservation Development New Financing and Modification of Existing Loans to 1900 North Judson Limited Partnership and 2700 Diamond Development Corporation

### TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority ("Authority") to enter into a non-recourse construction permanent loan with RJD 15 Limited Partnership ("RJD 15 LP") in an amount not to exceed Three Million Six Hundred Forty Thousand Dollars (\$3,640,000) ("Authority Loan"). The Authority Loan consists of assumed Authority debt in the amount of One Million Six Hundred Forty Thousand Dollars (\$1,640,000) ("Assumed Debt") from the Rowan Judson and Rowan Diamond developments (collectively, "Projects") and new financing in an amount not to exceed Two Million Dollars (\$2,000,000) ("New Financing").

### BACKGROUND INFORMATION

### Rowan Judson

In 1999, the Authority provided loans to 1900 North Judson Limited Partnership secured by three mortgages as evidenced by the following four notes: 1) HOME loan in the amount of \$320,000 ("Note 1"); 2) SHP loan in the amount of \$400,000 ("Note 2"); 3) CDBG loan in the amount of \$1,180,000 ("Note 3"); and CDBG loan in the original amount of \$650,000, as amended and reduced following a payment to a current balance of \$330,862 ("Note 4") (collectively, "Rowan Judson Notes"). The proceeds of the Rowan Judson Notes provided financing to assist in the substantial rehabilitation and new construction of 32 units of permanent rental housing for low-income residents located at 1901-1927, 1900-1906, 1912-1920 Judson Street ("Rowan Judson Properties"). Note 1 and Note 2 accrue interest at 5.67% and are payable on the fortieth (40<sup>th</sup>) anniversary of loan closing. Note 3 and Note 4, as amended, accrue no interest and are payable on the fortieth (40<sup>th</sup>) anniversary of loan closing.

### **Rowan Diamond**

In 2000, the Authority provided a loan to 2700 Diamond Development Corporation secured by two mortgages in the aggregate amount of \$1,310,668 evidenced by two notes, respectively in the amounts of \$1,002,465, and \$308,203 (collectively, "Rowan Diamond Notes"). The proceeds of the Rowan Diamond Notes provided financing to assist with the substantial rehabilitation of eight (8) units of permanent rental housing for low income residents located at 2721-2733 West Diamond Street ("Rowan Diamond Properties"). The Rowan Diamond Notes would be fully forgiven on the thirtieth (30th) anniversary of the initial occupancy of the Rowan Diamond Properties.

### PROPOSED PROJECT

The Projects will consist of the preservation/rehabilitation of thirty-nine (39) permanent rental housing for an existing low-income resident and one manager unit developed in 1999 and 2000 in three (3) buildings. The Projects have reached their fifteen (15) year low-income housing tax credit compliance period and the developer, Project HOME, has developed a preservation plan to keep the Projects affordable. Capital improvements will include: new HVAC systems, A/C units, roofing, window and flooring replacements, and other modernizing of the units. There are thirty-nine (39) units with sixteen (16) two-bedroom units, fifteen (15) three bedrooms, and eight (8) four-bedroom units. There is also a one-bedroom employee unit. There are nine (9) visitable units, Four (4) accessible units, and two (2) sensory units. The City of Philadelphia's ("City") Office of Homeless Services will provide rental subsidies through the Continuum of Care for all thirty-nine (39) units.

### PROPOSED FINANCING

To finance the Projects, Project HOME applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds and PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE"). In addition, Project HOME received a New Financing commitment from the Division of Housing and Community Development. The Authority Loan consists of Assumed Debt and New Financing. The Authority was asked to forgive approximately One Million Five Hundred Fifty-Six Thousand and Fifteen Dollars (\$1,556,015) of accrued interest and approximately Five Hundred Ninety Thousand Six-Hundred Eighty-Two Dollars (\$590,682) of principal on Note 1 and Note 2 on the Rowan Judson Notes and allow the self-amortizing Rowan Diamond Notes to be satisfied early. This request was made because the Rowan Judson Properties and the Rowan Diamond Properties appraised for One Million Eight Hundred Thousand Dollars (\$1,800,000) and PHFA will not permit an acquisition price higher than the appraised value. In addition, the investor performed a residual value analysis based on the trending income at 2% interest, expenses at 3% interest and vacancy at 5% interest over forty years and determined that the project cannot support more than One Million Six Hundred and Forty Thousand Dollars (\$1,640,000) in debt from the Authority.

### **BOARD ACTION**

The Board is asked to consent to the following:

- Permit the transfer of the Projects to RJD 15 LP;
- Forgive the accrued interest and approximately \$590,862 of principal on the Rowan Judson Notes:
- Permit forgiveness of self-amortizing Rowan Diamond Notes;
- Permit the assumption by RJD 15 LP of Assumed Debt;
- Provide a non-recourse construction/permanent loan in the amount of \$3,640,000 ("Authority Loan") with RJD 15 LP consisting of New Financing and

Assumed Debt. The proceeds of the Authority Loan will be used for the preservation of thirty-nine (39) units of permanent rental housing for low-income residents located on the Rowan Judson Properties and Rowan Diamond Properties. Upon completion, the units will target households at or below fifty (50%) percent of Area Median Income;

- The term of the Authority Loan will be for forty-two (42) years at 0% interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty-two (42) years;
- The Authority Loan will be secured by a fourth lien position behind construction financing provided by TD Bank, N.A., PHFA PHARE Funds and PHFA PennHOMES Funds. Upon payment of the construction loan, the Authority Loan will be in a third lien position.

### COMMENTS OR OTHER CONDITIONS:

The City has approved the Economic Opportunity Plan for the Rowan Judson Diamond Preservation Development. The Development Team has no outstanding tax issues. The Authority Housing Construction Department has approved the plans, specification, and construction costs. The Philadelphia Planning Commission has stated they do not need to review this Project due to the funding source.

