

PHILADELPHIA REDEVELOPMENT AUTHORITY

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

**BOARD MEETING
WEDNESDAY, MAY 17, 2023**

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

A G E N D A

APPROVAL OF BOARD MINUTES

Meeting of April 12, 2023

I. <u>ADMINISTRATIVE</u>	<u>Page</u>
(a) Approval of Fourth Amendment to Grant Agreement With the City of Philadelphia Department of Public Property and Finance Department	(1)
(b) Housing Preservation Loan Program Amendment of Program; Supplemental Service Agreement; Supplemental Indenture; Amendment of Cooperation Agreement	(5)
(c) Al Pearlman Sports Complex Gessler Construction Co., Inc. 600 Port Royal Avenue Approval of Construction Contract	(12)
(d) Conveyance of Title to City Properties through the Philadelphia Redevelopment Authority to the Philadelphia Land Bank	(15)
(e) Conveyance of Title to Philadelphia Redevelopment Authority Properties to the Philadelphia Land Bank	(19)
(f) 2025-29 Chestnut Mid-City Y 1260 Housing Development Corporation & MF Mid City LLC Lease Amendment, Assignment and Assumption Agreement	(23)

AGENDA

Board Meeting of May 17, 2023

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II. DEVELOPMENT

Cecil B. Moore Avenue Urban Renewal Area (26)
Gryphon Webb Co.
1531 Cecil B. Moore Avenue
Certificate of Completion

III. HOUSING FINANCE

- (a) Villas Del Caribe Apartments (31)
Del Caribe Limited Partnership
161-171 W. Allegheny Avenue (including
3241-65 N. Hancock Street)
**Transfer, Assumption, Subordination and
Restructuring of three (3) Non-Recourse
Construction Permanent Loan Agreements with
Villas**
- (b) Mid-City Apartments (36)
MF Mid City LLC
2025-29 Chestnut Street
**Transfer, Amendment and Assumption of Existing
Loans with Mid-City Residential Associates, L.P. and
New Financing MF Mid City LLC**
- (c) Sarah Allen II, Sarah Allen IV and Sarah Allen V (55)
Various Properties
**Consent to the Sale and Assumption of Existing
Debt provided to Sarah Allen Homes Partners, L.P.,
Sarah Allen Community Homes IV, L.P., and
Sarah Allen Community Homes V, L.P.**

PHILADELPHIA REDEVELOPMENT AUTHORITY

BOARD MEETING MINUTES

Prior to the start of the meeting, Mr. Braden 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. Mr. Braden stated that he provided his email address to the public for any issues with submitting questions and/or comments and for any issues with accessing the Board meeting remotely. Mr. Braden further stated there were no public comments received prior to the meeting.

*****MR. BRADEN 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, April 12, 2023, commencing at 4:00 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; and Sabrina Maynard, Treasurer.

The following members of the Board of Directors were not present: Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary and Anne Nadol, Secretary.

The following assigned staff were present: Alex Braden, Esq., Susan Varghese, Esq., Angel Rodriguez, Jessie Lawrence, Nick Dema, Darci Bauer, Alberta Benn, Bob LaBrum, Zena

Holland, Tracy Pinson-Reviere, Jojy Varghese 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 March 08, 2023, Board meeting, as corrected per Mr. Braden's statement.

Upon motion made and duly seconded, the amended minutes of March 08, 2023, were approved.



Mr. Braden informed the Board that a correction was required with respect to a fact sheet for a prior Board action from the meeting of April 13, 2022 (Resolution No. 2022-27), pursuant to which 800 Vine Senior Housing, LLC was selected to develop 51 affordable housing units at 217-53 N. 9th Street. Mr. Braden explained the Authority was recently advised that the number of studio and 1-bedroom units was incorrect as presented in the Fact Sheet at that meeting. Mr. Braden noted by way of clarification and correction the unit allocation provided for in the governing redevelopment agreement was correct and consistent with the actually developed units in the project, comprising 51 affordable housing units total, and consisting of 12 studio units, 38 1-bedroom units, and 1 2-bedrooms unit; whereas the corresponding Board fact sheet incorrectly indicated an allocation of 18 studio units, 32 1-bedroom units, and 1 2-bedroom unit.

ADMINISTRATIVE

Mr. LaBrum presented "Item I (a) – Approval of Construction Contract with Haines & Kibblehouse, Inc." in substance consistent with the Fact Sheet attached 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. 2023-20

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH HAINES & KIBBLEHOUSE, INC. FOR THE

RENOVATIONS TO THE EAST SCHUYLKILL RIVER WALL PROJECT, LOCATED AT KELLY DRIVE, JUST NORTH OF COLUMBIA BRIDGE

WHEREAS, The Philadelphia Redevelopment Authority (the "Authority") solicited proposals seeking responses from qualified construction firms willing and capable of performing the Renovations of the East Schuylkill River Wall project, located at Kelly Drive, just North of Columbia Bridge (the "Project").

WHEREAS, Haines & Kibblehouse, Inc. ("Haines") submitted its response to the Authority, outlining their extensive experience. Haines was the lowest qualified bidder.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority, as agent for the City of Philadelphia (the "City"), to enter into a construction contract with Haines for the Project, with a maximum compensation not to exceed Two Million Nine Hundred Seventy-Three Thousand Three Hundred Dollars (\$2,973,300.00) (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 Authority's 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

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



Mr. LaBrum presented "Item I (b) – Approval of Construction Contract with Graboyes LLC" in substance consistent with the Fact Sheet attached 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. 2023-21

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH GRABOYES, LLC FOR THE ENGINE NO. 56, WINDOW REPLACEMENT PROJECT, LOCATED AT 830 RHAWN STREET

WHEREAS, The City of Philadelphia (the "City") solicited proposals seeking responses from qualified construction firms willing and capable of performing the Engine No. 56, Window Replacement project, located at 830 Rhawn Street (the "Project").

WHEREAS, Graboyes, LLC. ("Graboyes") submitted its response to the City, outlining its extensive experience. Graboyes was selected by the City.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority, as agent for the City, to enter into a construction contract with Graboyes for the Project, with a maximum compensation not to exceed Two Hundred Four Thousand Six Hundred Five Dollars and Fifty Cents (\$204,605.50) (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 Authority's 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, Mr. Smith, and Ms. Maynard.



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

Additional Comments and Discussion

Mr. Thomas noted that Gessler Construction Co., Inc. has done a few projects for Rebuild and asked if they had improved their MBE/WBE participation goals. Mr. LaBrum replied that Gessler is achieving its goals, noting that the Authority is probably upwards to mid-20's for public bids. Mr. LaBrum estimated that all but three projects did achieve the full percentage goals; however, for the most part, Gessler went above and beyond its participation goals.

Mr. LaBrum stated that bids were due today for a second time for a project and noted that sometimes the Authority do not receive as many bidders for Rebuild projects as for other public bid projects. Mr. LaBrum elaborated that the reason is not solely based on higher percentages but because there are several interested parties and a lot of demand from the City of Philadelphia and Rebuild. Mr. LaBrum stated that, overall, the increased minority participation numbers are being met so this might be something the City could potentially use for other projects.

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. 2023-22

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 GIFFORD PLAYGROUND, MINI-PITCH PROJECT AT 575 TOMLINSON ROAD

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 Gifford Playground, Mini-Pitch project at 575 Tomlinson Road (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, that authorization is hereby given to the Authority, as agent for the City, to enter into a construction contract with Gessler for the Project, with a maximum compensation not to exceed Three Hundred Forty-Two Thousand Six Hundred Seventy-Two Dollars (\$342,672.00) (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 Authority's 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, Mr. Smith, and Ms. Maynard.



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

Additional Comments and Discussion

Mr. Thomas asked if this was the largest project that has been overseen by the Authority to date for Rebuild. Mr. LaBrum responded it may have been, but that there might have been another \$5 million project.

Mr. Thomas asked if they were having trouble finding project managers from the community for these projects. Mr. LaBrum responded that he believed so.

Mr. LaBrum noted that this particular project is the second largest; the largest project being the Ziehler Playground located in Olney, which is \$100,000 more, at a total of \$5.7 million. Mr. LaBrum further stated that there were quite a few more projects that would come before the Board, which was good for the City and for the Authority.

Mr. Thomas asked who was doing Ziehler. Mr. LaBrum replied that it was Plymouth Construction.

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. 2023-23

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH SERAVALLI, INC. FOR THE MURPHY RECREATION CENTER PROJECT AT 300 W. SHUNK 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 Murphy Recreation Center project at 300 W. Shunk Street (the "Project").

WHEREAS, Seravalli, Inc. ("Seravalli") submitted its response to the RFP, outlining their 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, as agent for the City, to enter into a construction contract with Seravalli for the Project, with a maximum compensation not to exceed Six Million Two Hundred Thirty-Four Thousand Fifty-Two Dollars (\$6,234,052.00) (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 Authority's 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, Mr. Smith, and Ms. Maynard.



