

PHILADELPHIA REDEVELOPMENT AUTHORITY

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

**BOARD MEETING
WEDNESDAY, AUGUST 10, 2022**

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

A G E N D A

APPROVAL OF BOARD MINUTES

Meeting of July 13, 2022

| <u>I.</u> | <u>ADMINISTRATIVE</u> | <u>Page</u> |
|-------------------|--|--------------------|
| (a) | Fishtown Recreation Center Drainage & Hockey Rink Upgrades Seravelli, Inc. 1202-32 E. Montgomery Avenue Approval of Construction Contract | (1) |
| (b) | Fotteral Square Renovations and Improvements Gessler Construction Co., Inc. 2400 N. 11 th Street Approval of Construction Contract | (4) |
| (c) | Conveyance of Title of Philadelphia Redevelopment Authority Properties to the Philadelphia Land Bank | (7) |
| <u>II.</u> | <u>HOUSING FINANCE</u> | |
| (a) | Yorktown Arms Yorktown Arms Development Limited Partnership 1400 North 13 th Street Amendment to Resolution No. 2021-78, Adopted on November 10, 2021 | (11) |
| (b) | Jardines de Borinquen Phase II Borinquen Associates II Limited Partnership 639 W. Norris Street (formerly known as 639 W. Norris Street, 2008-22 N. Marshall Street and 2007-53 N. 7 th Street) Transfer, Modification of Loan Terms, and Assumption and Subordination of Loan | (14) |

AGENDA

Board Meeting of August 10, 2022

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- (c) Dorothy Lovell Apartments (18)
Lovell Apartments LLC
1821-23 W. Diamond Street and 2114-16 N. Gratz Street
**Sale, Modification of Loan Terms, and Assumption
and Subordination of Loan**

PHILADELPHIA REDEVELOPMENT AUTHORITY

BOARD MEETING MINUTES

Prior to the start of the meeting, Ms. Varghese made the announcement that, due to the Philadelphia Redevelopment Authority's continued office closure due to the Covid-19 pandemic, today's Board meeting was being held electronically via an authorized communication device, was open to public attendees, and open for public comment. The Board meeting was being recorded and questions and comments could be entered using the Question & Answer box at the lower right-hand corner of the screen. Questions and/or comments would be read aloud and answered if needed. Ms. Varghese stated that she provided her email address to the public for any issues with submitting questions and/or comments and for any issues with accessing the Board meeting remotely. Ms. Varghese further stated there were no public comments received prior to the meeting.

*****MS. VARGHESE ASKED EVERYONE TO PLEASE NOTE THAT THERE IS A QUESTION AND ANSWER PORTAL FOR PUBLIC ATTENDEES OF THIS BOARD MEETING. THE PUBLIC ATTENDANCE LIST AND THE SUBMITTED QUESTIONS AND ANSWERS, IF ANY, WILL BE ATTACHED TO THE MEETING MINUTES.**

A virtual meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, July 13, 2022, commencing at 4:01 P.M., pursuant to proper notices being made.

ANNOUNCEMENTS

None.

ROLL CALL

The following members of the Board of Directors reported present: David S. Thomas, Chair; William Smith, Vice Chair; Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary; Sabrina Maynard, Treasurer and Anne Nadol, Secretary.

The following assigned staff were present: Susan Varghese, Esq., Jojy Varghese, Angel Rodriguez, Jessie Lawrence, Robert LaBrum, Brian Romano, Todd Hestand and Elizabeth Bonaccorso.

Also, in attendance were those listed on the attached public attendance sheet.



MINUTES

Mr. Thomas called for a motion to approve the minutes of the Board meeting on June 8, 2022.

Upon motion made and duly seconded, the minutes of June 8, 2022 were approved.



ADMINISTRATIVE

Ms. Varghese presented "Item I (a) – Settlement of Litigation and Related Claims of 620 N. 35th Street" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Thomas recognized Mr. Badouch and invited him to speak. Mr. Badouch stated he was the owner of IBNM, LLC, had been mentioned with respect to the settlement agreement. And wished to provide some background information relating to this lawsuit. Mr. Badouch explained that IBNM, LLC was unaware of the restrictions at the time of purchase. Mr. Badouch further stated that building plans and the required permits were in place and that a loan had been approved for the property to be developed.

Mr. Badouch indicated that he spoke with the Authority's lawyer and asked, if the Authority was interested in having this property developed, could something be worked out. Mr. Badouch informed the Board that there was no interest in his proposal from the Authority's lawyer and that he also emailed the Authority's staff (including Mr. Lawrence) to get this resolved. He stated that rather than it going back into the Land Bank to sit for ten (10) years and be undeveloped, he had building plans and could develop it.

Mr. Badouch stated that IBNM, LLC agreed to the settlement because there was no other choice. Mr. Badouch further stated that it seems that the Authority's lawyer has the necessary hours while Mr. Badouch was not willing to spend hundreds of hours of legal fees to fight this in court.

Mr. Badouch explained that, in the past, he presented plans to the Authority to develop property that had restrictions on them and that the Authority released its restrictions; however, for this matter no one was willing to speak about releasing the current restrictions. Mr. Badouch asked if there was any wiggle room to release the restrictions instead of having the property go back to the Authority because IBNM, LLC had plans and building permits in place to build a three (3) unit building on this site. Mr. Thomas replied that we had to address the default that was issued on this property which was being addressed today. Mr. Thomas then stated that, once this was

completed, a discussion could take place with our operational staff, but that he was not making any promises at the moment other than the action that the Board was taking today.

Mr. Badouch stated that was perfectly fine asked who he could reach out to specifically to speak to about this matter. Mr. Thomas responded, Mr. Lawrence. Mr. Badouch stated that he had tried to contact Mr. Lawrence several times but he had not responded. Ms. Varghese stated that Mr. Lawrence was not allowed to respond because this matter was in litigation and also because he was represented by counsel the attorneys would have to speak to each other during the litigation, but after that it would be different. Ms. Varghese explained that, right now, we were dealing with the settlement to avoid litigation which, as she understood it, he was willing to proceed with settlement. Ms. Varghese then stated that the Authority's Board would now take action as to whether the Authority was willing to proceed with the settlement on the Authority's side. Mr. Badouch responded, okay, that was fine. Ms. Varghese responded thank you, to which Mr. Badouch also responded thank you.

Board Action

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

RESOLUTION NO. 2022-40

RESOLUTION AUTHORIZING SETTLEMENT WITH STRONG PROPERTIES, LLC, IBNM LLC, DOR BERKOVITZ, SCOPE INVESTMENT REAL ESTATE SERVICES, STEWART TITLE GUARANTY COMPANY, AND MATZ LAND TRANSFER SERVICES INC. OF LITIGATION AND RELATED CLAIMS INVOLVING 620 N. 35TH STREET

WHEREAS, Strong Properties, LLC, IBNM LLC, Dor Berkovitz, Scope Investment Real Estate Services, Stewart Title Guaranty Company, and Matz Land Transfer Services Inc. (collectively, the "Defendants") and the Philadelphia Redevelopment Authority (the "Authority") are parties to that certain litigation docketed as Philadelphia Redevelopment Authority v. Strong Properties, LLC, et al., Philadelphia County Court of Common Pleas, February Term, 2022, No. 01313 (the "Litigation").

WHEREAS, the Litigation involves ownership and other claims between the Defendants and the Authority related to 620 N. 35th Street, Philadelphia, Pennsylvania (the "Property").

WHEREAS, the Defendants and the Authority have deemed it desirable to resolve all claims presented in the Litigation and all other claims that have been or could be raised relative to the Property amicably in accordance with the terms of the proposed Settlement Agreement and Release ("Agreement"), subject to Board approval.

WHEREAS, General Counsel has provided the Board with a Confidential Settlement Memorandum outlining the material terms and conditions of the proposed Agreement.

WHEREAS, the Defendants and the Authority are willing, subject to Board approval, to release all claims presented in the Litigation and all other claims related to the Property provided the parties comply with the terms and conditions of the proposed Agreement.

WHEREAS, General Counsel for the Authority recommends that this matter be resolved in accordance with the terms and conditions of the proposed Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Deputy Executive Director of Real Estate is hereby authorized to execute the Settlement Agreement and Release in accordance with the terms of the Confidential Settlement Memorandum, and to release all claims presented in the Litigation and all other claims related to the Property provided all parties comply with the terms and conditions of the proposed Agreement.

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

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

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Ms. Varghese presented "Item I (b) – Selection of Legal Counsel for Civil Litigation Matters" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2022-41

RESOLUTION AUTHORIZING LEGAL SERVICES CONTRACTS WITH CERTAIN ATTORNEYS FOR REPRESENTATION OF THE PHILADELPHIA REDEVELOPMENT AUTHORITY IN GENERAL CIVIL LITIGATION MATTERS

WHEREAS, the Philadelphia Housing Development Corporation ("PHDC"), on behalf of the Philadelphia Redevelopment Authority (the "Authority"), issued a competitive Request for Proposals ("RFP") from qualified attorneys for representation of the Authority in general civil litigation matters including, but not limited to, the litigation of claims for possession of real

estate, conservatorship actions, ejectments, foreclosures, contract actions, enforcement actions, writ actions including evictions and executions, and other matters as may be required, initiated by, or brought against, the Authority.