Proposed Resolution is attached

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director Housing Finance

#### RESOLUTION NO.

RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION PERMENANT LOAN WITH RJD 15 LIMITED PARTNERSHIP AND TO PERMIT EXISTING AUTHORITY DEBT TO BE ASSUMED AND RESTRUCTURED UNDER NEW TERMS AND CONDITIONS

WHEREAS, in 1999, the Philadelphia Redevelopment Authority ("Authority") provided financing to 1900 North Judson Limited Partnership with a current principal balance of Two Million Two Hundred Thirty Thousand Eight Hundred Sixty-Two Dollars (\$2,230,862) ("Rowan Judson Loan"). The proceeds of the Rowan Judson Loan provided for the substantial rehabilitation and new construction of thirty-two (32) units of permanent rental housing for low income residents ("Rowan Judson Project") located at 1901-1927, 1900-1906, 1912-1920 Judson Street ("Rowan Judson Properties"); and

**WHEREAS,** the Rowan Judson Loan is evidenced by four (4) notes in the amounts of: (i) Three Hundred Twenty Thousand Dollars (\$320,000), (ii) Four Hundred Thousand Dollars (\$400,000), (iii) Three Hundred Thirty Thousand Eight Hundred Sixty-two Dollars (\$330,862), and (iv) One Million One Hundred Eighty Thousand Dollars (\$1,180,000), each payable to the Authority and secured by three mortgages on the Rowan Judson Properties; and

WHEREAS, in 2000, the Authority provided financing to 2700 Diamond Development Corporation in the amount of One Million Three Hundred Ten Thousand Six Hundred Sixty-Eight Dollars (\$1,310,668) ("Rowan Diamond Loan") for the substantial rehabilitation of Eight (8) units of permanent rental housing for low income residents ("Rowan Diamond Project") located at 2721-2733 West Diamond Street ("Rowan Diamond Properties"); and

**WHEREAS**, the Rowan Diamond Loan is evidenced by two (2) notes in the amounts of: (i) One Million Two Thousand Four Hundred Sixty-five Dollars (\$1,002,465), and (ii) Three Hundred Eight Thousand Two Hundred Three Dollars (\$308,203) payable to the Authority and secured by two (2) mortgages on the Rowan Diamond Properties; and

WHEREAS, Project HOME ("PH"), the sponsor of the Rowan Judson Project and Rowan Diamond Project (collectively, "Projects"), has developed a preservation plan to combine the Projects into a single project with thirty-nine (39) rental units and one (1) manager unit ("RJD Preservation Development") under one owner, RJD 15 Limited Partnership ("RJD 15 LP"); and

**WHEREAS,** RJD 15 LP will make capital improvements to the RJD Preservation Development and maintain the units as low-income housing for an additional forty (40) years; and

WHEREAS, to finance the RJD Preservation Development, PH applied and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low income housing tax credit/tax exempt bonds, PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE") and Federal Home Loan Bank funds ("FHLB"). In addition, PH received a financing commitment from the Division of Housing and Community Development in the amount of Two Million Dollars (\$2,000,000) ("New Financing"); and

**WHEREAS,** PH has requested the Authority consent to transfer the Projects and for RJD 15 LP to assume the Rowan Judson Loan in the amount of One Million Six Hundred Forty Thousand Dollars (\$1,640,000) ("Assumed Debt") under revised terms and to forgive its accrued interest; and

**WHEREAS**, PH has requested the Authority to forgive the self-amortizing Rowan Diamond Loan.

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

The Board is asked to consent to the following:

- Permit the transfer of the Rowan Judson Properties and Rowan Diamond Properties to RJD 15 LP;
- Permit forgiveness of accrued interest and approximately \$590,862 of principal on the Rowan Judson Notes;
- · Permit forgiveness of self-amortizing Rowan Diamond Loan;
- · Permit the assumption by RJD 15 LP of Assumed Debt;
- The Authority will provide a non-recourse construction/permanent loan in the amount of \$3,640,000 ("Authority Loan") with RJD 15 LP consisting of New Financing and Assumed Debt. The proceeds of the Authority Loan will be used for the preservation of thirty-nine (39) units of permanent rental housing for low-income residents and one manager unit located on the Rowan Judson Properties and Rowan Diamond Properties. Upon completion, the thirty-nine units will target households at or below fifty (50%) percent of Area Median Income;
- The term of the Authority Loan will be for forty-two (42) years at 0% percent interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty-two (42) years;
- The Authority Loan will be secured by a fourth lien position behind construction financing provided by TD Bank, N.A., PHFA PHARE Funds and PHFA PennHOMES Funds. Upon payment of the construction loan, the Authority Loan will be in a third lien position.

**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** Rowan Judson Diamond Preservation

Development

ADDRESS 1901-1927 Judson Street, 1900-1906 Judson Street

1912-1920 Judson Street, 2721-2733 West Diamond

Street ("Properties")

**OWNER** RJD 15 Limited Partnership

**GENERAL PARTNER**RJD General Partner Inc

**DEVELOPER** Project HOME

GENERAL CONTRACTOR McDonald Building Company LLC

TOTAL DEVELOPMENT COST \$13,746,807

TOTAL CONSTRUCTION COST \$9,084,155

**PRA FINANCING** \$2,000,000 Housing Trust Funds

& \$1.640.000 Assumed Debt

SCOPE OF CONSTRUCTION Preservation/Rehabilitation

### **PROJECT DESCRIPTION**

The Rowan Judson Diamond Development will consist of preservation/rehabilitation of 39 permanent rental housing for an existing low-income resident developed in 1999 and 2000 in three (3) buildings as part of the Rowan Judson and Rowan Diamond (collectively, "Project"). The Projects have reached their 15-year low-income housing tax credit compliance period and the developer Project HOME ("PH") has developed a preservation plan to keep the Projects affordable. Capital improvements will include: New HVAC systems, A/C units, roofing, window and flooring replacements, and other modernizing of the units. There are thirty-nine (39) units with sixteen (16) two-bedroom units, fifteen (15) three bedrooms, and eight (8) four-bedroom units. There is also a one-bedroom employee unit. There are nine (9) visitable units, four (4) accessible units, and two (2) sensory units. The City of Philadelphia Office of Homeless Services will provide rental subsidies through the Continuum of Care for all thirty-nine (39) units.