Mr. Lawrence presented "Item I (e) – Conveyance of Title to City Properties through the Philadelphia Redevelopment Authority to the Philadelphia Land Bank" in substance consistent with the Fact Sheet attached 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. 2023-24

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 (the "City") to create a land bank in accordance with the Land Bank Act; and

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

WHEREAS, Section 16-705 of the Philadelphia Code authorizes the City's Commissioner of Public Property to convey real property to the Philadelphia Redevelopment Authority, without consideration, for subsequent transfer to the Philadelphia Land Bank; and

WHEREAS, 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 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 RESOLVING, 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

5232 Chester Avenue
5906 Market Street
5908 Market Street
6025 Washington Avenue

5th Councilmanic District

1911 Cecil B. Moore Avenue

7th Councilmanic District

268 Diamond Street

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



Mr. Lawrence presented "Item I (f) – Conveyance of Title to Philadelphia Redevelopment Authority Properties to the Philadelphia Land Bank" in substance consistent with the Fact Sheet attached 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. 2023-25

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

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

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

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

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

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

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

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

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

EXHIBIT "A"

3rd Councilmanic District

783-85 Pallas Street
4742-52 Upland Street

5th Councilmanic District

3107 Cecil B. Moore Avenue

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



DEVELOPMENT

Mr. Lawrence presented "Item II (a) – Amendment to Resolution No. 2022-33, Adopted on May 11, 2022" in substance consistent with the Fact Sheet attached hereto.

Additional Comments and Discussion

Mr. Thomas noted that this was simply a reshuffling of affordable housing units and asked if

affordability was still at 60% and below AMI. Mr. Lawrence confirmed that it was.

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. 2023-26
(Amending Resolution No. 2022-33, Adopted May 11, 2022)

MODIFICATION TO RESOLUTION NO. 2022-33 TO CHANGE PROJECT AFFORDABILITY STRUCTURE FOR PROPERTIES LOCATED IN THE WEST PHILADELPHIA REDEVELOPMENT AREA, MANTUA URBAN RENEWAL AREA

WHEREAS, on May 11, 2022, by Resolution No. 2022-33 the Philadelphia Redevelopment Authority (the "Authority") approved the selection of Triangle Senior Housing One, LP ("Redeveloper") as the Redeveloper of 3701 Brown Street, 3703 Brown Street, 3705-11 Brown Street, 3713-17 Brown Street, 3719-33 Brown Street, 3700 Mantua Avenue, 3702-04 Mantua Avenue, and 3706 Mantua Avenue; and

WHEREAS, Redeveloper has requested a revision to approve a change in the project affordability structure to now include four (4) units leased at or below twenty percent (20%) of the median family income for the area, as determined by the U.S. Department of Housing and Urban Development ("AMI"), twenty-four (24) units leased at or below fifty percent (50%) AMI, and twelve (12) units leased at or below sixty percent (60%) AMI; and

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Resolution No. 2022-33, adopted on May 11, 2022, is revised to reflect the approval of revised AMI levels that now include four (4) units leased at or below twenty percent (20%) AMI, twenty-four (24) units leased at or below fifty percent (50%) AMI, and twelve (12) units leased at or below sixty percent (60%) AMI, and further authorizing the execution, delivery and recording of the Redevelopment Contract, Deed and a Declaration of Restrictive Covenants for the properties and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

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

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



Mr. Lawrence presented "Item II (b) – Issuance of a Partial Certificate of Completion; 1540 Christian Street" in substance consistent with the Fact Sheet attached hereto.

Additional Comments and Discussion

Mr. Thomas asked if there were any questions or concerns from the public. Mr. Thomas explained that Rashidah Cornitcher used the chat feature and posed, "Are you giving the public enough time to decide because it seems like this is moving quickly?" Mr. Thomas asked if Ms. Cornitcher had any concerns with Item II (b). Ms. Cornitcher answered through the chat feature that she did not at this time.

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. 2023-27

RESOLUTION AUTHORIZING THE ISSUANCE OF A PARTIAL CERTIFICATE OF COMPLETION FOR PARCEL NO. 265 - 1540 CHRISTIAN STREET, LOCATED IN THE SOUTH CENTRAL REDEVELOPMENT AREA, SOUTH CENTRAL URBAN RENEWAL AREA

WHEREAS, The Philadelphia Redevelopment Authority ("PRA") entered into an Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement") with the Universal Real Estate Development Company ("Redeveloper") dated March 1, 2004 to develop 1540 Christian Street (the "Property") and thirty three (33) other properties in the South Central Urban Renewal Area into a scattered site market rate housing developer named Bainbridge West (the "Project"), and the Redevelopment Agreement was amended by a few amendatory agreements;

WHEREAS, pursuant to Resolution No. 17,455, adopted by the Board on February 24, 2004, the Board authorized the Redeveloper to assign to all of its rights and obligations of the Project to Universal Community Homes, Inc. ("Assignee") with respect the Property;

WHEREAS, the PRA conveyed the Property and other properties in the Project to the Assignee by deed dated March 1, 2004;

WHEREAS, pursuant to the Redevelopment Agreement, as amended, and the Amendatory and Assignment Agreements, the Assignee was required to, among other things, complete the Project in accordance with the development obligation and adhere to the Economic Opportunity Plan ("EOP") requirements;

WHEREAS, the Property was developer in accordance with the development obligation and others were not; and

WHEREAS, based on PRA records, the Economic Opportunity Plan was not monitored; and

WHEREAS, a Certificate of Completion has been requested for the Property.

NOW THEREFORE, BE IT RESOLVED, the Philadelphia Redevelopment Authority, that the Deputy Executive Director of Real Estate is hereby authorized to issue a partial Certificate of Completion certifying the completion of development at 1540 Christian Street in accordance with the Redevelopment 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 RESOLVING, 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, Mr. Smith, and Ms. Maynard.



HOUSING FINANCE

Ms. Bauer presented "Item III – Transfer, Amendment and Assumption of Existing Loan with 1929 Sansom Limited Partnership and New Financing" in substance consistent with the Fact Sheet attached 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. 2023-28

RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION PERMENANT LOAN WITH KP 15 LIMITED

PARTNERSHIP AND TO PERMIT EXISTING AUTHORITY DEBT TO BE ASSUMED AND RESTRUCTURED UNDER NEW TERMS AND CONDITIONS

WHEREAS, pursuant to Resolution No. 17,231, adopted on May 13, 2003, the Philadelphia Redevelopment Authority (the "Authority") Board authorized the Authority to enter into a non-recourse construction/permanent loan agreement with 1929 Sansom Limited Partnership in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) ("Authority 2003 Loan"): and

WHEREAS, the proceeds of the Authority 2003 Loan provided financing to assist in the rehabilitation of one hundred thirty (130) rental units for residents at or below sixty percent (60%) of area median income (the "Project"), in a 144 unit building of which 14 rental units were market rate. The Project is located at 1929 Sansom Street (the "Property"); and

WHEREAS, the Authority 2003 Loan is evidenced by a note payable to the Authority and secured by a second mortgage on the Property behind financing provided by the Pennsylvania Housing Finance Agency ("PHFA") ("PHFA 2003 Loan"). The Authority 2003 Loan accrues no interest and is payable in thirty (30) years; and

WHEREAS, Project HOME ("PH"), the sponsor, of the Project, has developed a preservation plan to make capital improvements to the Property (the "Preservation Project") and keep the units affordable for an additional forty-two (42) years; and

WHEREAS, in connection with the Preservation Project, PH has formed KP 15 Limited Partnership (the "Borrower") to acquire the Property; and

WHEREAS, to finance the Preservation Project, PH applied and received from PHFA nine percent (9%) low-income housing tax credits, PHFA Development Cost Relief Program funds ("DCRP Loan" PHFA Capital Magnet Funds ("CMF Loan") and PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE Loan"). PH also secured construction-bridge financing from Citizen Bank, N.A. (the "Construction-Bridge Loan"). In addition, PH received a financing commitment from the City of Philadelphia Division of Housing and Community Development in the amount of Three Million Dollars (\$3,000,000) ("New Financing"); and

WHEREAS, PH has requested the Authority's consent to transfer the Property to the Borrower and for the Borrower to assume the Authority 2003 Loan under revised terms.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Philadelphia Redevelopment Authority, that the Authority is authorized to take the following action:

- Permit the transfer of the Property to the Borrower.
- Permit the assumption by the Borrower of the Assumed Debt
- Provide a non-recourse construction/permanent loan in the amount of Four Million Five Hundred Thousand Dollars (\$4,500,000) to the Borrower consisting of New Financing and Assumed Debt under the following terms and conditions:

- The term of the Authority Loan will be for forty-two (42) years at zero percent (0%) interest.
- During the Authority Loan term, no principal or interest will be required to be paid.
- The entire balance will be due and payable in forty-two (42) years.
- Permit the Authority Loan to be secured by a sixth lien position on the Property behind the Construction-Bridge Loan, DCRP Loan, CMF Loan, PHARE Loan, and PHFA 2003 Loan. Upon payment of the Construction-Bridge Loan, the Authority Loan will be in a fifth lien position on the Property behind the DCRP Loan, PHARE Loan, CMF Loan and the PHFA 2003 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 RESOLVING, 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, Mr. Smith, and Ms. Maynard.