WHEREAS, a selection committee reviewed and evaluated all responses to the RFP and recommended awarding legal services contracts to the law firms of Dilworth Paxson LLP, Mattioni, LTD., Goehring, Rutter & Boehm, and Kolber & Randazzo, PC.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that:

1. The Deputy Executive Director of Real Estate is authorized to enter into Legal Services Contracts with the law firms of Dilworth Paxson LLP, Mattioni, LTD., Goehring, Rutter & Boehm, and Kolber & Randazzo, PC.
2. Each contract shall provide for a maximum compensation of Seventy-Five Thousand Dollars (\$75,000) at an hourly blended rate not to exceed Two Hundred Seventy-Five Dollars (\$275.00) per hour and shall also contain such other terms and conditions consistent herewith and acceptable to the Deputy Executive Director of Real Estate and General Counsel.

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

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. LaBrum presented "Item I (c) – Approval of Third Amendment to Grant Agreement with the City of Philadelphia, Acting Through its Department of Public Property and its Finance Department" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Ms. Maynard advised Mr. Thomas that she is recusing herself because of a conflict of interest.

Board Action

Mr. Thomas called for a motion on the resolution. Upon motion made and duly seconded, the

resolution was approved as follows:

RESOLUTION NO. 2022-42

RESOLUTION AUTHORIZING APPROVAL OF A THIRD 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, INCREASING THE GRANT FUNDS AMOUNT AND 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. 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 (the "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.

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, pursuant to Resolution No. 2020-77, adopted on December 9, 2020, the Authority Board authorized a First Amendment to Grant Agreement (the "First Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for one (1) year, effective October 23, 2020.

WHEREAS, the First Amendment was executed by the Authority and the City on December 23, 2020, and made effective as of October 23, 2020.

WHEREAS, pursuant to Resolution No. 2021-71, adopted on October 13, 2021, the Authority Board authorized a Second Amendment to Grant Agreement (the "Second Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for one (1) year, effective October 23, 2021, and the Grant Funds were increased by Seven Million Six Hundred Thousand Dollars (\$7,600,000).

WHEREAS, the Second Amendment was executed by the Authority and the City on November 4, 2021, and made effective as of October 23, 2021.

WHEREAS, the City and the Authority now seek authorization to (i) extend the term of the Grant Agreement, as previously amended, for one (1) year effective October 23, 2022, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Ten Million Dollars (\$10,000,000) such that the total Grant Funds to be issued under the Grant

Agreement, as previously amended, will now be Twenty-Seven Million Six Hundred Thousand Dollars (\$27,600,000).

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority's Deputy Executive Director of Real Estate to enter into a Third Amendment to Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department, as grantor, to (i) extend the term of the Grant Agreement for one (1) year effective October 23, 2022, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Ten Million Dollars (\$10,000,000) such that the total Grant Funds to be issued under the Grant Agreement, as previously amended, will now be Twenty-Seven Million Six Hundred Thousand Dollars (\$27,600,000).

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

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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. Thomas, Ms. Buckley, Ms. Nadol and Mr. Smith.

One (1) Abstention: Ms. Maynard.



Mr. LaBrum presented "Item I (d) – Approval of First Amendment to Contract for Professional Services Agreement with Talson Solutions, LLC" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2022-43

RESOLUTION AUTHORIZING A FIRST AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, AND TALSON SOLUTIONS, LLC FOR THE CONSTITUTION HEALTH PLAZA LOCATED AT 1930 S. BROAD STREET

WHEREAS, pursuant to Resolution No. 2021-45, adopted on June 9, 2021, the

Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), entered into a Contract for Professional Services ("Contract") dated July 16, 2021 with Talson Solutions, LLC ("Talsol") for construction management and owner's representative services at 1930 South Broad Street (the "Project").

WHEREAS, the term of the Contract was ten (10) months and the maximum compensation amount was Two Hundred Three Thousand Dollars (\$203,000).

WHEREAS, the Authority, as agent for the City, seeks authorization to extend the term of the Contract to October 31, 2022, amend the Scope of Services to include additional project management services, cost estimating and the assignment of additional personnel to administer the project management program that the City desires for the Project, and increase the compensation by an amount not to exceed One Hundred Fifty-Five Thousand One Hundred Ninety Dollars (\$155,190.00).

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority's Deputy Executive Director of Real Estate to enter into a First Amendment to the Contract, as agent for the City, with Talson to extend the term of the Contract until October 31, 2022, amend the Scope of Services to include additional project management services, cost estimating and the assignment of additional personnel to administer the project management program that the City desires for the Project, and increase the compensation by an amount not to exceed One Hundred Fifty-Five Thousand One Hundred Ninety Dollars (\$155,190.00).

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

FURTHER RESOLVING, that the Deputy Executive Director of Real Estate, with the advice of General Counsel, may allow modifications to the Resolution and Contract for Professional Services necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. LaBrum presented "Item I (e) – Approval of Construction Contract with Smith Construction Co. of Phila., Inc." in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2022-44

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH SMITH CONSTRUCTION, INC. FOR THE ZONE 5 GARAGE RENOVATION AND STRUCTURAL IMPROVEMENTS PROJECT, LOCATED AT 6666 RIDGE AVENUE

WHEREAS, Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), solicited proposals seeking responses from qualified construction firms willing and capable of performing the Zone 5 Garage Renovation and Structural Improvement project located at 6666 Ridge Avenue (the "Project").

WHEREAS, Smith Construction Co. of Phila., Inc. ("Smith") submitted its response to the Authority, outlining its extensive experience. Smith was the lowest qualified bidder.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority's Deputy Executive Director of Real Estate to enter into a Construction Contract, as agent for the City, with Smith for the Project, with a maximum compensation not to exceed Eight Hundred Fifty-Seven Thousand One Hundred Forty-Five Dollars and Thirty Cents (\$857,145.30) (total Base Bid plus 10% Contingency).

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

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

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. Rodriguez presented "Item I (f) – Approval of Agreement for Landscape Maintenance with Paving the Way Landscaping" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2022-45

RESOLUTION AUTHORIZING AN AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES WITH CHRISTOPHER BUNCH, INDIVIDUALLY AND DOING BUSINESS AS PAVING THE WAY LANDSCAPING, TO PROVIDE LANDSCAPE MAINTENANCE SERVICES IN THE EASTWICK SECTION OF THE CITY OF PHILADELPHIA

WHEREAS the Philadelphia Redevelopment Authority ("Authority") undertook a competitive invitation for proposals from qualified landscape companies to provide grounds maintenance at Authority-owned properties in the Eastwick section of the City of Philadelphia, which encompass approximately seventy-eight (78) acres of properties bounded by Island Avenue to the north and the John Heinz National Wildlife Refuge in the south.

WHEREAS, proposals were reviewed and evaluated by a project review team which resulted in the recommendation of Christopher Bunch, individually and doing business as Paving the Way Landscaping ("Provider"), as the most qualified responsive bidder.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that the Deputy Executive Director of Real Estate is authorized to execute an Agreement for Landscape Maintenance Services with Provider for a term of one (1) year, granting the Authority extension options for two (2) additional years at compensation as follows:

| | Year 1 | Year 2 | Year 3 |
|--|-----------|-----------|-----------|
| Paving the Way Landscaping 615 Wynnewood Road Philadelphia, PA | \$118,256 | \$223,503 | \$237,695 |

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

FURTHER RESOLVING, that the Deputy Executive Director of Real Estate, with the advice of General Counsel, may allow modifications to the Resolution and Agreement for Landscape Maintenance Services necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. Lawrence presented "Item I (g) – Conveyance of Title of City Properties Through the Philadelphia Redevelopment Authority to the Philadelphia Land Bank" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Thomas recognized Ms. Shelia E. Johnson and invited her to speak. Ms. Johnson indicated she did not understand exactly what Mr. Lawrence said in regard to where these properties were going. Mr. Thomas responded that the properties were being conveyed to the Philadelphia Land Bank. Ms. Johnson asked if the properties would be for distribution to communities or private investment. Mr. Rodriguez replied that these properties would be for future RFPs, affordable housing, and other qualified uses. Ms. Johnson responded excellent, that was her question, and thanked everyone for answering her question.

Board Action

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

RESOLUTION NO. 2022-46

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.

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.

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.

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.

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 Philadelphia Land Bank.

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 Deputy Executive Director of Real Estate and General Counsel.

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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

1834 S. Allison Street
1837 S. Allison Street
1840 S. Allison Street
1846 S. Allison Street
1848 S. Allison Street
4322 Lancaster Avenue
767 Pallas Street
769 Pallas Street
771 Pallas Street
5517 Paschall Avenue
3903 Wallace Street
642 N. 39th Street
713 N. 43rd Street

5th Councilmanic District Properties

911 W. Auburn Street
913 W. Auburn Street
915 W. Auburn Street
919 W. Auburn Street
921 W. Auburn Street
923 W. Auburn Street
925 W. Auburn Street
3812 N. Camac Street

3826 N. Camac Street
3834 N. Camac Street
3846 N. Camac Street
3850 N. Camac Street
3861 N. Camac Street
2317 Ridge Avenue
1436 N. 17th Street

8th Councilmanic District Properties

3217 N. 15th Street
3241 N. 15th Street
3248 N. 15th Street
3253 N. 15th Street
3257 N. 15th Street
3333 N. 16th Street
3340 N. 16th Street
3342 N. 16th Street
3346 N. 16th Street
3305 N. 17th Street
3314 N. 17th Street
3316 N. 17th Street
3320 N. 17th Street
3327 N. 17th Street
3331 N. 17th Street
3342 N. 17th Street
3344 N. 17th Street
3346 N. 17th Street
3412 N. 17th Street
3414 N. 17th Street

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. Lawrence presented "Item I (h) – Conveyance of Title of Philadelphia Redevelopment Authority Properties to the Philadelphia Land Bank" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2022-47

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.