### **BACKGROUND INFORMATION**

### **Rowan Judson**

In 1999, the Authority provided loans to 1900 North Judson Limited Partnership secured by three mortgages as evidenced by the following four notes: 1) HOME loan in the amount of \$320,000 ("Note 1"); 2) SHP loan in the amount of \$400,000 ("Note 2"); 3) CDBG loan in the amount of

\$1,180,000 ("Note 3"); and CDBG loan in the original amount of \$650,000, as amended and reduced following a payment to a current balance of \$330,862 ("Note 4") (collectively, "Rowan Judson Notes"). The proceeds of the Rowan Judson Notes provided financing to assist in the substantial rehabilitation and new construction of 32 units of permanent rental housing for low-income residents located at 1901-1927, 1900-1906, 1912-1920 Judson Street ("Rowan Judson Properties"). Note 1 and Note 2 accrue interest at 5.67% and are payable on the fortieth (40<sup>th</sup>) anniversary of loan closing. Note 3 and Note 4, as amended, accrue no interest and are payable on the fortieth (40<sup>th</sup>) anniversary of loan closing.

The principal amount of the Rowan Judson Notes is Two Million Two Hundred Thirty Thousand Eight Hundred Sixty-Two (\$2,230,862) Dollars plus accrued interest of approximately One Million Five Hundred Fifty-Six Thousand and Fifteen (\$1,556,015) Dollars. The Authority was asked to forgive Five Hundred Ninety Thousand Six-Hundred Eighty Thousand Six-Hundred Eighty-Two (\$590,862) Dollars of principal and the accrued interest. This request was made because the Rowan Judson Properties and the Rowan Diamond Properties appraised for One Million Eight Hundred Thousand (\$1,800,000) Dollars and PHFA will not permit an acquisition price higher than the appraised value. In addition, the investor performed a residual value analysis based on the trending income at 2% interest, expenses at 3% interest and vacancy at 5% interest over forty years and determined that the project cannot support more than One Million Six Hundred and Forty Thousand (\$1,640,000) Dollars in debt from the Authority (\$1,640,000) ("Assumed Debt").

### **Rowan Diamond**

In 2000, the Authority provided a loan to 2700 Diamond Development Corporation secured by two mortgages in the aggregate amount of \$1,310,668 evidenced by two notes, respectively in the amounts of \$1,002,465, and \$308,203 (collectively, "Rowan Diamond Notes"). The proceeds of the Rowan Diamond Notes provided financing to assist with the substantial rehabilitation of 8 units of permanent rental housing for low income residents located at 2721-2733 West Diamond Street ("Rowan Diamond Properties"). The Rowan Diamond Notes would be fully forgiven on the thirtieth (30th) anniversary of the initial occupancy of the Rowan Diamond Properties. The Authority was asked to allow the self-amortizing Rowan Diamond Notes to be satisfied early.

### DEVELOPER/BORROWER DESCRIPTION

**RJD 15 Limited Partnership**, a Pennsylvania Limited Partnership, (the "Borrower") was formed for the sole purpose of developing this Project. RJD General Partner Inc will serve as the general partner. PH will serve as the developer/sponsor and will organize and advance the Project through the development process, structure the Project financing and syndication of equity proceeds. PH will also serve as property manager and service provider.

**Project HOME** a Pennsylvania nonprofit corporation has developed over 783 units of affordable rental units over the past 30 years using a combination of funds from the LIHTC program, CDBG, HOME, Supportive Housing Program, Affordable Housing Program, PennHOMES, NSP, and private sources. In addition, Project HOME has developed 49 homes for first-time homebuyers; preserved 152 units; manages

commercial buildings and retail space; provides case management; employment services; and coordinates street outreach. Below are the most recent projects:

- Ruth Williams House 88 new construction rental units located at 2415 North Board Street-total development cost \$23,820,000, PRA funding \$2 million, completed 2017.
- Gloria Casarez Residence 30 new construction rental units located at 1315 North 8<sup>th</sup> Street total development cost \$13,007,500, PRA funding \$3.5 million, completed 2019.
- Maguire Residence 42 new construction rental units located at 1920 East Orleans Street total development cost \$15,045,000, PRA funding \$2 million, completed in fall 2020.

#### PROJECT FINANCING

The Authority is providing a non-recourse construction/permanent loan in an amount not to exceed \$3,640,000 ("Authority Loan") consisting of Assumed Debt and Two Million (\$2,000,000) Dollars of new financing. The Authority Loan will be structured with a term of 42 years at 0% interest. During the Authority Loan period, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years. The Authority Loan will be secured by a fourth lien position on the Projects behind the construction loan financing provided by TD Bank, N.A., Pennsylvania Housing Finance Agency's ("PHFA") Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHARE") funding, and PHFA PennHOMES funding. Upon payment of the construction loan, the Authority Loan will be in third lien position.

**Raymond James Tax Credit Funds** has reserved/allocated 99.99% interest in the Limited Partnership for a net purchase price of \$4,767,212.

**TD Bank, N.A.** will provide bridge financing in an approximate amount of \$8,500,000, which will bridge the equity contributions and advance loan proceeds. At construction completion and satisfaction of conditions set by the investor, the equity will be used to repay the construction loan. This loan will be secured in a first lien position during construction.

**PHFA** will provide PHARE funds in the amount of \$1,000,000. This loan will be in a second lien position behind the construction loan. Upon payment of the construction loan, this loan will be in a first lien position.

**PHFA PennHOMES** assumed debt in the amount of \$160,000 will be in a third lien position behind the construction loan and PHARE funds loan. Upon payment of the construction loan, this loan will be in a second lien position.