Mr. Thomas stated that before moving to Old Business and New Business, he wanted to acknowledge that Ms. Bauer’s last day was coming up and that this would be her last presentation to this prestigious Board. Mr. Thomas expressed his appreciation for all that Ms. Bauer has done over almost 37 years of dedicated service to the City of Philadelphia. Mr. Thomas emphasized that Ms. Bauer will be well missed and that everyone listening should be aware that her retirement is well deserved. Mr. Thomas remarked that Ms. Bauer brought to the Authority over the years and to PHDC over these past few years will be unmatched. Mr. Thomas stated that he wants Ms. Bauer to enjoy her life, and that when you work over 40 years of your life you are supposed to enjoy your life. Mr. Thomas stated that Ms. Bauer did all that she was supposed to do. Mr. Thomas concluded by saying, “Please know I am sincere when I say, I am going to miss you and hope that your retirement works out well.” Ms. Bauer thanked Mr. Thomas for his remarks.



OLD BUSINESS

At this time, Ms. Thomas recognized Yvonne Haskins and invited her to speak. Ms. Haskins asked to receive an update on the record in regard to two issues, the first being the development of the Germantown YWCA building. Ms. Haskins stated she is aware there have been different developments that have happened over the last three to four months. Ms. Haskins asked Mr. Thomas to provide an explanation for everyone to hear where things stand. Mr. Thomas replied that

Mr. Rodriguez would elaborate further, but noted that the Germantown "Y" developer, KBK, was given an extension for funding from the City of Philadelphia. The proposal was submitted but was not awarded, and an extension was granted through May of 2023. Mr. Thomas explained that the developer was working to figure out how to close the funding gap and that KBK was still being heavily supported by council district and councilperson.

Ms. Haskins asked what would happen if, at the end of the period, KBK does not meet the requirements. Mr. Rodriguez replied that the developer's reservation letter sunsets right after May. There is no further action required. Mr. Rodriguez stated that the developer would have to take positive steps to actually qualify for another reservation letter.

Ms. Haskins asked if there would be some question as to whether the developer would be able to get another non-compete agreement again. Mr. Rodriguez stated that the Authority issues reservation letters only with a qualified application. Ms. Haskins responded that the developer had a reservation letter in September of last year that was non-compete. Ms. Haskins emphasized that what she was asking was whether, after sunset, there would be an RFP issued for the building. Mr. Rodriguez replied that staff would have to consult with the councilperson about that, so he couldn't speak to right now, but reiterated that KBK has a reservation letter in effect until May.

Mr. Thomas stated the Authority would recommend this project reissue an RFP but emphasized that the Authority has to work with the district council person.

Ms. Haskins stated that her second issue was with regard to the former Germantown Settlement properties, emphasizing that the new members of the Board should be aware of how important it is that this project should happen. The community is pleased that an RFP was issued, but there is concern that the community should be involved in some way. Ms. Haskins stated that in 2018 there was a discovery, and without the help of herself and two other community members, the Authority was making a mistake of giving away \$3 million dollars to a person who was committing fraud. Ms. Haskins stated that this was uncovered and has been all corrected now hopefully. Ms. Haskins stated these properties have been in the Authority's inventory and noted that these properties can provide affordable housing that is desperately needed in Germantown.

Ms. Haskins observed that under the RFP for the properties, it was going to take a long time for anyone to get started because of all the funding requirements, including LIHTC. Ms. Haskins stated her concern that these are rental properties, but that her community engagement group recommended homeownership and is hoping it will be considered. Ms. Haskins asked if there were any plans for community engagement when the Authority is at a point to approve developers. Mr. Rodriguez replied that the Authority staff can set parameters in the RFP and that this RFP was site specific because the Authority partnered with Division of Housing Community Development ("DHCD") to add subsidy.

Mr. Rodriguez stated if a proposed developer submits a proposal seeking to acquire the \$3 million, it will have to provide rental properties at 60% AMI. Mr. Rodriguez noted that staff were going to review every qualified application that is received, and that they may or may not seek out subsidies. Mr. Rodriguez stated at this point in time he cannot say because the applications are due on June 5, 2023, and that extra time was given due to the complexity of the project as well as combining two

separate locations to be large enough for it to be feasible. Mr. Rodriguez further stated that once applications qualify the next step is to score the applications. This is something that has not been discussed at the Board level. Next, the Authority requires the developer who was selected to reach out to the community and initiate a community meeting. In addition, the redeveloper at the meeting would explain the proposal and discuss what the project would entail. This would probably be the first time the community would have the opportunity to raise their concerns. Next, these concerns would also be brought before the Board and be part of the Board package to understand the exact issues that were raised. Mr. Rodriguez further stated this is a change which was made in the past and has now been adopted by the Authority and the Land Bank.

Mr. Thomas pointed out to Ms. Haskins that it definitely would be coming to the community and would not come before the Board without the community's input. Mr. Thomas also stated that it might appear the Authority is focused on LIHTC applications; however, this is not solely geared towards LHITC developers.

Mr. Thomas pointed out that the Authority's biggest challenge is to keep the project affordable and recognizes, as Mr. Rodriguez mentioned earlier, 60% of AMI and below. In order for staff to do this in most circumstances, developers would probably be looking to use tax credits.

Ms. Haskins stated previously that Mr. Rodriguez mentioned typically the Authority would encourage a developer to come meet with the community. Mr. Rodriguez replied it is a requirement. Mr. Thomas reiterated that it is the standard now. Mr. Rodriguez stated that because of a change to the Disposition Policy, it actually requires properties to be posted. A common complaint that the Authority has gotten from RCOs, and community members, is they may not have seen the posting, or they feel like it's the first-time hearing about the project.

Mr. Rodriguez stated the Authority requires anyone who is selected through an RFP process cannot be presented to the Board until a community meeting has been held. Mr. Rodriguez pointed out that staff provides an entire package to the developer. A developer must explain what the property is, what their plans are, a sign-in sheet is required to be filled out, a summary of all the issues raised, etc. This will prove that a developer has reached out to community members. In addition, another requirement is the distribution of flyers in the neighborhood and the notifying the neighborhood that all these steps must be completed before the project can be presented to the Board of Directors.

Mr. Thomas stated that since the Authority is already aware of the community concerns, staff will provide Ms. Haskins with contact information when the appropriate time is necessary.

Ms. Haskins asked if the homeownership is going to be moving forward soon. Mr. Thomas replied that some of these units are already occupied by existing tenants and that staff is assessing the situation and hopefully will have these issues resolved as well. Mr. Thomas further stated that the challenge is making sure we are not creating opportunities for homeownership for people who are not necessarily able to maintain or take care of the property. Mr. Thomas explained staff are trying to be thoughtful as we move forward.

Mr. Thomas recognized Allison Weiss and invited her to speak. Ms. Weiss stated that she heard Ms. Haskin's comments, and that she has concerns as well about the Lower Germantown

properties, wondering if all the correct properties were included because it's very confusing as some properties were left off, one was demolished, and other properties were added back onto the list. Ms. Weiss stated that she wanted to have her concerns registered.

Ms. Weiss stated that town hall is a disgrace. Ms. Wiess stated she was guessing the Authority has nothing to do with the town hall, and Mr. Thomas confirmed. Ms. Weiss stated the Authority is overseeing the Women's "Y" and pointed out that she noticed there is a relatively new gate, which was put up on the south side of the building. Mr. Rodriguez confirmed that there were fencing and repairs on the south side. Ms. Weiss asked if it was a new installation because there never was a gate there previously. Mr. Rodriguez responded that it was a new installation.

Ms. Weiss asked if the installation of the gate was vetted through the Historical Commission. Mr. Rodriguez replied no it was not. Ms. Weiss asked why not. Mr. Rodriguez responded because short dumping was taking place. Mr. Thomas inquired as to whether the gate changed or altered the building. Mr. Rodriguez replied the gate is not affixed to the building. Ms. Weiss stated that it not a very attractive addition. Mr. Thomas responded that he understands; however, short dumping is not attractive either. Ms. Weiss replied that she fully agrees, and neither is graffiti and all the other associated mess either.