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.

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.

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.

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 Deputy Executive Director of Real Estate and General Counsel.

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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

4041 Cambridge Street
4239 Fairmount Avenue
4245 Fairmount Avenue
759 Pallas Street
761 Pallas Street
763 Pallas Street
773 Pallas Street
779 Pallas Street
783 Pallas Street
785 Pallas Street
1 Rudy Robinson Way
3 Rudy Robinson Way
5 Rudy Robinson Way
7 Rudy Robinson Way
9 Rudy Robinson Way
11 Rudy Robinson Way
13 Rudy Robinson Way
15 Rudy Robinson Way
17 Rudy Robinson Way
19 Rudy Robinson Way
21 Rudy Robinson Way
23 Rudy Robinson Way
25 Rudy Robinson Way
27 Rudy Robinson Way
29 Rudy Robinson Way
31 Rudy Robinson Way
33 Rudy Robinson Way
35 Rudy Robinson Way
37 Rudy Robinson Way
39 Rudy Robinson Way
41 Rudy Robinson Way
43 Rudy Robinson Way
45 Rudy Robinson Way
47 Rudy Robinson Way
49 Rudy Robinson Way

7th Councilmanic District

3418 Kensington Avenue
3420 Kensington Avenue
3422 Kensington Avenue

Voting for the foregoing resolution: Mr. Thomas, Ms. Maynard, Ms. Buckley, Ms. Nadol and Mr. Smith.



Mr. Rodriguez informed Mr. Thomas that a guest would like to address the Board. Mr. Thomas replied that he would like to handle old business first.

OLD BUSINESS

Mr. Thomas asked if there was any old business for the Board. Mr. Thomas recognized Ms. Katrice C. and invited her to speak. Ms. Katrice C. stated that she was a spiritual advocate, born and raised in Philadelphia, she has a background in community advocacy, and she wanted to discuss old business with regard to the Logan Triangle. Ms. Katrice C. informed the Board that she was on the Logan CDC steering committee and mentioned the Goldenberg Group's involvement with the property. Ms. Katrice C. asked if anyone was managing, cleaning up, or keeping tabs on the property to make sure there was no illegal dumping taking place because it appeared that it was from what Ms. Katrice C. was noticing from different media outlets and other sources.

Ms. Katrice C. also pointed out that she did spiritual advocacy and proceeded to speak to certain of her religious beliefs. She also mentioned that the land had been sitting there for as long as she had been born and it had not been treated well and that the people in the community tried to do what they could to take care of the land. Ms. Katrice C. also stated that there were too many hands in the pot, a lot of stagnation was happening, a lot of homelessness and despair happening, that this was spreading throughout the city and that this was where gun violence came from among different things. Ms. Katrice C. further stated that a lot of people were not able to get access to land they need, to keep it, or maintain it and that this land, as well as those properties being sold up on U.S. bank liens or via the Land Bank, was Philly's promised land. Ms. Katrice C. then proceeded to espouse some additional religious beliefs. She also indicated that the community was not happy about certain things and that they want people to do the right thing with the land.

Ms. Katrice C. further indicated that we had an opportunity with Logan Triangle to have the community take the lead as to what the community wanted on that land, but that nothing was happening. Ms. Katrice C. further stated that she wanted everyone to look at Logan Triangle with a different perspective to determine how to engage the community and the Goldberg Group. Mr. Thomas asked if Ms. Katrice C. had a question that needed to be addressed and answered by the staff. Ms. Katrice C. asked who was maintaining and managing the land and added that, if the community was maintaining and managing the land, by now there would be urban gardens, tiny houses, and all kinds of stuff but the community had been excluded from the use of the land which was an issue. Ms. Katrice C. also asked who was maintaining Logan Triangle, why was Goldberg Group so quiet, and why were people so sketchy talking about Logan Triangle.

Mr. Thomas stated that a question had been raised as to who maintains the land. Mr. Rodriguez replied that there was a landscaping contract with Paving the Way contractor, and that the

Authority entered into that contract through a public process and that the contract was approved by the Authority's Board. Mr. Rodriguez also stated that anytime there was an issue with the land all the public needed to do was call and let us know and our staff would contact the contractor directly to remedy any issues. Mr. Rodriguez further stated that staff was in direct contact with Licenses and Inspections and 311. Mr. Rodriguez further stated that staff does their best to address any issues but that the lot is 42 acres and constant issues do arise.

Ms. Katrice C. pointed out that the longer the land sat there, the more issues there would be, but that if it was put to use there would be a difference. Ms. Katrice C. indicated that people take advantage and illegally dump because no one cares especially in black and brown neighborhoods. She then proceeded to speak again about her religious beliefs with respect to Logan Triangle. Ms. Katrice C. believes that this was not just about the land but doing the right thing for the community.

Mr. Thomas recognized Ms. Weiss and invited her to speak. Ms. Weiss asked what could be done with the handling, or the way the Maple Corporation, PHDC, and PRA has handled the disposition and management of the Germantown Settlement properties. Ms. Weiss indicated that the community was not being notified, as they should be, with the information to understand why these meetings were being held, where they were being held, and would like to know about the composition of the leadership committee because the community was under the impressions that the committee was not supposed to be meeting; however, they had been meeting via email. Ms. Weiss stated the community felt that this was inappropriate. Mr. Thomas responded that he was not aware of anyone meeting, but in trying to get some clarity of the situation, he would be there on Saturday as he committed to do and would do his best to correct the situation and does recognize that this was the third community session. Mr. Thomas indicated he cannot correct the first two community sessions, but he was also committed to making sure that the community was properly represented once the engagement process was completed.

Ms. Weiss stated the committee had been communicating and asked how were we going to get people to attend the meeting without the proper notification and information so they could attend. Mr. Thomas advised Ms. Weiss that the Board had tried to address her concerns and staff had given out a multitude of flyers to RCOs but some did not respond to the Authority's request. Mr. Thomas then stated he understood that we may not be as comprehensive, but that staff was doing their best and he had been very involved in the process. Ms. Weiss replied, thank you for the Authority's effort. Mr. Thomas acknowledged that things could have been handled better and was trying to correct the situation moving forward and hoped that this coming Saturday brought forth a different result. Ms. Weiss replied, thank you very much.



NEW BUSINESS

Mr. Thomas stated that Mr. Rodriguez indicated earlier that someone wanted to address the Board with regard to new business. Mr. Rodriguez stated that Ms. Johnson would like to address the Board. Mr. Thomas responded that Ms. Heller had her hand raised. Due to audio difficulties, Ms. Heller was not able to be heard.

Mr. Rodriguez asked if Ms. Johnson could be unmuted even though she does not have her hand raised. Ms. Johnson stated that the Councilwoman wanted to speak. Councilwoman Bass thanked everyone for hearing about the Logan parcel which had been an issue for a very long time. She indicated it had been well over thirty (30) years, many members of Council and many Council terms that this had been an issue and what were we going to do with this particular parcel.

Councilwoman Bass stated that she intended, during her tenure as a member of Council, to finally be able to address what has happened on this site and she again thanked everyone for their support and help regarding the Logan Triangle located in her district. Councilwoman Bass stated that, for the past four (4) plus years, there had been an arrangement with the current developer and the arrangement had not been proven to be fruitful and productive as expected or hoped it would be. Councilwoman Bass stated that the development contract expired on July 8th and, at this point, there was interest in finding another developer for the site. Councilwoman Bass then stated that, to protect the integrity of the process, it was important that the Authority take steps to officially terminate the existing agreement and make the Logan Triangle parcel available for new expressions of interests. Councilwoman Bass further stated that her office would appreciate a copy of the notification of termination in order to share it with the community.

Councilwoman Bass stated that, while she does not know the person who spoke during old business about the Logan parcel, she expressed that the sentiment is one that she had heard over and over again – that people did not feel that this project had moved forward in any way that would give them confidence that this project would actually happen. Councilwoman Bass stated that we had been waiting a very long time and there has not yet been a shovel in the ground and that now was the time to move on. Councilwoman Bass stated for the record that she would appreciate the Authority's assistance in this matter to move it forward.

Mr. Thomas thanked Councilwoman Bass, to which she also responded thank you. Mr. Thomas asked Mr. Rodriguez and Ms. Varghese if they had any comment to address that request. Mr. Thomas indicated that he believed that this matter might be in litigation but he nonetheless understood her position. Councilwoman Bass replied that this matter being litigated was news to her and stated that they felt very strongly about this and was willing to be helpful anyway she can. Councilmember Bass further stated that this was not about any one (1) person, any one (1) elected official, or developer but that this was solely about the community and that this community had been really in some ways disrespected by the process which had taken forever. Councilwoman Bass recalled that notices started happening and people vacating their properties in the 1980s while she was in high school and stated that it was long overdue that this be addressed and done right.