**General Partner** will provide funding in the amount of \$3,077,159.

**Project HOME** will provide a sponsor loan in the amount of \$1,000,000.

**Deferred Developer Fee** in the amount of \$102,436.

### **APPROVALS**

· Construction Division approval of plans, specifications and cost

- The participation ranges for MBE are 18%, WBE 12% and DSBE greatest extent feasible has been approved by the Office of Economic Opportunity
- Department of Revenue's tax clearance for all member of the Development Team
- The Philadelphia Planning Commission has stated they do not need to review this project due to the funding source

#### **EXHIBITS**

- · Project Development Team
- · Project HOME Board of Trustees/RJD General Partner Board of Directors
- Development Budget
- Operating Proforma
- MBE/WBE approval
- · Site Plan

#### **Rowan Judson Diamond Preservation Development Project Development Team**

**OWNER RJD 15 Limited Partnership** 

1415 Fairmount Avenue, Suite 241

Philadelphia, PA 19130

**GENERAL PARTNER** RJD General Partner Inc,

1415 Fairmount Avenue, Suite 241

Philadelphia, PA 19130

**DEVELOPER** Project HOME

1845 North 23<sup>rd</sup> Street Philadelphia, PA 19121

**CONTRACTOR** McDonald Building Company LLC

910 East Main Street, Suite 101

Norristown, PA 19401

ARCHITECT Cicada Architecture/Planning, Inc.

> 1500 Locust Street, Suite 702 Philadelphia, PA 19102

**ATTORNEY** Commonwealth Housing Legal Services

2 South Easton Road Glenside, PA 19038

MANAGEMENT AGENT/

Project HOME 1845 North 23<sup>rd</sup> Street SERVICE PROVIDER

Philadelphia, PA 19121

## **Board of Trustees Project HOME**

Joanne Berwind

Dorothy Binswanger

Richard Bogue

Travis Branch

John Connors

Jeff Cook

Joan Dawson-McConnon, CPA\*/Treasurer

Pamela Estadt

Caitlin Ferry

Debbie Fretz/Chairperson

William Harvey, Esq.

Hank Hockeimer, Esq.

Lori Lasher

Leigh Middleton

Wes Mitchell

Megan Maguire Nicoletti

Marcell Pratt

Claire Reichlin

Estelle Richman

Dr. Loren Robinson

Sister Mary Scullion\*/President

Almeda Smith

Jim Smith

Thomas Walker, Jr

Joyce Wilkerson

### **RJD General Partner Inc**

#### **Board of Directors**

Sister Mary Scullion President

Executive Director, Project HOME

Joan McConnon, Treasurer

Associate Executive Director & CFO, Project HOME

Janet Stearns, Secretary

Vice President, Real Estate Development & Asset Management, Project HOME

<sup>\*</sup>All trustees are independent voting members except those marked with an asterisk

Development Financing		
PHDC HTF	\$ 2,000,000	14.55%
PRA - Assumed Debt	1,640,000	11.93%
Limited Partner Equity	4,767,212	34.68%
General Partner Equity	3,077,159	22.38%
PennHOMES	160,000	1.16%
Deferred Developer's Fee	102,436	0.75%
Project HOME -Loan	1,000,000	7.27%
PHFA CMF Loan	 1,000,000	7.27%
Total Financing	\$ 13,746,807	100.00%

PRA Maximum Rates
Maximum \$2 million

<u>Development Costs</u>				PRA Maximum Rates
Construction Costs				Waxiiiuiii Rates
General Requirements	\$	470,386	5.19%	
Building Demolition	0	0		
Selective Demolition	0	297,889		
Site Work	0	589,074		
Offsite Improvements	0	•		
Environ Remed(gc con)	0			
Sub-total Site Work				
Structures		7,006,807		
Builders Profit		433,958		
Builders Overhead		150,482		
Bond Premium		85,559		
Building Permits		50,000		
Construction Contingency		454,208	5.00%	3% (nc)/5.0%(rehab)
Other:		0		
Other:		0		
Total Construction Costs	\$	9,538,363		
Fees				
Architectural Fee - Design	\$	277,175		See PHFA Guidelines
Architectural Fee- Adiminstration	*	146,175		
Legal - Development		45,000		
Civil Engineering		15,000		
Survey		30,000		
Soil/Structural Report		0		
Environmental Audit		51,200		
Environmental Remediation		15,000		
Energy Audit		0		
HERS Rater		25,735		
Passive House Consultant		0		
Project Capital Needs Asssessment		36,253		
Property Appraisal		32,000		
Market Study		16,500		
Cost Certification		12,000		
Other		0		
Other		0		
Fees Subtotal	\$	702,038		

### Project: Rowan Judson Diamond Preservation Development Budget

Total Replacement Costs	\$	12,365,537	
Land/Building Purchase Subtotal	\$	1,839,025	
Other		0	
Demolition Of Existing Structures		39,025 0	
Acquisition Legal Fees Closing Costs		0 30.025	
Acquistion of Existing Structures		1,415,000	
Acquisition of Land	\$	385,000	
Land and Building Purchase	Ф	205.000	
Tomanon Tindhollig Subtotal	Ψ	-	
Other Permanent Financing Subtotal	\$	0	
Cost Of Issuance/Underwriters Discount		0	
Permanent Loan Credit Enhancement		0	
Permanent Loan Origination Fee		0	
Agency Loan Orignation Fee		0	
Agency Loan Reservation Fee	\$	-	
Permanent Financing			
Construction/Financing Subtotal	\$	237,999	
Other: Cost of Issuance		111,000	
PHFA Construction Servicing Fee		6,000	
Recording		11,060	
Title Insurance		81,491	
Insurance During Construction		28,448	
Taxes During Construction		0	
Construction Loan Credit Enhancement Construction Loan Application Fee		0 0	
Construction Loan Origination Fee		0	
Construction Loan Interest	\$	-	
Construction & Financing Charges	Φ		
Misc. Development Subtotal	\$	48,112	
Other		0	
Subsidy Layering Review Fee		0	
Utility Tap in, Hook up, & Municipal Fee		0	
Relocation		0	
Rent-up expense		Ö	limit \$1,200 per unit/\$600 pre
Furnishings (Common Area)		0	
Tax Credit Carryover Allocation Fee		0	
Tax Credit Reservation Fee Tax Credit Carryover Allocation Fee		0	
Agency Legal Closing Fee Tax Credit Reservation Fee		30,112	
Multifamily Housing Applic Fee	\$	8,000 10,000	
Misc. Development Charges	<b>ው</b>	0.000	