Mr. Thomas explained that the Authority is trying to be good neighbors and trying to protect the asset. Mr. Thomas stated that maybe it was not the right decision for some people. Ms. Weiss responded protecting the asset would be getting a good developer in there to do what needs to be done instead of all these patches, which is costing everyone an awful lot of money, and is not getting us anywhere. Mr. Thomas stated he agrees. Ms. Weiss replied we all agree but we don't seem to be getting very far.

Mr. Thomas advised Ms. Weiss that you know the other interested parties that you need to reach out to. Ms. Weiss responded she is working on it. Mr. Thomas stated the Authority's hands are tied as well. Mr. Thomas stated he wants this resolved just as much as the community to not see it abandoned and vacant. Mr. Thomas stated wants to see its purpose fulfilled.

Mr. Thomas asked Ms. Weiss to email the specifics that she raised in regard to the properties including the address of the demolished property, properties not added and things of this nature so staff can confirm. Ms. Weiss replied of course and stated there is one building on the historical registry that needs maintenance attention. Ms. Weiss stated she will confirm the address and send a current photo as well.



NEW BUSINESS

Mr. Thomas asked if there was any new business for the Board. No new business was presented.



ADJOURNMENT

There being no further business to come before the Board, Mr. Thomas called for a motion to adjourn the meeting. Upon motion made and duly seconded, the meeting was adjourned at 4:49 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 April 12, 2023

Attended	User Name (Original Name)	First Name	Last Name
Yes	Nicky (IT) (Abigail Poses)	Abigail	Poses
Yes	Dave Thomas	Dave	Thomas
Yes	Angel Rodriguez (Dave Thomas)	Dave	Thomas
Yes	Sabrina Maynard	Sabrina	Maynard
Yes	Zena Holland	Zena	Holland
Yes	Zena Holland	Zena	Holland
Yes	Robert Labrum	Robert	Labrum
Yes	Robert Labrum	Robert	Labrum
Yes	Robert Labrum	Robert	Labrum
Yes	Robert Labrum	Robert	Labrum
Yes	Susan Varghese	Susan	Varghese
Yes	Alberta Benn	Alberta	Benn
Yes	Jessie Lawrence	Jessie	Lawrence
Yes	Tracy Pinson Reviere	Tracy	Pinson Reviere
Yes	Tracy Pinson Reviere	Tracy	Pinson Reviere
Yes	Beth Bonaccorso	Beth	Bonaccorso
Yes	Nick Dema (Beth Bonaccorso)	Beth	Bonaccorso
Yes	Bill Smith (Beth Bonaccorso)	Beth	Bonaccorso
Yes	Beth Bonaccorso	Beth	Bonaccorso
Yes	Darci Bauer	Darci	Bauer
Yes	Darci Bauer	Darci	Bauer
Yes	Alex Braden	Alex	Braden
Yes	Jojoy Varghese	Jojoy	Varghese
No	jamila	jamila	davis
No	Tracy	Tracy	Hearst-Purdy
No	Kae	Kae	Hill
No	Lyle	Lyle	Winklerprins
No	Jacqueline	Jacqueline	Talpa
Yes	Jacquie Sims	Jacquie	Sims
Yes	Jacquie Sims	Jacquie	Sims
No	June	June	Waters-Bey
No	Rene	Rene	Romero
No	Michael	Michael	Bell
No	Viola	Viola	Tehmeh
No	Lawrence	Lawrence	Macey
No	Miles	Miles	Wilson
No	Mel	Mel	Seawright
No	Idilia	Idilia	Venti
No	sheila e.	sheila e.	johnson

No	Tiffany	Tiffany	Chavous
No	Gerald	Gerald	Bolling
No	Ted	Ted	Smith
Yes	Lindsay Patterson	Lindsay	Patterson
No	Raj	Raj	Patel
No	Randy	Randy	Washington
No	Kirby	Kirby	Ames
No	Derrick	Derrick	Ross
No	Eugene	Eugene	Tull
No	Carla	Carla	Bell
Yes	Eloise Young	Eloise	Young
No	Keila [KAY LAH]	Keila	[KAY LAH]
No	Francine	Francine	Eason
No	Yvonne	Yvonne	Farrell
Yes	Michele Rhett	Michele	Rhett
No	Jermaine	Jermaine	Peters
Yes	Rashidah Cornitcher	Rashidah	Cornitcher
Yes	Rashidah Cornitcher	Rashidah	Cornitcher
Yes	Danielle Reaves	Danielle	Reaves
Yes	Danielle Reaves	Danielle	Reaves
Yes	Danielle Reaves	Danielle	Reaves
Yes	Elizabeth way	Elizabeth	way
No	Jade	Jade	Woods
No	Debra	Debra	Crosby
No	Yvonne	Yvonne	Haskins
Yes	yvonne haskins	yvonne	haskins
Yes	Nancy Burns	Nancy	Burns
Yes	Todd Hestand	Todd	Hestand
Yes	a weiss	a	weiss
Yes		12158821025	12158821025

PRA Board Meeting of April 12, 2023- Q & A			
Question Details			
#	Question	Asker Name	Answer
1	Are you giving the public enough time to decide, it seems like this is going swiftly	Rashidah Cornitcher	
2	Not at this time	Rashidah Cornitcher	



BOARD FACTSHEET
 Meeting of April 12, 2023
 Approval of Construction Contract
 Haines & Kibblehouse, Inc.
 Renovations of the East Schuylkill River Wall

NATURE OF TRANSACTION:

Approval of construction contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Haines & Kibblehouse, Inc. ("Haines") for the Renovations of the East Schuylkill River Wall project (the "Project"), located at Kelly Drive, North of Columbia Bridge.

The Project includes wall renovations, including wall replacement, masonry repointing, scour protection, removal and replacement of wall stones, and asphalt mill and overlay.

SELECTION PROCESS:

On February 3, 2023, the Authority solicited bids for the Project, and received four (4) proposals from qualified contractors. Haines was the lowest qualified bidder.

Haines & Kibblehouse, Inc.

4747S. Broad Street
 Building 101, Suite 110
 Philadelphia, PA 19112
 Total Base Bid, inc. Allowances: \$2,703,000
 EOP:18% MBE; 7% WBE

BACKGROUND/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: Alex Braden



BOARD FACTSHEET
 Meeting of April 12, 2023
 Approval of Construction Contract
 Graboyes, LLC
 Engine No. 56, Window Replacement

NATURE OF TRANSACTION:

Approval of construction contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Graboyes, LLC ("Graboyes") for the Engine No. 56, Window Replacement project (the "Project"), located at 830 Rhawn Street.

The Project includes the removal and replacement of the engine house windows, including hardware and finishing.

SELECTION PROCESS:

In March 2023, the City solicited quotes for the Project. The City has recommended Graboyes for the Project.

Graboyes, LLC.

171A Rittenhouse Circle
 Bristol, PA 19007
 Total Bid: \$186,005
 EOP:93% MBE; 7% WBE

BACKGROUND/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: Alex Braden



BOARD FACTSHEET
 Meeting of April 12, 2023
 Approval of Construction Contract
 Gessler Construction Co., Inc.
 Gifford Playground, Mini-Pitch

NATURE OF TRANSACTION:

Approval of construction contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Gessler Construction Co., Inc. ("Gessler") for the Gifford Playground, Mini-Pitch project, located at 575 Tomlinson Road (the "Project"). The Project is part of the City's Rebuilding Community Infrastructure Program ("Rebuild").

The Project includes the supply and installation of a soccer mini-pitch, including asphalt mill and overlay, stripping, and fencing.

SELECTION PROCESS:

On February 2, 2023, the Authority advertised a Request for Proposals, as agent for the City, for the Project. The Authority received three (3) 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: \$311,520.00

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 supporting Project information (photograph) are attached.

Prepared by: Robert LaBrum

Reviewed by: Alex Braden



BOARD FACTSHEET
 Meeting of April 12, 2023
 Approval of Construction Contract
 Seravalli, Inc.
 Murphy Recreation Center

NATURE OF TRANSACTION:

Approval of construction contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent of the City of Philadelphia (the "City"), and Seravalli, Inc. ("Seravalli") for the Murphy Recreation Center project, located at 300 W. Shunk Street (the "Project"). The Project is part of the City's Rebuilding Community Infrastructure Program ("Rebuild").

The Project includes construction of a synthetic turf athletic field with associated amenities and utilities. Site amenities include team benches, spectator bleachers, combination soccer/football goalposts, chain link fencing, ball control netting, and baseball/softball backstops. Also included is the procurement of a maintenance vehicle with attachments for servicing and maintaining the synthetic turf field. Other site improvements include new concrete sidewalk in the interior of the site, new asphalt paving, mill and overlay asphalt paving, new basketball net standards, and basketball line striping.