Councilwoman Bass stated that the current developer had been at the table for a very long time and had been given every opportunity to perform and the community, the citizens, and the taxpayers deserved to move forward with something they were able to see, something tangible, in their neighborhood, something that would beautify the community and uplift the entire neighborhood. Councilwoman Bass ended her comments by indicating that she thought we had to move forward. Mr. Thomas thanked Councilwoman Bass.

Mr. Thomas asked Ms. Varghese if she wanted to make a comment. Ms. Varghese addressed Councilwoman Bass to clarify that the Authority was not in litigation with the developer at this time

but that the developer did send a response to the Authority which would be responded to shortly. Councilwoman Bass replied very good and asked if it would be possible for her office to be privy to the documentation that was received by the Authority. Ms. Varghese stated that if the Councilwoman would not mind, she would have to speak first internally with her client and get back to her. Councilwoman Bass responded of course, absolutely, and thank you.



ADJOURNMENT

There being no further business to come before the Board, Mr. Thomas declared the meeting adjourned at 4:47 P.M.

SECRETARY TO THE BOARD

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

PRA Board Meeting of July 13, 2022 - Attendance

| Attended | User Name (Original Name) | First Name | Last Name |
|-----------------|----------------------------------|-------------------|------------------|
| Yes | Melissa Heller | Melissa | Heller |
| Yes | Melissa Heller | Melissa | Heller |
| No | VANESSA | VANESSA | HUNTER |
| Yes | Sheila E. Johnson/PSOC | Sheila | E. Johnson/PSOC |
| Yes | jamila davis | jamila | davis |
| No | Sophia | Sophia | Fox |
| No | Antoinette | Antoinette | Johnson |
| Yes | Justin Wright | Justin | Wright |
| Yes | Jacquelyn Sims | Jacquelyn | Sims |
| No | Tracie | Tracie | Jackson |
| No | John Elliott | John Elliott | Churchville |
| Yes | Yitshak Badouch | Yitshak | Badouch |
| Yes | Natan Matityahu | Natan | Matityahu |
| No | LR | LR | Cross |
| No | Tom | Tom | Updegrove |
| No | Renee | Renee | Smith |
| No | leon | leon | stimpson |
| No | Ley | Ley | Nezifort |
| No | Eugene | Eugene | Yanelli |
| No | Arthur | Arthur | Felton |
| No | Carlos | Carlos | Masip |
| Yes | Toki Rehder | Toki | Rehder |
| Yes | Sheree Burris | Sheree | Burris |
| Yes | Katrice C. | Katrice | C. |
| Yes | a weiss | a | weiss |
| No | Crystal | Crystal | Morris |
| Yes | Todd Hestand | Todd | Hestand |
| Yes | Netta Johnson | Netta | Johnson |
| | 12158821025 | | |

PRA Board Meeting of July 13, 2022 - Q & A

| Question | Asker Name | Asker Email | Answer | Question Time | Answered Time |
|---------------------------------|-------------------|----------------------|---------------|----------------------|----------------------|
| There isn't an option to unmute | Netta Johnson | nettajohn6@gmail.com | | 7/13/2022 16:41 | |



BOARD FACTSHEET

Board Meeting of July 13, 2022

Settlement of Litigation and Related Claims

620 N. 35th Street

Litigation Caption: *Philadelphia Redevelopment Authority v. Strong Properties, LLC, et al.*, Philadelphia County Court of Common Pleas, February Term, 2022, No. 01313 (the "**Litigation**").

Nature of Litigation: The Board is requested to authorize the Authority to enter into a Settlement Agreement and Release (the "Agreement") with Strong Properties, LLC, IBNM LLC, Dor Berkovitz, Scope Investment Real Estate Services, Stewart Title Guaranty Company, and Matz Land Transfer Services Inc. (collectively, the "Defendants") to resolve all claims presented in the Litigation and all other claims related to the quiet title action filed by the Authority regarding 620 N. 35th Street, Philadelphia, Pennsylvania (the "Property"). The terms and conditions of the Agreement are contained in a Confidential Settlement Memorandum that has been provided to the Board.

PROPERTY INFORMATION: 620 N. 35th Street, Philadelphia, Pennsylvania

COMMENTS OR OTHER CONDITIONS:

Through negotiations, the Authority and the Defendants are willing to release all claims presented in the Litigation and all other claims related to the Property provided all parties comply with the terms and conditions of the Agreement.

Proposed Resolution is attached.

Prepared by: Steve Cusano

Reviewed by: Susan Varghese



BOARD FACTSHEET

Meeting of July 13, 2022

Selection of Legal Counsel for Civil Litigation Matters

NATURE OF TRANSACTION:

The Board is requested to authorize contracts with several attorneys to represent the Authority in litigation initiated by, or brought against, the Philadelphia Redevelopment Authority (the "Authority").

SELECTION PROCESS:

In April 2022, the Philadelphia Housing Development Corporation ("PHDC"), on behalf of the Authority, issued a Request for Proposals ("RFP") from qualified attorneys to provide legal representation in general civil litigation matters including, but not limited to, the litigation of claims for possession of real estate, conservatorship actions, ejectments, foreclosures, contract actions, enforcement actions, writ actions including evictions and executions, and other matters as may be required. The RFP was posted on PHDC's website.

Four (4) responses to the RFP were received, which were evaluated by a selection committee (the "Committee") based on the selection criteria outlined in the RFP. The Committee recommended the selection of the law firms of Dilworth Paxson LLP, Kolber & Randazzo, PC, Mattioni, LTD., and Goehring, Rutter & Boehm.

The Authority will enter into contracts with each of these applicants at an hourly blended rate not to exceed Two Hundred Seventy-Five Dollars (\$275.00) per hour, with a maximum compensation of Seventy-Five Thousand Dollars (\$75,000).

Proposed Resolution is attached.

Prepared by: Steve Cusano
Reviewed by: Susan Varghese



BOARD FACTSHEET

Meeting of July 13, 2022

Approval of Third 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 (the "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.

Pursuant to Resolution No. 2020-77, adopted on December 9, 2020, the Board authorized a First Amendment to Grant Agreement (the "First Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for one (1) year, effective October 23, 2020. The First Amendment was executed by the Authority and the City on December 23, 2020, and made effective as of October 23, 2020.

Pursuant to Resolution No. 2021-71, adopted on October 13, 2021, the Board authorized a Second Amendment to Grant Agreement (the "Second Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for an additional one (1) year, effective October 23, 2021, and the Grant Funds were increased by Seven Million Six Hundred Thousand Dollars (\$7,600,000). The Second Amendment was executed by the Authority and the City on November 4, 2021, and made effective as of October 23, 2021.

NATURE OF REQUEST/TRANSACTION: Authorization is now sought to (i) extend the term of the Grant Agreement, as previously amended, for an additional one (1) year, effective October 23, 2022, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Ten Million Dollars (\$10,000,000) such that the total Grant Funds to be issued under the Grant Agreement, as previously amended, will now be Twenty-Seven Million Six Hundred Thousand Dollars (\$27,600,000).

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: Robert LaBrum

Reviewed by: Steve Cusano



BOARD FACTSHEET
Meeting of July 13, 2022
Tolson Solutions, LLC
Approval of First Amendment to Contract for Professional
Services Agreement
Constitution Health Plaza - 1930 South Broad Street

NATURE OF REQUEST:

Authorization to enter into a First Amendment to Contract for Professional Services ("Contract") between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Tolson Solutions, LLC ("Tolson") for construction management and owner's representative services for new offices at Constitution Health Plaza, 1930 South Broad Street (the "Project"). The First Amendment would extend the term of the Contract, amend the Scope of Services, and increase the amount of compensation.

BACKGROUND:

The Project includes construction management and owner's representative services for the construction of Biosafety level 2 and 3 laboratories and pharmaceutical offices at the Constitution Health Plaza at 1930 South Broad Street. The new offices will enable the City to relocate offices from Health Center One, which is proposed to be sold for redevelopment.

Per Resolution No. 2021-45, adopted by the Authority on June 9, 2021, the Authority, as agent for the City, entered into a Contract with Tolson dated July 16 2021 for construction management and owner's representative services for new offices at the Constitution Health Plaza. The Contract had an initial term of ten (10) months with a maximum compensation not to exceed Two Hundred Three Thousand Dollars (\$203,000).

The City has now requested that the term be extended to October 31, 2022, the Scope of Services be amended to include additional project management services, cost estimating and the assignment of additional personnel to administer the project management program that the City desires for the Project, and increase the compensation by an amount not to exceed One Hundred Fifty-Five Thousand One Hundred Ninety Dollars (\$155,190.00).

FINANCING:

All costs incurred by the Authority under the Contract are paid by the City pursuant to a Grant Agreement between the City and the Authority, as amended.

Proposed Resolution and supporting Project information are attached (photo).