## Project: Rowan Judson Diamond Preservation Development Budget

Develonme	ent Reserves									1	
Operating R			\$	_							
Tranformation			ψ	_							
	sidy Reserve		φ	-							f 4 040
			\$ \$ \$ \$ \$ \$ \$ \$ \$	40.000							\$ 1,240
	Tax Reserve 1 yr		ф	12,369							
Insurance R			<b>\$</b>	27,850							
Social Servi			<b>\$</b>	-							
Other: Repla	acement Reserve		•	40,000							
Reserve	es Subtotal		\$	80,219							
Developer's	s Fee		\$	900,000							\$ 1,056,554
Syndication											
Limited Part	tner Fees		\$	50,000							
Bridge loan	interst during const	ruction		84,461							
	n Interest After Cons		\$	63,590							
	Fees & Expenses		\$	152,500							
Legal Fees	1		\$	15,000							
Accounting	Fees		\$	2,000							
	omp & asset monito	oring fee	\$	32,000							
	rgy benchmarking f		\$ \$ \$ \$ \$ \$ \$ \$	1,500							
Compliance		00	\$	-							
	stor legal fees		Ψ								
L-quity inves	noi iogai iees										
Syndica	tion Fees Subtotal	1	\$	401,051	-						
Total De	evelopment Costs		\$	13,746,807	_						
										]	
	To	otal Units		39	1						
	To	otal Sq. Ft.		56,052							
				per unit	per	sq. ft.	]				
	Total Construction Cos	its	\$	244,573		170					
	Total Replacement Cos	sts	\$	317,065	\$	221					
	Total Development Cos	sts	\$	352,482	\$	245					
	Replacement Cost + D	ev. Fee	\$	340,142	\$	237	_				\$ 225
			(	Cost Analysis							
Proposed Unit	<del></del>		_					nded per Unit	Cost Allowa	<u>able</u>	
0 Bdrm	0	units @	\$	206,974	per u	ınit	\$	-			
1 Bdrm	0	units @	\$	237,265	per u	ınit	\$	-			
2 Bdrm	16	units @	\$	288,519	per u	ınit	\$	4,616,304			
3 Bdrm	15	units @	\$	373,251	per u	ınit	\$	5,598,765			
4 Bdrm	8	units @	\$	409,711	per u	ınit	\$	3,277,688			
Totals	39						\$	13,492,757			
Cost per Unit	Allowable		\$	345,968	per	unit					
Cost per Unit	for Project		\$	317,065	per	unit	Allo	wable		Waive	Required?
Cost nor Sauce	are Foot Allowable		œ	225	nof					NO	
1 ' '			\$		psf			4 Allancia II.			
TCost per Sa. I	Ft. for Project		\$	237	psf		No	t Allowable			
	120% of 234-Condom				91.6		_				herwise bidding is req'd

## Project: Rowan Judson Diamond Preservation Development Budget

HOME Maximum Subsidy							
Maximum 234- Condo-Elevator			256,273	per unit	allowable		
DHCD HOME Funding		\$	51,282	per unit			
Developer'	s Fee Analys	is/Maxim	um Developer's	Fee Allow	able for Project		
Total Replacement Cost		\$	12,365,537				
less acquisition costs			(1,800,000)				
Basis for Developer's Fee ===>		\$	10,565,537				
Total Fee Allowable		\$	1,056,554			Waive	r Required?
Developer Fee for Project		\$	900,000		Allowable	NO	
less reinvested dev. Fee		\$	(160,000)				
Net Developer's Fee for Project		\$	740,000				
Soons of Constructions	robob	Flore	tor in Duilding	<u> </u>			
Scope of Construction: (rehab or nc)	rehab		tor in Building or no)	ſ	no		

\$ 3,081

\$ 22,681

\$ 28,575

\$ 27,644

\$ 33,139

\$ 43,288

\$ 47,963

0

° 8

0 \$

0 \$

0 \$ \$ 52,386

0 \$ 56,566

0 \$

Cash Flow after Debt Service

\$ 60,513

\$ 64,234

\$ 67,740

Cash Flow After Supp Services

Supportive Service

0

0 \$ 16,476 \$ 3,081

\$ 9,946

\$ 16,476

\$ 22,681

\$ 28,575

\$ 27,644

\$ 33,139

\$ 38,350

\$ 43,288

\$ 47,963

\$ 52,386

\$ 56,566

\$ 60,513

\$ 64,234

\$ 67,740

Rowan Judson Diamond Preservation Operating Proforma

Assumptions

	آ آ	Unit Distribution				Te	Tenant Paid Rents	Rents					Rental Assistance Payment	sistance	ayment					
ype	0%-50%	20%-20%	%09-%09	Total	%0	0%-50%	20%-20%		20%-60%	۲	Total	%0	0%-20%	20%-20%		20%-60%	Total	tal	0	%-50%
) Bdr	0	0	0	0	€9	•	s	9	•	₩	,	€9	1		↔	1	<del>∨</del>		€9	
Bdr	0	0	0	0	₩	٠	s	5	•	s		€9	1		8	٠	s		69	
Bdr- Mob	0	0	0	0	₩	٠	s	5	•	s		€9	1		8	٠	s		s	
Bdr - Sen	0	0	0	0	₩	٠	s	<del>υ</del>	•	s		€9	'		8	٠	s		s	'
Bdr	0	0	0	0	€	٠	s	<del>دی</del> ا	•	s		€	'		8	٠	s		s	'
Bdr	0	0	0	0	€	٠	s	<del>دی</del> ا	•	s		€	'		8	٠	s		s	'
Bdr	_	15	0	16	₩	150	\$ 15	150 \$	•	s	2,400	€	'	1,060	8	•	\$	15,900	↔	112
Bdr Mob or §	0	0	0	0	₩	٠	s	<del>ده</del> ا	•	s		€	'		8	•	s		s	•
3 Bdr	2	13	0	15	₩	150	\$ 15	\$ 091	•	s	2,250	€	1,352 \$	1,35	<del>69</del>	•	\$	0,280	↔	137
4+ Bdr	_	7	0	80	↔	150	\$ 15	\$ 091	•	↔	1,200	₩	'	1,509	\$	•	\$	10,563	↔	162
otal	4	35	0	39																
% of Units	10%	%06	%0	100%					Total	s	5,850				ř	Total	\$	46,743		