Scope in the lightwell area includes replacement of below grade areaway drains and associated piping, new concrete deck, steps, concrete curb at boiler room door, new louvered steel door and frame, below grade brick pointing, masonry repairs.

SELECTION PROCESS:

On February 23, 2023, the Authority advertised a Request for Proposals, as agent for the City, for the Project. Seravalli was the only bidder. The Project review team approved Seravalli's Proposal.

Seravalli, Inc.

10059 Sandmeyer Lane

Philadelphia, PA 19116

Total Base Bid, Inc. Allowances and Add/Alternate No. 1: \$5,667,320.00

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 supporting Project information (photograph) are attached.

Prepared by: Robert LaBrum

Reviewed by: Alex Braden



BOARD FACTSHEET

Meeting of April 12, 2023

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

Nature of Transaction: The Philadelphia Redevelopment Authority (the "Authority") will facilitate the conveyance of title to 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, 5th and 7th Councilmanic District Offices.

PROPERTY INFORMATION:

The City properties attached hereto as Exhibit "A" will be conveyed to the Philadelphia Land Bank without consideration through the Authority, 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: Mathen Pullukattu
 Reviewed by: Jessie Lawrence

EXHIBIT "A"

3rd Councilmanic District

5232 Chester Avenue
5906 Market Street
5908 Market Street
6025 Washington Avenue

5th Councilmanic District

1911 Cecil B. Moore Avenue

7th Councilmanic District

268 Diamond Street



BOARD FACTSHEET

Meeting of April 12, 2023

Conveyance of PRA Properties to 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 and 5th Councilmanic District Offices.

PROPERTY INFORMATION:

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

Prepared by: Brian Romano
Reviewed by: Jessie Lawrence

EXHIBIT "A"

3rd Councilmanic District

783-85 Pallas Street
4742-52 Upland Street

5th Councilmanic District

3107 Cecil B. Moore Avenue



BOARD FACTSHEET

Meeting of April 12, 2023

Amendment to Resolution No. 2022-33, Adopted May 11, 2022

Triangle Senior Housing One LP

NAME OF DEVELOPER/APPLICANT: Triangle Senior Housing One LP ("Redeveloper")

Nature of Transaction: The Board is requested to amend Resolution No. 2022-33, adopted on May 11, 2022, approving Triangle Senior Housing One LP as redeveloper of 3701, 3703, 3705-11, 3713-17 and 3719-33 Brown Street and 3700, 3702-04, and 3706 Mantua Avenue located within the Mantua Urban Renewal Area. The Board approved the development of forty (40) units in a three (3) story building for senior housing. This approval allowed for the leasing of four (4) units to tenants whose household incomes are at or below twenty percent (20%) of the median family income for the area, as determined by the U.S. Department of Housing and Urban Development ("AMI"), twenty-seven (27) units leased to tenants whose household incomes are at or below fifty percent (50%) AMI and nine of the (9) units leased to tenants whose household incomes are at or below sixty percent (60%) AMI.

The Board is requested to approve changes in the affordability as the Developer has submitted revised Area Median Income (AMI) levels for the unit breakdown. Revised AMIs will now include four (4) units leased at twenty percent (20%) AMI, twenty-four (24) units leased at fifty percent (50%) AMI, and twelve (12) units leased at sixty percent (60%) AMI. Construction will remain as previously presented consisting of a 38,519 square foot structure consisting of forty (40) affordable senior rental housing units.

Legal Entity/Other Partners (if applicable):

- Francis Vargas – General Partner and Limited Partner- 33.33%
- Brett Altman – General Partner and Limited Partner- 33.33%
- Robert Bluth – General Partner and Limited Partner- 33.33%

Mailing Address: 240 New York Drive, Suite 1, Fort Washington, PA, 19034

PROPERTY DESCRIPTION: 3701 Brown Street – 1,454 sq. ft.
3703 Brown Street – 1,454 sq. ft.

3705-11 Brown Street – 5,702 sq. ft.
3713-17 Brown Street – 4,314 sq. ft.
3719-33 Brown Street – 11,506 sq. ft.
3700 Mantua Avenue – 3,657 sq. ft.
3702-04 Mantua Avenue – 2,339 sq. ft.
3706 Mantua Avenue – 1,054 sq. ft.
(collectively, the “Properties”)

Zoning: RSA-5

Use: Residential

Disposition Value: Eight (\$8.00) Dollars

The City of Philadelphia's Land Disposition Policy allows for discounted pricing for projects that have a demonstrated community and social impact. In support of the project's community and social benefit impact, as part of the financing for the Project, there will also be a Declaration of Restrictive Covenants, Restrictions and Conditions recorded against the Properties which will require the Properties to target low-income persons at or below sixty percent (60%) AMI.

FINANCING:

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

COMMENTS OR OTHER CONDITIONS:

Acquisition and commencement of construction of the proposed project is estimated to start within three (3) months after settlement with construction completion within twenty-four (24) months after settlement.

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

Because this Project is receiving public subsidy, the Economic Opportunity Plan ranges required by Chapter 17-1600 of the Philadelphia Code will be set and approved by the City and PHDC closer to the date of settlement.

Proposed resolution, photo and site plan are attached.

Prepared by: Tracy Pinson-Reviere

Reviewed by: Jessie Lawrence


BOARD FACTSHEET

Meeting of April 12, 2023

Issuance of a Partial Certificate of Completion

1540 Christian Street

NAME OF DEVELOPER/APPLICANT: Universal Real Estate Development Company ("Redeveloper"), Universal Community Homes, Inc. ("Assignee").

NATURE OF TRANSACTION: The Board is asked to authorize a Resolution authorizing the issuance of a partial Certificate of Completion for 1540 Christian Street (the "Property"), which was developed into a single-family home.

BACKGROUND: The Philadelphia Redevelopment Authority (the "Authority") entered into an Amended and Restated Redevelopment Agreement with Redeveloper dated March 1, 2004 (the "Redevelopment Agreement"), to develop the Property and thirty three (33) other properties in the South Central Urban Renewal Area into a scattered site market rate housing development named Bainbridge West (the "Project"). The Redevelopment Agreement was amended by several subsequent Amendatory Agreements (collectively, the "Amendatory Agreements") to, among other things, remove certain properties from the Project and extend commencement and completion deadlines accordingly. By Resolution No. 17,455, adopted by the Board on February 24, 2004, the Board authorized Redeveloper to assign all of its rights and obligations with respect to the Project to Assignee. Pursuant to the Board authorization granted by said Resolution No. 17,455, the Authority conveyed the Property, along with the other properties comprising the Project, to the Assignee on March 1, 2004 to develop the Project.

Pursuant to the Redevelopment Agreement, as amended and assigned, the Assignee was required to, among other things, complete the Project and adhere to the Economic Opportunity Plan ("EOP") requirements. No Certificate of Completion was ever requested by the Assignee as two properties in the Project were not completed. Since then, the Assignee has sold all completed properties, including the Property. A title company recently contacted the Authority to request a Certificate of Completion on behalf of a new buyer who recently purchased the Property. Based on the Authority's records, the EOP was not monitored due to an oversight by staff. Because of this, the departments tasked with verifying the development obligation and monitoring the EOP cannot sign off on the Project.

Should the Board approve a partial Certificate of Completion for the Project, the title company has been made aware that the maintenance and covenant against discrimination provisions in the Redevelopment Agreement will not be released.

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

Prepared by: Brian Romano
Reviewed by: Jessie Lawrence



BOARD FACTSHEET

Meeting of April 12, 2023

Kate's Place

Transfer, Amendment and Assumption of Existing Loan with 1929 Sansom Limited Partnership and New Financing
 KP 15 Limited Partnership

TRANSACTION SUMMARY

Authorization for the Philadelphia Redevelopment Authority (the "Authority") to consent to the transfer of the Kates Place development to KP 15 Limited Partnership (the "Borrower") and provide a non-recourse construction permanent loan agreement in amount not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000) (the "Authority Loan") to the Borrower. The Authority Loan will consist of assumed Authority debt in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Assumed Debt") from the existing Kate's Place development and new financing in an amount not to exceed Three Million Dollars (\$3,000,000) (the "New Financing").

BACKGROUND INFORMATION/PROJECT DESCRIPTION

Pursuant to Resolution No. 17,231, adopted on May 13, 2003, the Authority Board authorized the Authority to provide a non-recourse construction/permanent loan secured by a second mortgage to 1929 Sansom Limited Partnership in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Authority 2003 Loan" behind financing provided by the Pennsylvania Housing Finance Agency ("PHFA") ("PHFA 2003 Loan"). The Authority 2003 Loan accrues no interest and is payable in thirty (30) years. The Authority 2003 Loan was used to assist in the rehabilitation of one hundred thirty (130) rental units for residents at or below sixty (60%) Area Median Income and is located at 1929 Sansom Street (the "Property").