Prepared by: Robert LaBrum

Reviewed by: Steve Cusano



BOARD FACTSHEET
Meeting of July 13, 2022
Approval of Construction Contract
Smith Construction Co. of Phila., Inc.
Zone 5 Garage Renovation and Structural Improvements

NATURE OF TRANSACTION:

The approval of a Construction Contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia ("City"), and Smith Construction Co. of Phila., Inc. ("Smith") for the Zone 5 Garage Renovation and Structural Improvements project, located at 6666 Ridge Avenue ("Project").

The Project includes renovations and structural improvements to the Department of Public Property's Zone 5 Garage, including brick and lintel replacement, brick pointing and lighting improvements.

SELECTION PROCESS:

On May 25, 2022, the Authority advertised a Public Bid for the Project. The Authority received three (3) bids from qualified contractors. Smith was the lowest qualified bidder.

Smith Construction Co. Of Phila., Inc.

10400 Drummond Road
Philadelphia, PA 19154
Total Base Bid: \$779,223.00
EOP: 18% MBE; 7% WBE

FINANCING:

The project will be funded with City Capital funds as outlined in the executed Grant Agreement between the Authority and the City. The Grant Agreement allows for funds to be transferred to the Authority for City projects.

Proposed Resolution and supporting Project information are attached (photograph).

Prepared by: Robert LaBrum
Reviewed by: Susan Varghese



BOARD FACTSHEET

Meeting of July 13, 2022

Approval of Agreement for Landscape Maintenance Services with Christopher Bunch, Individually and Doing Business as Paving the Way Landscaping

Grounds Maintenance Service in the Eastwick Section of the City of Philadelphia

NATURE OF TRANSACTION:

Request for the approval of an Agreement for Landscape Maintenance Services between the Philadelphia Redevelopment Authority ("PRA") and Christopher Bunch, individually and doing business as Paving the Way Landscaping ("Provider"), to provide grounds maintenance at PRA-owned properties in Eastwick, which encompass approximately seventy-eight (78) acres of properties bounded by Island Avenue to the north and the John Heinz National Wildlife Refuge to the south.

This is a one (1) year contract with options to renew for two (2) additional years, to be exercised at the sole discretion of the PRA.

SELECTION PROCESS:

On May 10, 2022, the PRA issued a Request for Proposals ("RFP") soliciting proposals from qualified landscaping firms for grounds maintenance in Eastwick. All bids were due by June 13, 2022. The PRA received two (2) responses to the RFP. Provider was selected by the project review team.

Compensation for the services is as follows:

| | <i>Year 1</i> | <i>Year 2</i> | <i>Year 3</i> |
|--|---------------|---------------|---------------|
| Paving the Way Landscaping 615 Wynnewood Road Philadelphia, PA | \$118,256 | \$223,503 | \$237,695 |

The PRA selected Provider as the most responsive bidder. Provider demonstrated its operational capacity by providing references, previous contract information and an equipment list.

Provider is a certified Minority Business Enterprise ("MBE") and, as such, the actual MBE participation will be one hundred percent (100%).

Proposed Resolution is attached.

Prepared By: Mathen Pullukattu

Reviewed By: Jessie Lawrence



BOARD FACTSHEET

Meeting of July 13, 2022

Conveyance of Title of City Properties through Philadelphia
Redevelopment Authority to Philadelphia Land Bank

NATURE OF TRANSACTION: The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of properties owned by the City of Philadelphia (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 conveyance to the Philadelphia Land Bank in collaboration with the 3rd Councilmanic District, 5th Councilmanic District, and 8th Councilmanic District.

PROPERTY INFORMATION: The City properties attached hereto as Exhibit "A" will be conveyed to the Philadelphia Land Bank without consideration through the PRA, pursuant to Section 2109 of the Land Bank Act, 68 Pa. C.S.A. §2109 (d)(3) and Chapter 16-700 of the Philadelphia Code.

Proposed Resolution is attached.

Prepared by: Brian Romano

Reviewed by: Jessie Lawrence

EXHIBIT "A"

3rd Councilmanic District Properties

1834 S. Allison Street
1837 S. Allison Street
1840 S. Allison Street
1846 S. Allison Street
1848 S. Allison Street
4322 Lancaster Avenue
767 Pallas Street
769 Pallas Street
771 Pallas Street
5517 Paschall Avenue
3903 Wallace Street
642 N. 39th Street
713 N. 43rd Street

5th Councilmanic District Properties

911 W. Auburn Street
913 W. Auburn Street
915 W. Auburn Street
919 W. Auburn Street
921 W. Auburn Street
923 W. Auburn Street
925 W. Auburn Street
3812 N. Camac Street
3826 N. Camac Street
3834 N. Camac Street
3846 N. Camac Street
3850 N. Camac Street
3861 N. Camac Street
2317 Ridge Avenue
1436 N. 17th Street

8th Councilmanic District Properties

3217 N. 15th Street
3241 N. 15th Street
3248 N. 15th Street
3253 N. 15th Street
3257 N. 15th Street
3333 N. 16th Street

3340 N. 16th Street
3342 N. 16th Street
3346 N. 16th Street
3305 N. 17th Street
3314 N. 17th Street
3316 N. 17th Street
3320 N. 17th Street
3327 N. 17th Street
3331 N. 17th Street
3342 N. 17th Street
3344 N. 17th Street
3346 N. 17th Street
3412 N. 17th Street
3414 N. 17th Street



BOARD FACTSHEET

Meeting of July 13, 2022

Conveyance of Title of Philadelphia Redevelopment Authority
Properties to the Philadelphia Land Bank

NATURE OF TRANSACTION: The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of these 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 3rd Councilmanic District Office and 7th Councilmanic District Office.

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

Proposed Resolution is attached.

Prepared by: Cristina Martinez

Reviewed by: Jessie Lawrence

EXHIBIT "A"

3rd Councilmanic District

4041 Cambridge Street
4239 Fairmount Avenue
4245 Fairmount Avenue
759 Pallas Street
761 Pallas Street
763 Pallas Street
773 Pallas Street
779 Pallas Street
783 Pallas Street
785 Pallas Street
1 Rudy Robinson Way
3 Rudy Robinson Way
5 Rudy Robinson Way
7 Rudy Robinson Way
9 Rudy Robinson Way
11 Rudy Robinson Way
13 Rudy Robinson Way
15 Rudy Robinson Way
17 Rudy Robinson Way
19 Rudy Robinson Way
21 Rudy Robinson Way
23 Rudy Robinson Way
25 Rudy Robinson Way
27 Rudy Robinson Way
29 Rudy Robinson Way
31 Rudy Robinson Way
33 Rudy Robinson Way
35 Rudy Robinson Way
37 Rudy Robinson Way
39 Rudy Robinson Way
41 Rudy Robinson Way
43 Rudy Robinson Way
45 Rudy Robinson Way
47 Rudy Robinson Way
49 Rudy Robinson Way

7th Councilmanic District

3418 Kensington Avenue
3420 Kensington Avenue
3422 Kensington Avenue



BOARD FACTSHEET
Meeting of August 10, 2022
Approval of Construction Contract
Seravalli, Inc.
Fishtown Recreation Center Drainage & Hockey Rink Upgrades

NATURE OF TRANSACTION:

The approval of a Construction Contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent of the City of Philadelphia (the "City"), and Seravalli, Inc. ("Seravalli") for the Fishtown Recreation Center Drainage and Hockey Rink Upgrades project, located at 1202-32 E. Montgomery Avenue (the "Project"). The Project is part of the City's Rebuilding Community Infrastructure Program ("Rebuild").

The Project includes the renovation of the hockey rink, new ADA entrances, and repair of drainage issues, including the installation of new playground and fitness equipment and safety surface, fencing, asphalt paving, concrete paving, site furnishings, and grading/earthwork.

SELECTION PROCESS:

On July 1, 2022, the Authority advertised a Request for Proposals, as agent for the City, for the Project. The Authority received two (2) proposals. Seravalli's proposal was selected by the Project review team.

Seravalli, Inc.

10059 Sandmeyer Lane
Philadelphia, PA 19116
Total Base Bid: \$1,224,000
EOP Ranges approved by Rebuild: 13.5% MBE; 10.7% WBE

FINANCING:

The Project will be funded with Bond Proceeds as outlined in the Subgrant Agreement between the Authority and the Philadelphia Authority for Industrial Development. The Subgrant Agreement allows for funds to be transferred to the Authority for Rebuild projects.

Proposed Resolution and site map are attached.

Prepared by: Robert LaBrum
Reviewed by: Susan Varghese

RESOLUTION NO.

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH SERAVALLI, INC. FOR THE FISHTOWN RECREATION CENTER DRAINAGE AND HOCKEY RINK UPGRADES PROJECT AT 1202-32 EAST MONTGONERY AVENUE

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), issued a Request for Proposals ("RFP") seeking responses from qualified contractors willing and capable of performing the Fishtown Recreation Center Drainage and Hockey Rink Upgrades project at 1202-32 East Montgomery Avenue (the "Project").

WHEREAS, Seravalli, Inc. ("Seravalli") submitted its response to the RFP, outlining its extensive experience.

WHEREAS, Seravalli's proposal was selected by the Project review team.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority's Deputy Executive Director of Real Estate to enter into a Construction Contract, as agent for the City, with Seravalli for the Project, with a maximum compensation not to exceed One Million Three Hundred Forty-Six Thousand Four Hundred Dollars (\$1,346,400) (total Base Bid plus 10% Contingency).