2.0% 3.0% 5.0% 8.0%

	1	2	3	4	5	9	7	8	6	10	11	12	13	14	15
Income from Operations Gross Rental Income Rental Subsidy- COC Vacancy	\$ 70,200 560,916 31,556	\$ 71,604 572,134 32,187	\$ 73,036 583,577 32,831	\$ 74,497 595,249 33,487	\$ 75,987 607,154 34,157	\$ 77,506 619,297 34,840	\$ 79,057 631,683 35,537	\$ 80,638 644,316 36,248	\$ 82,250 657,202 36,973	\$ 83,895 670,347 37,712	\$ 85,573 683,753 38,466	\$ 87,285 697,429 39,236	\$ 89,031 711,377 40,020	\$ 90,811 725,605 40,821	\$ 92,627 740,117 41,637
NET RENTAL INCOME	\$ 599,560	\$ 611,551	\$ 623,782	\$ 636,258	\$ 648,983	\$ 661,963	\$ 675,202	\$ 688,706	\$ 702,480	\$716,529.94	\$ 730,861	\$ 745,478	\$ 760,387	\$ 775,595	\$ 791,107
Other Income - Service	\$ 2,400	\$ 2,448	\$ 2,497	\$ 2,547	\$ 2,598	\$ 2,650	\$ 2,703	\$ 2,757	\$ 2,812	\$ 2,868	\$ 2,926	\$ 2,984	\$ 3,044	\$ 3,105	\$ 3,167
EFFECTIVE GROSS INCOME	\$ 601,960	\$ 613,999	\$ 626,279	\$ 638,805	\$ 651,581	\$ 664,613	\$ 677,905	\$ 691,463	\$ 705,292	\$ 719,398	\$ 733,786	\$ 748,462	\$ 763,431	\$ 778,700	\$ 794,274
Operating Expenses															
Management Fee	\$ 48,157	\$ 49,120	\$ 50,102	\$ 51,104	\$ 52,126	\$ 53,169	\$ 54,232	\$ 55,317	\$ 56,423	\$ 57,552	\$ 58,703	\$ 59,877	\$ 61,074	\$ 62,296	\$ 63,542
Administrative Expense	31,250	32,188	33,153	34,148	35,172	36,228	37,314	38,434	39,587	40,774	41,998	43,258	44,555	45,892	47,26
Property Paid Utilities	37,000	38,110	39,253	40,431	41,644	42,893	44,180	45,505	46,870	48,277	49,725	51,217	52,753	54,336	55,96
Operating & Maintenance	120,000	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012	156,573	161,270	166,108	171,091	176,224	181,51
Water/Sewer	24,000	24,720	25,462	26,225	27,012	27,823	28,657	29,517	30,402	31,315	32,254	33,222	34,218	35,245	36,30
Payroll Expense	205,503	211,668	218,018	224,559	231,295	238,234	245,381	252,743	260,325	268,135	276,179	284,464	292,998	301,788	310,84
Property Taxes & Insurance	43,310	44,609	45,948	47,326	48,746	50,208	51,714	53,266	54,864	56,510	58,205	59,951	61,750	63,602	65,510
Investor Service Fee	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	. '			. '	. '
Replacement Reserve	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252
TOTAL EXPENSES	\$ 534,220	\$ 549,765	\$ 565,767	\$ 582,239	\$ 599,195	\$ 616,649	\$ 634,617	\$ 653,113	\$ 672,154	\$ 691,754	\$ 705,212	\$ 725,781	\$ 746,956	\$ 768,753	\$ 791,193
NET OBEDATING INCOME	£ 67 740	£ 64.234		A 56 566			49.200	0 28 2EO	C 22 130	£ 27 644	C 29 575	A 22 681	£ 16.476	\$ 0.046	200
NEI OPERALING INCOME	3 b/./40		\$ 60,513	3 20,200	\$ 52,386	\$ 47.963	\$ 43.288	38,350	\$ 33,139	\$ 27.644	\$ 28,575	\$ 22,681	\$ 16,476		5 9,946

\$ 3,081

Secondary Cash Flow



#### MICHOLANDUM

TO

Lynn Newscore, DHCD Compliance Director

Zena Holland, Community Investment Group

S. U.S. MERCEN

Economic Opportunity Plan/Solicitation & Commitment/Section 3 Forms

Rowen Judson Rowen Directed Property atton Development

1 数 1

February 24, 2020

Attached please find the Economic Opportunity Plan/Solicitation & Commitment/Section 3 Forms for the Rowan Judson Dismond Preservation Development. If the Plan meets the DHCD's gooks, places fill out the bottom half of this memor andum. Think you.

Project Name:

Rowen Judson Diamond Preservation Development

Project Address:

1901-1927 Judson St., 1905-1906 Judson St., 1912-1920

Indson St., and 2721-2723 W. Diamond Street

Commerc

RID 15 Limited Partnership

Genseel Partner

RID General Pertner inc.