PROPOSED PROJECT

The Kates Place Preservation Project (the "Preservation Project") will consist of the preservation/rehabilitation of one hundred forty-four (144) rental units of which one hundred thirty (130) units are affordable. Fourteen (14) units are market rate. A physical needs assessment and energy audit shows that the building has experienced substantial wear and tear. Mechanical systems, fixtures and furnishings within the dwellings and in the common areas have exceeded or are nearing the end of their useful lives. Wood windows in the

dwelling units are identified as critical repair and portions of the historic brick façade are in extremely poor condition. The building will receive new historically appropriate windows and exterior façade restoration. Other renovations will include all finishes on the doors, cabinets, countertops, flooring and trim. New systems will be installed throughout, including heating, air conditioning, plumbing and lighting. Finally, the fire alarm and security systems, as well as the elevator cabs will be updated. The renovation work will increase the number of units accessible to persons with mobility impairments from nine (9) units to eighteen (18) units and units accessible to persons with sensory impairments from nine (9) units to twenty-one (21) units.

PROPOSED FINANCING

To finance the Preservation Project, Project HOME ("PH") the sponsor of the Preservation Project, applied and received from PHFA nine (9%) percent low-income housing tax credits, PHFA Development Cost Relief Program funds ("DCRP Loan"), PHFA Capital Magnet Funds ("CMF Loan") and PHFA Pennsylvania Housing and Rehabilitation Enhancement Funds ("PHARE Loan"). PH secured construction-bridge financing from Citizen Bank, N.A. (the "Construction-Bridge Loan"). In addition, PH received a new financing commitment from the Division of Housing and Community Development in the amount of Three Million Dollars (\$3,000,000). The Authority Loan consists of Assumed Debt and New Financing.

The Board is asked to consent to the following:

- Permit the transfer of the Property to the Borrower.
- Permit the assumption by the Borrower of the Assumed Debt
- Provide a non-recourse construction/permanent loan in the amount of Four Million Five Hundred Thousand Dollars (\$4,500,000) to the Borrower consisting of New Financing and Assumed Debt under the following terms and conditions:
 - The term of the Authority Loan will be for forty-two (42) years at zero percent (0%) interest.
 - During the Authority Loan term, no principal or interest will be required to be paid.
 - The entire balance will be due and payable in forty-two (42) years.
- Permit the Authority Loan to be secured by a sixth lien position on the Property behind the Construction-Bridge Loan, DCRP Loan, PHARE Loan, PHFA CMF Loan and PHFA 2003 Loan. Upon payment of the Construction-Bridge Loan, the Authority Loan will be in a fifth lien position on the Property behind the DCRP Loan, PHARE Loan, CMF Loan and the PHFA 2003 Loan.

COMMENTS OR OTHER CONDITIONS:

The PHDC Housing Construction Department has approved the plans, specification, and construction costs for the project, the Office of Economic Opportunity has approved the Economic Opportunity goals, and the Philadelphia Planning Commission has stated they do not need to review this Project due to the funding source. The Development Team has no outstanding tax issues.

Proposed Resolution is attached.

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director of Housing Finance

END OF PRA BOARD MINUTES OF APRIL 12, 2023

**BOARD FACTSHEET**

Meeting of May 17, 2022

Approval of Fourth 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.

Pursuant to Resolution No. 2022-42, adopted on July 13, 2022, the Board authorized a Third Amendment to Grant Agreement (the "Third Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for one (1) year, effective October 23, 2022, and the Grant Funds were increased by Ten Million Dollars (\$10,000,000). The Third Amendment was executed by the Authority and the City on August 1, 2022.

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, 2023, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Thirty Million Dollars (\$30,000,000) such that the total Grant Funds to be issued under the Grant Agreement, as previously amended, will now be Fifty-Seven Million Six Hundred Thousand Dollars (\$57,600,000).

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: Alex Braden

RESOLUTION NO.**RESOLUTION AUTHORIZING APPROVAL OF A FORTH 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, pursuant to Resolution No. 2022-42, adopted on July 13, 2022, the Authority Board authorized a Third Amendment to Grant Agreement (the "Third Amendment") with the City, as grantor, wherein the term of the Grant Agreement was extended for one (1) year, effective October 23, 2022, and the Grant Funds were increased by Ten Million Dollars (\$10,000,000).

WHEREAS, the Third Amendment was executed by the Authority and the City on August 1, 2022.

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, 2023, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Thirty Million Dollars (\$30,000,000) such that the total Grant Funds to be issued under the Grant Agreement, as previously amended, will now be Fifty-Seven Million Six Hundred Thousand Dollars (\$57,600,000).

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 Fourth 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, 2023, and (ii) amend the Grant Agreement, as previously amended, to increase the Grant Funds by an additional Thirty Million Dollars (\$30,000,000) such that the total Grant Funds to be issued under the Grant Agreement, as previously amended, will now be Fifty-Seven Million Six Hundred Thousand Dollars (\$57,600,000).

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 RESOLVING, 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 May 17, 2022

Amendment to Housing Preservation Loan Program;
 Supplemental Service Agreement;
 Supplemental Trust Indenture; Amendment to Cooperation
 Agreement

BACKGROUND: A home repair program for Philadelphia homeowners, referred to herein as the Housing Preservation Loan Program (the "HPLP"), is an initiative of the City of Philadelphia (the "City") that is administered by the Philadelphia Redevelopment Authority (the "Authority"). The HPLP aims to increase access to low-interest loans for low-, moderate-, and middle-income City residents who own homes in need of essential repairs. The HPLP is funded with proceeds from \$40,000,000 City Service Agreement Revenue Bonds, Series 2018 (Federally Taxable) (the "2018 Bonds") issued by the Authority pursuant to Resolution No. 2018-56, adopted by the Authority July 11, 2018, and as previously authorized by City Council Bill No. 170878, which was passed by City Council on November 30, 2017 (the "HPLP Ordinance"). The 2018 Bonds were issued under a certain Trust Indenture, dated as of October 1, 2018 (the "Original Trust Indenture"). In connection with the 2018 Bonds and the HPLP Ordinance, the Authority entered into a Service Agreement with the City to establish the scope of the HPLP and set forth the obligations of the Authority with respect thereto (the "Original Service Agreement").

A portion of the 2018 Bonds remains unexpended and the City and the Authority have determined that the aims of the HPLP can be advanced by expanding its purposes to include housing production programs involving the provision of loans (together with the financing of loan origination fees) and/or grants to developers, homeowners and property owners for costs of rehabilitation, property acquisition and new construction to increase the production of affordable homeownership and rental housing including, without limitation, the City's Turn the Key Program and bridge and other loans for housing projects which secure a reservation of tax credits.

A bill is being prepared for introduction to City Council to amend and supplement the HPLP Ordinance (the "Amending Ordinance") to amend the scope of the HPLP for the purposes described above. The Amending Ordinance is expected also to authorize and approve the execution and delivery of a Supplement to the Original Service Agreement (the "Supplemental Service Agreement") related to the amended

scope of the HPLP.

The amendment of the scope of the HPLP will require that the Authority execute (i) a supplement to the Original Trust Indenture (the "Supplemental Indenture") and (ii) an amendment to, or an amended and restated version of, that certain Intergovernmental Cooperation Agreement, dated October 3, 2018 (the "Original ICA") to allow for proceeds of the 2018 Bonds to be applied to the HPLP as amended.

NATURE OF REQUEST/TRANSACTION: Authorization is now sought from the Board for the following matters:

1. The amendment of the HPLP to include housing production programs involving the provision of loans (together with the financing of loan origination fees) and/or grants to developers, homeowners and property owners for costs of rehabilitation, property acquisition and new construction to increase the production of affordable homeownership and rental housing including, without limitation, the City's Turn the Key Program and bridge and other loans for housing projects which secure a reservation of tax credits, and to use proceeds of the 2018 Bonds to finance the costs thereof;
2. The negotiation, execution and delivery of the Supplemental Service Agreement by and between the City and the Authority relative to the funding and operation of the HPLP, as amended;
3. The negotiation, execution and delivery of the Supplemental Indenture to allow for proceeds of the 2018 Bonds to be applied to the HPLP, as amended;
4. The negotiation, execution and delivery of an amendment to, or an amended and restated version of, the ICA, to allow for proceeds of the 2018 Bonds to be applied to the HPLP, as amended.

Proposed Resolution is attached.

Prepared by: Alex Braden

RESOLUTION NO.