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

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

**FISHTOWN RECREATION CENTER DRAINAGE AND HOCKEY RINK
UPGRADES PROJECT
1202-32 EAST MONTGOMERY AVENUE**





BOARD FACTSHEET
 Meeting of August 10, 2022
 Approval of Construction Contract
 Gessler Construction Co., Inc.
 Fotteral Square Renovations and Improvements

NATURE OF TRANSACTION:

The approval of a Construction Contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent of the City of Philadelphia (the "City"), and Gessler Construction Co., Inc. ("Gessler") for the Fotteral Square Renovations and Improvements project, located at 2400 N. 11th Street (the "Project"). The Project is part of the City's Rebuilding Community Infrastructure Program ("Rebuild").

The Project includes the demolition, renovation, and improvement of Fotteral Square, including the removal of existing equipment, paving, and the milling and overlay of asphalt. The new construction includes the installation of new playground and fitness equipment and safety surface, fencing, asphalt paving, concrete paving, site furnishings, and grading/earthwork.

SELECTION PROCESS:

On June 27, 2022, the Authority advertised a Request for Proposals, as agent for the City, for the Project. The Authority received two (2) proposals. Gessler's proposal was selected by the Project review team.

Gessler Construction Co., Inc.

565 E. Andrews Drive
 Media, PA 19063
 Total Base Bid: \$3,250,000
 EOP Ranges set by Rebuild: 30-35% MBE; 15-20% WBE

FINANCING:

The Project will be funded with Bond Proceeds as outlined in the Subgrant Agreement between the Authority and the Philadelphia Authority for Industrial Development. The Subgrant Agreement allows for funds to be transferred to the Authority for Rebuild projects.

Proposed Resolution and site map are attached.

Prepared by: Robert LaBrum
 Reviewed by: Susan Varghese

RESOLUTION NO.

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH GESSLER CONSTRUCTION CO., INC. FOR THE FOTTERAL SQUARE RENOVATIONS AND IMPROVEMENTS PROJECT AT 2400 NORTH 11TH STREET

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), issued a Request for Proposals ("RFP") seeking responses from qualified contractors willing and capable of performing the Fotteral Square Renovations and Improvements project at 2400 North 11th Street (the "Project").

WHEREAS, Gessler Construction Co., Inc. ("Gessler") submitted its response to the RFP, outlining its extensive experience.

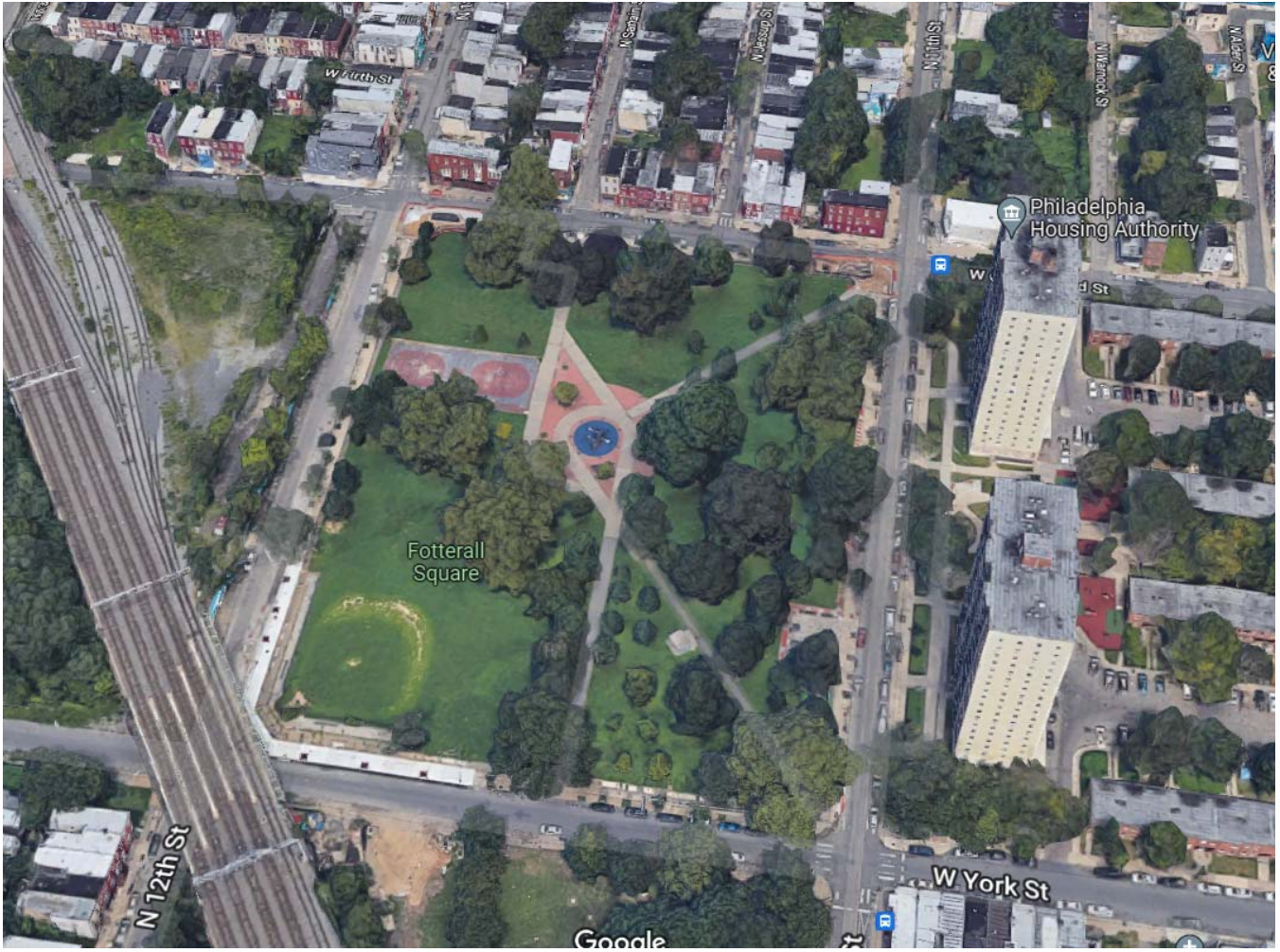
WHEREAS, Gessler's proposal was selected by the Project review team.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, the authorization is hereby given to the Authority's Deputy Executive Director of Real Estate to enter into a Construction Contract, as agent for the City, with Gessler for the Project, with a maximum compensation not to exceed Three Million Five Hundred Seventy-Five Thousand Dollars (\$3,575,000) (total Base Bid plus 10% Contingency).

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

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

**FOTTERAL SQUARE RENOVATION
AND IMPROVEMENTS PROJECT**
2400 N. 11TH STREET





BOARD FACTSHEET

Meeting of August 10, 2022

Conveyance of Title of Philadelphia Redevelopment Authority Properties to the Philadelphia Land Bank

Nature of Transaction: The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of these 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 was approved for conveyance to the Philadelphia Land Bank in collaboration with the 5th Councilmanic District Office.

PROPERTY INFORMATION:

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

Prepared by: Mathen Pullukattu
Reviewed by: Jessie Lawrence

EXHIBIT "A"

5th Councilmanic District

1519 N. Myrtlewood Street
1534 N. Myrtlewood Street
1457 N. 30th Street
1611 N. Marston Street
1613 N. Marston Street
1631 N. Marston Street
1633 N. Marston Street
1641 N. Marston Street
1602 N. Bailey Street
1608 N. Bailey Street
1632 N. Bailey Street
1637 N. Bailey Street
1639 N. Bailey Street
1641 N. Bailey Street
2836 Cecil B Moore Avenue

RESOLUTION NO.

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 Deputy Executive Director of Real Estate and General Counsel.

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

EXHIBIT "A"

5th Councilmanic District

1519 N. Myrtlewood Street
1534 N. Myrtlewood Street
1457 N. 30th Street
1611 N. Marston Street
1613 N. Marston Street
1631 N. Marston Street
1633 N. Marston Street
1641 N. Marston Street
1602 N. Bailey Street
1608 N. Bailey Street
1632 N. Bailey Street
1637 N. Bailey Street
1639 N. Bailey Street
1641 N. Bailey Street
2836 Cecil B Moore Avenue

**BOARD FACTSHEET**

Meeting of August 10, 2022

Amendment to Resolution No. 2021-78, adopted

November 10, 2021

Yorktown Arms Development Limited Partnership

NAME OF OWNER: Yorktown Arms Development Limited Partnership
("Borrower")

NAME OF DEVELOPER: Yorktown Community Development Corporation

TRANSACTION SUMMARY

Approval to amend Resolution No. 2021-78, adopted on November 10, 2021, to increase the amount of the non-recourse construction/permanent loan.

BACKGROUND INFORMATION/PROJECT DESCRIPTION

In 1995, the Philadelphia Redevelopment Authority (the "Authority") provided a loan to Borrower secured by a second (2nd) mortgage and evidenced by a note in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Authority 1995 Loan"). The proceeds of the Authority 1995 Loan were used to assist in the new construction of fifty-six (56) units of rental housing for low and very low-income elderly residents (the "Project") located at 1400 North 13th Street (the "Property").