Developers

Project HOME

Unit Breekdown:

39 - rentel units

PRA Funding Amounts

\$2,000,000 -Housing Trust Funds + Assumed Debt

General Contractors

McDonaid Building Company LLC

Construction Costs

\$9,025,977

Total Development Cost

\$18.105.000 - Estensia

I, Lynn Newsome, have reviewed the Affirmative Action Plan and approved the plan subsetted by (the contractor) for (the project) for the following goals:

MAR Gooler

WER Gosia:

DEE Goods Greatest extent reasible

Lynn Newtone

Data

## City of Philadelphia.

#### Rowan Judgen Dismond / 1900-06, 1812-29 & 1901-27 Judgen Object and 2721-33 Dismond Street

I. Introduction, Definitions, Goals and Diversity Practices

The City of Philadelphia, acting through its offices of the Division of Housing and Community Development ("DHCD") and Once of Economic Opportunity ("OEO") (collectively, "City") and the Philadelphia Redevelopment Authority ("PRA") strongly encourage the use of certified Minerity ("MBE"), Woman ("WBE"). Disabled ("DBBE") and Disadvantaged ("DBEs") Business ("DBEs") Business (Collectively, "MANN/DBEES") and minority and female workers in all suppose of the development and use of a parcel(s) of land located at 1000-05, 1912-20 & 1901-27 Judson Street and 2721-33 Diament Street, which may include financial investment, decign, construction and operations (Project). In support of this objective, City and PRA will require their the purchaser of this percel, RJD 16 Limited Partnership ("Purchasser"), commit to this Economic Operationty Plan ("EOP" or "Plan") as required by Saction 17-1802 of The Philadelphia Code, an amended.

This Fign contains range of projected MW/DSBE utilization and goels for the employment of minority and terms workers in correction with the Project. Purchaser shall cause the Pign to be made part of and inserprented into all bids, proposals and collections and any reculting agreements) entered into between Purchaser and any participant in connection with the development and use of the percet. By submission of this Pign, Purchaser makes a legally kinding commitment to the City and PRA to shide by the provisions of the Pign which include its commitment to use the Best and Good Fight Efforts throughout the project and its commitment to cause its perfectorist to use that Best and Good Fight Efforts to employ a divorce workeroos. This Pign seprecely applies to all contracts awarded in connection with the Project.

Neither Purchaser nor any participant shall discriminate on the basis of most color, reference regions or regional origin, sexual orientation, ander identity, ancestry, age, or handloop in the event and performance or commute participate this Plan. Purchaser has summarized its ourself past practices mining to Purchaser's diversity practices. ("Diversity Practices Statement"). This attributes it included as Attributed to this Plan, identities and describes Purchaser's processes used to develop diversity at all leaves of Purchaser's organization including but not limited to, board and managerial positions. This Diversity Practices Statement number asserting to the participation of the government and non-government projects and procurement activities. Purchaser's strategic business and non-government projects and procurement activities. Purchaser's green to identity any "Equity Occasivity" held in connection with this Project which shall mean the performance of beneficial carriers in the Purchaser's organization or development team that is held by minority particle, woman and disabled persons. In the owner Equity Ownership is identified, Purchaser agrees to abide by the reporting requirements anumersted in decision 17-1608 (1)(g)(.3).

<sup>&</sup>quot;Disadvantaged Bladestis Enterprises ("DBBs") are those stealing of economically disadvantaged misselfly end seemen owned businesses certified under 40 C.F.R. Part 25.

Purchaser harsby varifies that all information submitted to the City in response to this Plan, is true and correct and is notified that the submitted of false information is subject to the ponalities of 18 Ps.C.8. Section 4904 (relating to uneworn falsification to submitted) and 18 Ps.C.8. Section 4107.2 (a)(4) (relating to fixed in connection with minority business enterprises or women's business enterprises).

For the purposes of this Plan, MBE, WBE, DBE and DBBE shall refer to certified businesses so recognized by OEO. Only the work or supply affort of time that are certified as MAVIDBBEs by an OEO approved certifying agency will be eligible to receive crack as a Best and Good Faith Effort. In order to be counted, certified firms must auscessfully complete and submit to the OEO an application to be included in the OEO Registry which is a liet of registered MAVIDBRES maintained by the OEO and available online at www.phila.gov/cac/directory.

For this Plan, the term "Best and Good Fath Elects," the earliciency of which shall be in the sole determination of the City, masses: efforts, the scope, intensity and appropriateness of which are designed and performed to feeter meaningful and representative opportunities for perticipation by MAWDSBEs and an appropriately divesse worlderes and to achieve the objectives harsin stated. Best and Good Faith Efforts are rebuiltably presumed met, when commitments are made within the MAWDSBE Participation Ranges established for this development and a commitment is made to employ a diverse worlderes as examenated herein.

#### H. Goals

#### A. M/W/DBBE Participation Ranges

The City of Philadelphia has established a ditywide goal of 35% MWWDSBE utilization as informed by its Annual Dispatity Study. This ditywide goal should be used as a benchmark for the Purchaser's expression of Best and Good Faith Efforts which are emorte taken by Purchaser to provide meaningful and representative opportunities for MWWDSBEs in the Project. For this project, in the abusings of describination in the addition and colocition of MWWDSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable through the courses of Best, and Good Faith Efforts is stated below as participation ranges. These percentages rathe to the good faith estimated cost of the entire Project, in order to maximize opportunities for as many businesses as possible, a farm that is cartified in two or most categorian (e.g. MBE and WBE and DSBE or WBE and DSBE) will cate be credited toward one participation range as either an MBE or WBE or DSBE. The farm will not be credited toward more than one category. These ranges are based upon an enalysis of factors such as the stee and acops of the development are the symbolishy of MBEs, WBEs, DSBEs and DBEs to participate in this Project:

LEE	WBE
18%	12%

<sup>&</sup>quot;A list of "OEO approved certifying agencies" one be found at www.philo.goviesa
" The City of Philodelphia PY"(6 Annual Disparity Study recommends a an overall goal of 30% beand upon an analysis of PY"(6 utilization and availability.