APPROVING THE AMENDMENT OF A HOME REPAIR PROGRAM FOR CITY HOMEOWNERS TO PROVIDE ADDITIONAL USES FOR THE REMAINING PROCEEDS OF THE AUTHORITY'S CITY SERVICE AGREEMENT REVENUE BONDS, SERIES 2018 (FEDERALLY TAXABLE) ISSUED IN CONNECTION WITH FINANCING SUCH PROGRAM TO INCLUDE THE CITY'S TURN THE KEY PROGRAM, CERTAIN LOANS FOR TAX CREDIT PROJECTS AND OTHER AFFORDABLE HOUSING PRODUCTION PROGRAMS; APPROVING THE EXECUTION AND DELIVERY OF A SUPPLEMENT TO THE RELATED EXISTING SERVICE AGREEMENT BETWEEN THE AUTHORITY AND THE CITY OF PHILADELPHIA TO PROVIDE FOR SUCH AMENDED PURPOSES; APPROVING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE PROVIDING FOR SUCH ADDITIONAL USES OF REMAINING PROCEEDS OF SUCH 2018 BONDS; APPROVING THE EXECUTION AND DELIVERY OF AMENDMENTS TO, OR AN AMENDMENT AND RESTATEMENT OF, THE INTERGOVERNMENTAL COOPERATION AGREEMENT BETWEEN THE AUTHORITY AND THE CITY RELATED TO SUCH 2018 BONDS; AND AUTHORIZING INCIDENTAL ACTION TO BE TAKEN BY OFFICERS OF THE AUTHORITY.

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

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

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

WHEREAS, the City is authorized by the Pennsylvania Redevelopment Cooperation Law, Act No. 383 of the General Assembly of the Commonwealth approved May 24,

1945 (P.L. 982), as amended and supplemented (the "Redevelopment Cooperation Law") to enter into agreements with the Authority respecting action to be taken by the City pursuant to any of the powers granted by the Redevelopment Cooperation Law; to make such appropriations to the Authority as are deemed necessary to assist the Authority in carrying out its public purposes; and to designate the Authority as the City's agent within the Authority's field of operation to perform any specified activity or to administer any specified program which the City is authorized by law to do in furtherance of the public purposes specified in the Authority Law; and

WHEREAS, the City and the Authority are authorized by law to undertake the Program (as defined by the 2017 Ordinance (as defined below), and as amended by this Resolution), and the Program furthers the public purposes specified in the Authority Law; and

WHEREAS, neither the Commonwealth nor the United States offers a program which duplicates the Program (including as amended pursuant to the Amending Ordinance and this Resolution); and

WHEREAS, the Authority and the City previously determined, in accordance with the 2017 Ordinance, that: (i) the Authority would, at the direction and with the cooperation of the City, by entering into a Service Agreement with the City (the "Original Service Agreement"), undertake a home repair program for City Homeowners (as defined in the 2017 Ordinance), including the financing of certain costs thereof, all as further described in Exhibit A to the 2017 Ordinance in order to encourage the provision of healthful homes and a decent living environment to improve the health of residents and preserve critical affordable housing; and (ii) the Authority would issue its Obligations (as defined below) to finance certain costs thereof; and

WHEREAS, the City Council of the City, by Ordinance (Bill No. 170878), adopted November 30, 2017, and approved by the Mayor on December 12, 2017 (the "2017 Ordinance"), among other things: (i) authorized and approved the execution and delivery of the Original Service Agreement; and (ii) approved the issuance by the Authority of bonds, notes or other evidences of indebtedness (including reimbursement obligations related to lines or letters of credit) (the "Obligations"); and

WHEREAS, at the request of the City, the Authority issued its \$40,000,000 City Service Agreement Revenue Bonds, Series 2018 (Federally Taxable) (the "2018 Bonds") under a Trust Indenture, dated as of October 1, 2018 (the "Original Trust Indenture"), between the Authority and U.S. Bank Trust Company, successor in interest to U.S. Bank National Association, as trustee (the "Trustee") for the purpose of providing financing for costs of the Program and costs of issuance of the 2018 Bonds; and

WHEREAS, a portion of the proceeds of the 2018 Bonds remains unexpended; and

WHEREAS, the City and the Authority have determined that the purpose of encouraging the provision of healthful homes and a decent living environment to improve the health of residents and preserve critical affordable housing within the City can be advanced by amending the Program to expand its purposes to include the City's Turn the Key Program, bridge

and other loans for housing projects which secure reservations of tax credits, and other affordable housing production programs (including the financing of loan origination fees); and

WHEREAS, a bill is being prepared for introduction to the City Council of the City to amend and supplement the 2017 Ordinance (the "Amending Ordinance"), that among other things, is expected to amend the scope of the Program to include housing production programs involving the provision of loans (together with the financing of loan origination fees) and/or grants to developers, homeowners and property owners for costs of rehabilitation, property acquisition and new construction to increase the production of affordable homeownership and rental housing including, without limitation, the City's Turn the Key Program and bridge and other loans for housing projects which secure a reservation of tax credits; and

WHEREAS, the Amending Ordinance is expected to also authorize and approve the execution and delivery of a Supplement to the Original Service Agreement (the "Supplemental Service Agreement") related to the above-referenced Program changes; and

WHEREAS, the City is expected to determine that the foregoing authorizations and approvals are in the best interest of the City; and

WHEREAS, the Authority has determined to approve the amendment of the Program, as set forth herein subject to enactment of the Amending Ordinance; and

WHEREAS, the Authority has determined to execute and deliver the Supplemental Service Agreement in order to allow for proceeds of the 2018 Bonds to be applied to the Program, as amended; and

WHEREAS, the Authority has also determined to execute and deliver a supplement to the Original Indenture (the "Supplemental Indenture") to provide for certain corresponding amendments to the Original Indenture in order to allow for proceeds of the 2018 Bonds to be applied to the Program, as amended by this Resolution; and

WHEREAS, the Authority has also determined to execute amendments to, or an amended and restated version of, the Intergovernmental Cooperation Agreement, dated October 3, 2018 (the "Original ICA") to similarly make necessary changes to allow for proceeds of the 2018 Bonds to be applied to the Program, as so amended; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the Authority's execution and delivery of the Supplemental Service Agreement, the Supplemental Indenture, amendments/restatements to the Original ICA and related documents to provide for remaining proceeds of the 2018 Bonds to be used for the purposes of the Program, as amended hereby.

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

Section 1. The Authority hereby finds, determines and declares that the undertaking of the Program, as amended as described above, will further the public purposes of the Authority Law and the Redevelopment Cooperation Law and the purposes for which the Authority was created

and continues to exist and accordingly the Authority hereby authorizes and approves the undertaking of the Program, as so amended, and the use of remaining proceeds of the 2018 Bonds to finance costs thereof, subject to enactment of the Amending Ordinance.

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

Section 3. The Chairman, Vice Chairman or Executive Director is hereby authorized and directed to execute, acknowledge and deliver, and, if required, the Secretary, Assistant Secretary, Executive Director or Deputy Executive Director is hereby authorized and directed to affix and attest the corporate seal of the Authority to, the Supplemental Indenture in substantially such form as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution.

Section 4. The Chairman, Vice Chairman or Executive Director is hereby authorized to execute and deliver amendments to the Original ICA or an amendment and restatement of the Original ICA in substantially such forms as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution.

Section 5. Any of the officers of the Authority are hereby authorized and directed, in cooperation with the appropriate officers of the City, to execute and deliver such other documents and instruments (including, without limitation, any memorandum of understanding or agreement with the City relating to the expenditure of the remaining proceeds of the 2018 Bonds and any amendment or supplement to any existing agreements with the City, any as counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such execution) and to take such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the Supplemental Service Agreement, Supplemental Indenture, any amendment to, or amendment and restatement of, the Intergovernmental Cooperation Agreement and performance by the Authority of all such agreements as may be amended and/or restated, and the consummation of the transactions contemplated thereby, and the undertaking of the Program, as amended hereby, all in accordance with this Resolution.

Any of the officers of the Authority are hereby authorized to execute and deliver such certificates and other documents as may be necessary or convenient to evidence that any particular City or Authority home repair program qualifies as part of the Program consistent with the 2017 Ordinance.

The preparation and posting of any filings to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system in connection with the transactions contemplated hereby is hereby approved.

Section 6. This Resolution shall take effect immediately upon its adoption. All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.



BOARD FACTSHEET

Meeting of May 17, 2023

Approval of Construction Contract

Gessler Construction Co., Inc.

Al Pearlman Sports Complex

NATURE OF TRANSACTION:

The approval of a Construction Contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Gessler Construction Co., Inc. ("Gessler") for the Al Pearlman Sports Complex project, located at 600 Port Royal Avenue (the "Project"). The Project is part of the City's Rebuilding Community Infrastructure Program ("Rebuild").