To preserve the Project as affordable rental housing, the Borrower applied and was awarded financing by the City of Philadelphia Division of Housing and Community Development ("DHCD"). By Resolution No. 2021-78, adopted on November 10, 2021, the Authority Board authorized the Authority to provide a non-recourse construction/permanent loan to the Borrower in an amount not to exceed Two Million Dollars (\$2,000,000) (the "Preservation Loan"), which was to be secured by a third (3rd) lien position on the Property. The Preservation Loan was to be used to make capital improvements to the Project.

Due to a delay of the financial loan closing, inflation has caused the construction costs for the Project to increase by Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$249,332). The Borrower requested additional funds from the Authority to fill the funding gap, which the Authority then requested from the City of Philadelphia Division of Housing and

Community Development ("DHCD"). DHCD agreed to increase the funding allocation and awarded the Project an additional Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$249,332). The revised amount of the Preservation Loan will be in an amount not to exceed Two Million Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$2,249,332). The PHDC Housing Construction Division has reviewed and approved the updated construction costs.

BOARD ACTION

The Board is asked to consent to the following:

Authorize the Authority to amend Resolution No. 2021-78, adopted on November 10, 2021, to increase the Preservation Loan to an amount not to exceed Two Million Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$2,249,332).

Proposed Resolution is attached.

Prepared by: Zena Holland, Senior Housing Development Officer
Reviewed by: Darci Bauer, Director of Housing Finance

**RESOLUTION NO.
(Amending Resolution No. 2021-78, Adopted November 10, 2021)**

MODIFICATION TO RESOLUTION NO. 2021-78, ADOPTED ON NOVEMBER 10, 2021, TO INCREASE THE LOAN AMOUNT TO YORKTOWN ARMS DEVELOPMENT LIMITED PARTNERSHIP

WHEREAS, in 1995, the Philadelphia Redevelopment Authority (the "Authority") provided a loan to Yorktown Arms Development Limited Partnership (the "Borrower") secured by a second mortgage and evidenced by a note in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Authority 1995 Loan"). The proceeds of the Authority 1995 Loan were used to assist in the new construction of fifty-six (56) units of rental housing for low and very low-income elderly residents (the "Project") located at 1400 North 13th Street (the "Property"); and

WHEREAS, to preserve the Project as affordable rental housing, the Borrower applied and was awarded financing by the City of Philadelphia Division of Housing and Community Development ("DHCD") to make capital improvements to the Project; and

WHEREAS, pursuant to Resolution No. 2021-78, adopted on November 10, 2021, the Authority Board authorized the Authority to provide a non-recourse construction/permanent loan to the Borrower in an amount not to exceed Two Million Dollars (\$2,000,000) (the "Preservation Loan"), which was to be secured by a third (3rd) lien position on the Property; and

WHEREAS, the Borrower requested additional funding in the amount of Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$249,332) from the Authority due to an increase in construction costs. The Authority requested the additional funding from DHCD, which consented to increase the funding allocation.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Philadelphia Redevelopment Authority, that Resolution No. 2021-78, adopted on November 10, 2021, is hereby amended to increase the Preservation Loan to an amount not to exceed Two Million Two Hundred Forty-Nine Thousand Three Hundred Thirty-Two Dollars (\$2,249,332).

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

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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 August 10, 2022

Transfer, Modification of Loan Terms, and Assumption and Subordination of Loan

Borinquen Associates II Limited Partnership

TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority (the "Authority") to consent to the transfer of 639 W. Norris Street (formerly known as 639 W. Norris Street, 2008-22 N. Marshall Street and 2007-53 N. 7th Street) (the "Property"), and permit the assumption, restructuring, and subordination of existing Authority debt to allow for the preservation of forty-five (45) affordable rental housing units.

BACKGROUND/PROJECT INFORMATION

Pursuant to Resolution No. 14,861, adopted on August 22, 1995, the Authority Board authorized the Authority to enter into a non-recourse construction/permanent loan agreement with Borinquen Associates II Limited Partnership in the amount of One Million One Hundred Sixty-Four Thousand Ninety-Five Dollars (\$1,164,095), of which One Million Fifty-Seven Thousand Four Hundred Fifty-Three Dollars (\$1,057,453) were disbursed (the "Authority Loan") and evidenced by a note (the "JB2 Note"). The proceeds of the Authority Loan were used in the new construction of the Jardines de Borinquen Phase II development, which consisted of forty-five (45) units of permanent rental housing for low-income residents (the "Project") located at the Property. The JB2 Note is at a one percent (1%) interest for a term of forty (40) years. The Authority Loan was secured by a third (3rd) mortgage against the Property.

The Project has reached its fifteen (15) year low-income housing tax credit compliance period and the sponsor, Asociacion Puertorriquenos en Marcha, Inc. ("APM"), developed a preservation plan to keep the Project affordable for an additional forty (40) years (the "Preservation Project"). The Preservation Project will consist of making much needed renovations, such as energy efficiency upgrades to achieve Enterprise Green Communities 2020 Certification. Exterior repairs will include removing all stucco and providing new vinyl siding, replacing all drywall and framing around the windows, replacing existing windows with Energy Star dual pane windows, and replacing the roof with an Energy Star EPDM roofing system. Interior

repairs will include replacing all unit doors with R-5 insulated doors, replacing all lighting with LED Energy Star lighting, providing new vinyl flooring, replacing all bathroom vanities and fixtures, providing forced air split systems and in-wall dehumidifiers in all units, replacing bathroom and kitchen exhausts, providing new high efficiency water heaters, and providing new electrical panels.

Philadelphia Housing Authority will be providing seventeen (17) project-based vouchers.

To finance the Preservation Project, APM has received from the Pennsylvania Housing Finance Agency ("PHFA") nine percent (9%) low-income housing tax credits and will convey the Preservation Project to a newly created entity, Jardines Preservation LP (the "Borrower"). In addition to equity investment, the financing of the Preservation Project will be provided by Santander Bank, N.A. (the "Construction Loan"), a permanent/construction loan from PHFA ("PHFA Loan"), and other financing. There was no additional financing requested from the Department of Housing and Community Development.

APM has requested the Authority consent to transfer the Property to the Borrower, permit the Borrower to assume the Authority Loan plus accrued interest (the "Assumed Debt"), restructure the Assumed Debt to bear interest at zero percent (0%), due and payable in forty-two (42) years, and subordinate the Authority Loan to the Construction Loan and PHFA Loan.

BOARD ACTION

The Board is asked to consent to the following:

- Transfer of the Property to the Borrower.
- Assumption of the Assumed Debt by the Borrower.
- Permit the Authority to modify the terms of the Authority Loan to extend the maturity date to forty-two (42) years from the date of closing, accrue interest at zero percent (0%) and provide that no payments shall be due and payable until the maturity date.
- Permit the Authority to enter into a subordination agreement in favor of Santander Bank, N.A. and PHFA to subordinate the Assumed Debt to the Construction Loan and PHFA Loan.

Proposed Resolution is attached.

Prepared by: Victoria Engelstad, Senior Housing Development Officer
Reviewed by: Darci Bauer, Director of Housing Finance

RESOLUTION NO.**RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE TRANSFER OF 639 W. NORRIS STREET, PERMIT THE ASSUMPTION AND MODIFICATION OF EXISTING AUTHORITY DEBT, AND ENTER INTO A SUBORDINATION AGREEMENT WITH JARDINES PRESERVATION LP, SANTANDER BANK, N.A., AND THE PENNSYLVANIA HOUSING FINANCE AGENCY**

WHEREAS, pursuant to Resolution No. 14,861, adopted on August 22, 1995, the Philadelphia Redevelopment Authority (the "Authority") provided a loan to Borinquen Associates II Limited Partnership with a current principal balance of One Million Fifty-Seven Thousand Four Hundred Fifty-Three Dollars (\$1,057,453) (the "Authority Loan"). The proceeds of the Authority Loan were used in the new construction of forty-five (45) rental housing units for low-income residents (the "Project") located at 639 W. Norris Street (formerly known as 639 W. Norris Street, 2008-22 N. Marshall Street, and 2007-53 N. 7th Street) (the "Property"); and

WHEREAS, the Authority Loan accrues interest at one (1%) percent per year for a term of forty (40) years and is secured by a third (3rd) mortgage on the Property; and

WHEREAS, Asociacion Puertorriquenos en Marcha, Inc. ("APM"), the sponsor of the Project, developed a preservation plan and secured financing to rehabilitate and preserve the Project under a newly created entity, Jardines Preservation LP (the "Borrower"); and

WHEREAS, APM will rehabilitate the Project and maintain the units as low-income housing (the "Preservation Project"); and

WHEREAS, to finance the Preservation Project, in addition to equity investment, APM received from the Pennsylvania Housing Finance Agency ("PHFA") nine percent (9%) low-income housing tax credits, a construction loan provided by Santander Bank, N.A. (the "Construction Loan"), a permanent/construction loan from PHFA ("PHFA Loan") and other financing; and

WHEREAS, APM has requested the Authority consent to the transfer of the Property to the Borrower, permit the Borrower to assume the Authority Loan plus accrued interest (the "Assumed Debt"), restructure the Assumed Debt to bear interest at zero percent (0%), due and payable in forty-two (42) years, and subordinate the Authority Loan to the Construction Loan and PHFA Loan.