#### B. Workforce Gooks for a Diverse Workforce

As a benchmark for the expression of "Beat and Good Faith Efforts" to provide meaningful and representative opportunities for diverse workers in the Project, the following goals have been established for the employment of minority persons and temples in the Project workers of apprentices and journeymen at the following levels":

African American Journsypersons — 22% of all journey hours worked across all trades
Agian Journsypersons —3% of all journey hours worked across all trades
Hispanic Journsypersons — 15% of all journey hours worked across all trades
Female Journsypersons — 5% of all journey hours worked across all trades

Minority Apprentices - 50% of all hours worked by all apprentices Female Apprentices - 5% of all hours worked by all apprentices

#### III. Rescensiveness

- A. Purchaser shall, and shall cause its participants to identify all MAWDSBE commitments and agree to employ a diverse workforce on the form entitled, "MAWDSBE Participation and Workforce Commitments." The commitments on this form constitute a representation that the identified MAWDSBE is capable of providing commercially useful goods or services relevant to the commitments and that the Purchases and its participants have embeded into logally binding agreements with the listed MAWDSBEs for the work or supply effort described and the dollar/percentage amount(s) set forth on the form. In telegulating the percentage of MAWDSBE participation, the standard methematical rules apply in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern.
- B. MAW/D8BE commitments are to be memorialized in a written subcontract agreement. Letters of Intent, quotations, contracts, subcontracts and any other documents evidencing commitments with MAW/D8BEs, including the MAW/D8BE Participation and Workforce Commitments Form, become part of and an exhibit to this Plan.
- C. DHCD will review the MANDOSE Participation and Workforce Commitments Form for the purpose of determining whether Best and Good Faith Efforts have been made. DHCD reserves the right to request further documentation and/or clarifying information at any time during the construction and development of the Project.
- D. If Purchaser, its participents or any subsequent developer makes any changes in contracts that have been reviewed by DHCD under the Plan, or if Purchaser at the time of Closing has not yet identified contracts entered into for the development of the Project, then Purchaser, its participants or any subsequent developer shall have the obligation to inform DHCD of any changes to the approved Plan and shall use Best and Good Palith efform to use MW/DBBEs for any new contracts.

<sup>4</sup> These gosis are informed by the City of Philadelphia's estructi disperity assessment of workforce diversity, the "Economic Opportunity Plan Employment Composition Analysis Flace! Year 2016."

#### IV. Compliance and Monitoring of Best and Good Faith Efforts

A. A hard copy of this Pist, as partified below by OEO, shall be filed with the Chief Clerk of City Council within titles (16) days of Clocker. The Pian shall be filed with:

Michael Decker, Chief Clark of City Council Room 402 City Hell Philadelphile, Pennsylvenia 19107

- B. Purchaser and its periodpants agree to cooperate with DHCD in its compliance monitoring effects, and to submit, upon the request of DHCD, documentation relative to their implementation of the Piers, including the items described below:
  - Copies of signed contracts and purchase orders with MAWOSBE subcontractors;
  - Evidence of payments (canonied checks, involves, etc.) to subspontacions and suppliers to venty participation; and
  - Talaphone logs and correspondence relating to M/W/DBBE commitments.
  - To the exist required by law, the Purphaser and its participants what ensure
    that all its chesis contractors mainteln certified payrolls which include a
    breekout of hours worked by minority and female apprentices and
    journeypersons; these documents are subject to inspection by the City.

#### C. Prompt Payment of MAN/DBBEs

 The Purchaser and its participants agree and shall cause all its contractors to ensure that all MW/DSBEs participating in the Project receive payment for their work or supply effort within five (5) business days after resulpt of a proper invoice following authors performance.

#### D. Oversight Process

1. Where the dollar value of development is in essent of Five Million Dollars (\$5,000,000), the Pian shall establish a Project Oversight Committee, consisting of, as appropriate, the contractor, developer or recipient of transist animaters and representatives of the Purchaser, PRA, OEO, DCHD, City Council, and appropriate community organizations. Such Committee thail meet regularly, beginning no later than the initiation of the design phase of the project, and shall be responsible for facilitating compilance with the Pian, OEO will implement the Oversight Process, as required by Section 17-1603(b) of The Philadelphia Code. The Oversight Committee, through the Oversight Process, shall have within its purview the reconstitution of all compilance related leagues or gravenose. The Oversight Committee Process, as needed, will havelve convening individual consultation or periodic small group meetings to include any or all of the constituent periods.

#### V. Remedies and Penetilise for Non-Compliance

A. The Purchaser acknowledges and agrees that its compliance with the requirements of the Plan is a metadal inducement for the Ordinance of City Council and Purchaser's falure to substantially comply with the Plan may result in enforcement actions and the imposition of paralities as authorized by Sections 17-1606 and 17-1606 of Tisa Philadelphia Code. Notwithstanding the foregoing, no privity of contract exists between PRA, the City and any MANDSBE identified in any contract resulting from implementation of the Plan. Nother PRA nor the City intends to give or confer upon any such MAW/DSBE arry legal rights or remarks in connection with subcontracted services under any law or policy or by any mason of any contract resulting from implementation of the Plan except such rights or remarks to which it may be a party.

PUD 15 LIMITED PARTNERSHIP PRINT NAME OF PURCHASER	02722020 DANS
list luca	62/22/2020 PAIE
SIGNATURE OF PURCHASER	PATE
Ann Museumen	a 24 hors
LYNN NEWSOME, DHCD COMPLIANCE DIRECTOR	DATE
IOLA HARPER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY	2/24/2000 DATE

[See Forms on following pages; these Forms, must be submitted by Purchaser]

Pursuant to Section 17-1808 (2) of The Philippinia Code, the representative of the City of Philippinia's Office of Romanic Opportunity, the "continue gency", cartifies that the contents of this Plan era in compliance with Chapter 17-1808.

# GENERAL CONTRACTOR'S PAST CONTRACTS WITH RDA: MCDONALD BUILDING

Contract: <u>Maguire Residence</u> Date: <u>9/23/2020</u>

Projected MBE Goals: 20% Achieved MBE: 14%

Projected WBE Goals: 10% Achieved WBE: 11%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: New Market West Date: 6/29/2020

Projected MBE Goals: 18% Achieved MBE: 14%

Projected WBE Goals: 12% Achieved WBE: 10%

Projected DBE Goals: 2% Achieved DBE: 0%

Contract: JBJ Soul Date: 6/18/2014

Projected MBE Goals: <u>18%</u> Achieved MBE: <u>16%</u>

Projected WBE Goals: <u>7%</u> Achieved WBE: <u>19%</u>

Projected DBE Goals: 2% Achieved DBE: 0%