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

1. Permit the transfer of the Property to the Borrower.
2. Permit the assumption of the Assumed Debt by the Borrower.

3. Modify the terms of the Authority Loan to extend the maturity date to forty-two (42) years from the date of closing, accrue interest at zero percent (0%) and provide that no payments shall be due and payable until the maturity date.
4. Enter into a Subordination Agreement in favor of Santander Bank, N.A. and PHFA to subordinate the Assumed Debt to the Construction Loan and PHFA Loan.

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

FURTHER AUTHORIZING, that the Deputy Executive Director of Real Estate, 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 August 10, 2022

Sale, Modification of Loan Terms, and Assumption and

Subordination of Loan

Lovell Apartments LLC

TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority ("Authority") to consent to the sale of the Dorothy Lovell Apartments to Lovell Apartments LLC (the "Borrower"), an affiliate of Odin Properties LLC, to permit the assumption and modification of existing Authority debt, and to enter into a subordination agreement to allow for the preservation of twenty-four (24) affordable rental housing units.

BACKGROUND/PROJECT INFORMATION

In 1990, the Philadelphia Housing Development Corporation ("PHDC") provided financing to Lovell Limited Partnership for the rehabilitation of the Dorothy Lovell Apartments, a low-income housing tax credit ("LIHTC") project that provides twenty-four (24) units of affordable rental housing (the "Project") located at 1821-23 W. Diamond Street and 2114-16 N. Gratz Street (collectively, the "Property"). PHDC financed a Two Hundred Twenty-Five Thousand Dollars (\$225,000) loan at the then long-term applicable federal rate ("AFR") due and payable in 2006 (the "Lovell Loan"). The Lovell Loan was secured by a third (3rd) mortgage behind two (2) Pennsylvania Housing Finance Agency ("PHFA") mortgage loans (collectively, "PHFA Loans"). The Lovell Loan was assigned by PHDC to the Authority.

Pursuant to Resolution No. 18,291, adopted on October 10, 2006 (the "2006 Resolution"), the Board authorized the sale of the Project from Lovell Limited Partnership to 1260 Housing Development Corporation ("1260"). To preserve the Project as an affordable rental housing development, 1260 rehabilitated the Project through a new allocation of LIHTC. The 2006 Resolution further authorized 1260 to sell the Project to a new limited partnership, Arch II Associates, L.P. ("Arch") and for Arch to assume the Lovell Loan as well as reduce the interest rate to the then current AFR and extend the maturity date for an additional thirty (30) years.

Arch has requested the Authority's consent to sell the Project to the Borrower. The sale price of the Property is One Hundred Twenty-Five Thousand Dollars (\$125,000). The proceeds of the sale will pay off existing debt of approximately Ninety Thousand Dollars (\$90,000) from the Reinvestment Fund and reimburse Arch for closing costs and a portion of deferred operating costs. The Borrower will assume the principal amount of the Lovell Loan (the "Assumed Debt"). To maintain the Project as affordable, the Borrower has requested forgiveness of accrued interest, the modification of the interest rate to zero percent (0%) and the extension of the maturity date for an additional twenty (20) years. In consideration of these modifications, the Borrower has agreed to execute a new Declaration of Restrictive Covenants that will preserve affordability of the Project for twenty (20) years.

The Borrower received a loan commitment from Meridian Bank in the amount of Six Hundred Fifty Thousand Dollars (\$650,000) (the "Meridian Loan"). The proceeds of the Meridian Loan will fund the purchase of the Project, an interest reserve, and capital improvements to the Project. The Borrower has requested the Authority agree to subordinate the Lovell Loan to the Meridian Loan and the existing PHFA Loans.

An interim conveyance of the Project to a tax-exempt entity, along with the assumption of the Assumed Debt by that entity, may be needed as the anticipated forgiveness of interest may create a tax liability to the Borrower (the "Interim Transfer"). Having the Interim Transfer occur before conveyance of the Project to the Borrower, and assumption of the Assumed Debt by the Borrower, may alleviate some or all of this liability. The status of the need for the Interim Transfer is not known at this time; however, to avoid the need to bring an additional request for a transfer to the Board later, staff is requesting authorization for the Interim Transfer.

Odin Properties LLC

Odin Properties LLC is a multi-family focused real-estate investment company. Some multi-family buildings currently in the Philadelphia portfolio include:

- Tioga Gardens Apartments – 1801 W. Tioga Street
- Edgewood Manor Apartments – 1510 W. Allegheny Avenue
- Eli Court Apartments – 1418 Conlyn Street
- Willows Apartments – 1330 Foulkrod Street

BOARD ACTION

The Board is asked to consent to the following:

- The transfer of the Project to the Borrower.
- The Interim Transfer of the Project to a tax-exempt entity, if needed.
- The assumption of the Assumed Debt by Borrower.
- The forgiveness of all accrued interest on the Lovell Loan.
- The modification of the interest rate of the Lovell Loan to zero percent (0%) interest and extension of the maturity date for twenty (20) years.
- The execution and delivery of a subordination agreement in favor of Meridian Bank and PHFA to subordinate the Assumed Debt to the Meridian Loan and the PHFA Loans.

COMMENTS OR OTHER CONDITIONS

- PHDC's Housing Construction Division reviewed and approved the proposed capital improvements to the Project.
- Loan closing will be contingent upon Borrower being compliant with City of Philadelphia Department of Revenue.

Proposed Resolution is attached.

Prepared by: Darci Bauer, Director of Housing Finance

RESOLUTION NO.**RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE SALE OF THE DOROTHY LOVELL APARTMENTS TO LOVELL APARTMENTS LLC, PERMIT THE ASSUMPTION AND MODIFICATION OF EXISTING AUTHORITY DEBT, AND ENTER INTO A SUBORDINATION AGREEMENT WITH LOVELL APARTMENTS LLC, MERIDAN BANK, AND THE PENNSYLVANIA HOUSING FINANCE AGENCY**

WHEREAS, in 1990 the Philadelphia Housing Development Corporation ("PHDC") provided financing in the amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000) at the then long-term applicable federal rate ("AFR") to Lovell Limited Partnership (the "Lovell Loan") for the rehabilitation of the Dorothy Lovell Apartments (the "Project"), a low-income housing tax credit ("LIHTC") project that provides twenty-four (24) units of affordable rental housing located at 1821-23 W. Diamond Street and 2114-16 N. Gratz Street (collectively, the "Property"); and

WHEREAS, the Lovell Loan was secured by a third (3rd) mortgage on the Property behind two (2) Pennsylvania Housing Finance Agency ("PHFA") mortgage loans (collectively, "PHFA Loans"); and

WHEREAS, the Lovell Loan was assigned by PHDC to the Philadelphia Redevelopment Authority (the "Authority"); and

WHEREAS, pursuant to Resolution No. 18,291, adopted on October 10, 2006 (the "2006 Resolution"), the Authority authorized the sale of the Project to 1260 Housing Development Corporation ("1260"); and

WHEREAS, to preserve the Project as affordable rental housing, 1260 rehabilitated the Project through a new allocation of LIHTC; and

WHEREAS, the 2006 Resolution further authorized 1260 to sell the Project to Arch II Associates, L.P. as well as reduce the interest rate to the then current AFR and extend the maturity date for an additional thirty (30) years; and

WHEREAS, Arch has requested the Authority's consent to sell the Project to Lovell Apartments LLC ("Borrower"), an affiliate of Odin Properties LLC and has entered into an Agreement of Sale for a purchase price of One Hundred Twenty-Five Thousand Dollars (\$125,000); and

WHEREAS, the Borrower will assume the principal amount of the Lovell Loan (the "Assumed Debt"); and

WHEREAS, the Borrower has requested forgiveness of accrued interest, the modification of the interest rate to zero percent (0%), and an extension of the maturity date for an additional twenty (20) years and, in consideration of these modifications, the Borrower will execute a new Declaration of Restrictive Covenants that will preserve affordability of the Project for twenty (20) years; and

WHEREAS, to finance the acquisition of the Project, the Borrower received a loan commitment in the amount of Six Hundred Fifty Thousand Dollars (\$650,000) from Meridian Bank (the "Meridian Loan"), which will finance the purchase of the Project, an interest reserve, and capital improvements to the Project; and

WHEREAS, the Borrower has requested that the Authority subordinate the Lovell Loan to the Meridian Loan and the existing PHFA Loans; and

WHEREAS, an interim conveyance to a tax-exempt entity, along with the assumption of the Assumed Debt by that entity, may be needed as since the anticipated forgiveness of interest may create a tax liability to the Borrower (the "Interim Transfer").

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that the Authority is authorized to take the following actions, contingent upon Borrower being compliant with the City of Philadelphia Department of Revenue:

1. Permit the transfer of the Project to the Borrower.
2. Permit the Interim Transfer of the Project to a tax-exempt entity, if needed.
3. Permit the assumption of the Assumed Debt by Borrower.
4. Forgive all accrued interest on the Lovell Loan.
5. Modify the terms of the Authority Loan to modify the interest rate of the Lovell Loan to zero percent (0%) interest and extend the maturity date for twenty (20) years.
6. Enter into a subordination agreement in favor of Meridian Bank and PHFA to subordinate the Assumed Debt to the Meridian Loan and the PHFA Loans.

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

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