The Project includes soil replacement, site grading, fencing repairs and upgrades, repaving of dug out areas at Pony field and Bud Ryan field, light fixture upgrades, new railings at steps entering Pony and Bud Ryan fields, new backstop at Pony field, new permanent player benches at Pony and Bud Ryan fields and new removable bollards at driveway entrance to Pony field.

SELECTION PROCESS:

On April 4, 2023, the Authority, as agent for the City, advertised a Request for Proposals 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, including Add/Alternate No. 1: \$1,088,435

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 supporting Project information (photograph) are attached.

Prepared by: Robert LaBrum

Reviewed by: Alex Braden

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 AL PEARLMAN SPORTS COMPLEX PROJECT AT 600 PORT ROYAL 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 Al Pearlman Sports Complex project at 600 Port Royal Avenue.

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

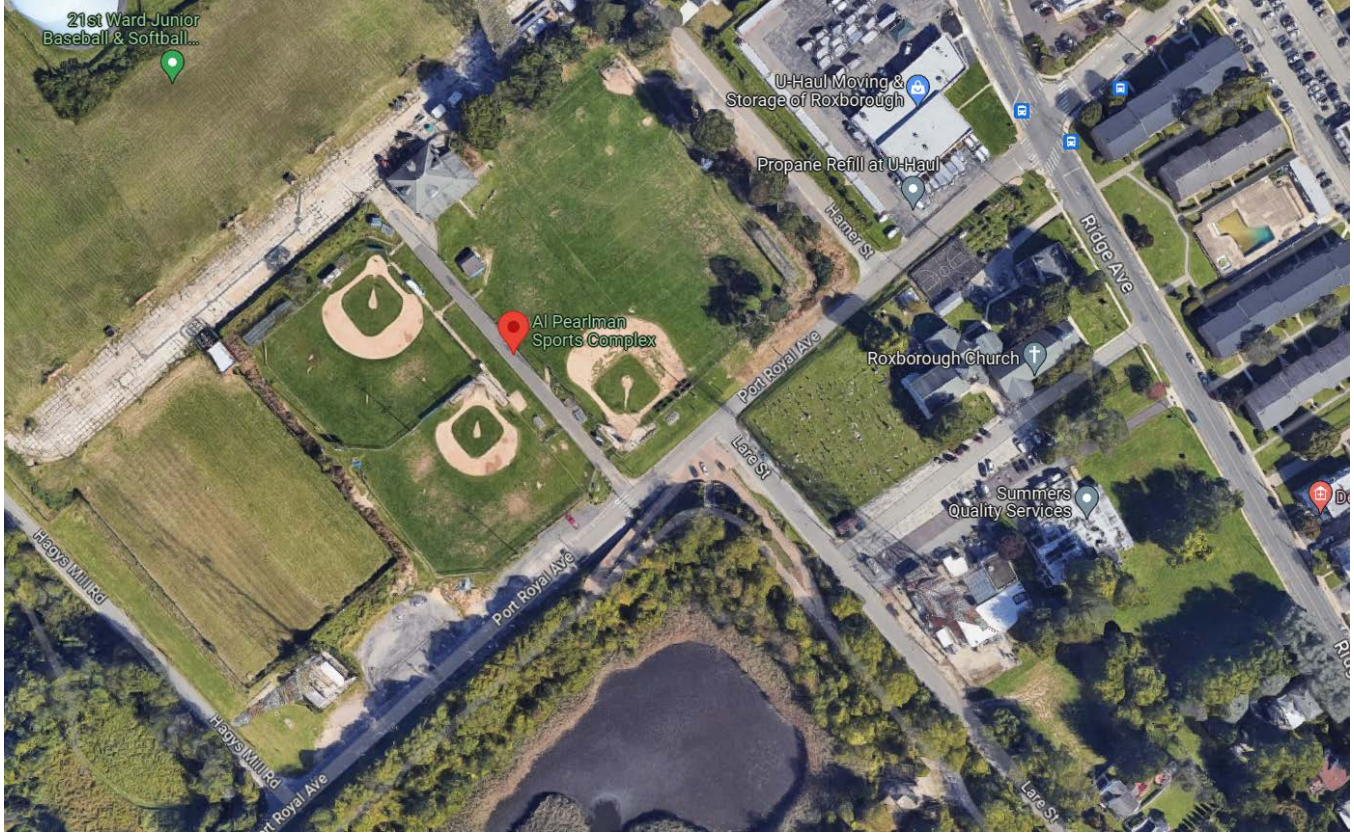
WHEREAS, Gessler's proposal was selected by the Project review team.

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 One Million One Hundred Ninety-Seven Thousand Two Hundred Seventy-Eight Dollars and Fifty Cents (\$1,197,278.50) (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 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.

Al Pearlman Sports Complex
600 Port Royal Avenue





BOARD FACTSHEET

Meeting of May 17, 2023

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

NATURE OF TRANSACTION: The Philadelphia Redevelopment Authority (the "Authority") will facilitate the conveyance of title to certain properties owned by the City to the Philadelphia Land Bank.

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The City properties listed below were approved for conveyance to the Philadelphia Land Bank in collaboration with the 4th, 5th, and 8th Councilmanic Districts.

PROPERTY INFORMATION:

The City properties attached hereto as Exhibit "A" will be conveyed to the Philadelphia Land Bank without consideration through the Authority, 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"

4th Councilmanic District Properties

3212 N. 33rd Street

5th Councilmanic District Properties

1749 N. Marshall Street

1751 N. Marshall Street

2503 N. 28th Street

2542 N. 28th Street

2552 N. 28th Street

2559 N. 28th Street

3212 N. 33rd Street

8th Councilmanic District Properties

926 E. Locust Avenue

RESOLUTION NO.

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 (the "City") to create a land bank in accordance with the Land Bank Act; and

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

WHEREAS, Section 16-705 of the Philadelphia Code authorizes the City's Commissioner of Public Property to convey real property to the Philadelphia Redevelopment Authority, without consideration, for subsequent transfer to the Philadelphia Land Bank; and

WHEREAS, 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 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 RESOLVING, 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"

4th Councilmanic District Properties

3212 N. 33rd Street

5th Councilmanic District Properties

1749 N. Marshall Street
1751 N. Marshall Street
2503 N. 28th Street
2542 N. 28th Street
2552 N. 28th Street
2559 N. 28th Street
3212 N. 33rd Street

8th Councilmanic District Properties

926 E. Locust Avenue



BOARD FACTSHEET

Meeting of May 17, 2023

Conveyance of PRA Properties to Philadelphia Land Bank

NATURE OF TRANSACTION: The Philadelphia Redevelopment Authority (the "Authority") will facilitate the conveyance of title to certain properties owned by the Authority to the Philadelphia Land Bank:

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The Authority properties listed below were approved for conveyance to the Philadelphia Land Bank in collaboration with the 2nd, 4th, and 5th Councilmanic District Offices.

PROPERTY INFORMATION:

PRA Conveyance: The Authority 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: Brian Romano
Reviewed by: Jessie Lawrence

EXHIBIT "A"

2nd Councilmanic District

1532 Stillman Street
1534 Stillman Street
1536 Stillman Street

4th Councilmanic District

2942 W. Wishart Street

5th Councilmanic District

1600 N. 6th Street

RESOLUTION NO.

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

WHEREAS, Act 153 of 2012, 68 Pa. C.S.A. § 2101, *et seq.* (the "Land Bank Act") authorized the City of Philadelphia (the "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 RESOLVING, 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"

2nd Councilmanic District

1532 Stillman Street
1534 Stillman Street
1536 Stillman Street

4th Councilmanic District

2942 W. Wishart Street

5th Councilmanic District

1600 N. 6th Street



BOARD FACTSHEET

Meeting of May 17, 2023

Amendment to Resolution No. 2022-20, adopted April 13, 2022

Mid-City Y

NAME OF DEVELOPER/APPLICANT: 1260 Housing Development Corporation ("1260 HDC") and MF Mid City LLC ("MF Mid City"). MF Mid City is an affiliated entity of Mission First Housing Development Corporation ("MF") and 1260 HDC.

BACKGROUND: The Philadelphia Redevelopment Authority ("Authority") and Mid-City Residential Associates, L.P. ("Mid-City LP"), as tenant, entered into a certain Amended and Restated Lease dated February 12, 1998, and made effective as of February 26, 1998 (the "Lease"), for the fourth through seventh floors plus a portion of the first floor of the Mid-City Y building located at 2025-29 Chestnut Street (the "Leased Premises"). The Lease was thereafter assigned by Mid-City LP to 1260 HDC pursuant to that certain Assignment, Assumption and Consent Agreement dated June 28, 2016, and made effective July 1, 2016.

NATURE OF TRANSACTION: The Board is requested to amend Resolution No. 2022-20, adopted on April 13, 2022, which authorized the Authority to enter into a Lease Amendment, Assignment and Assumption Agreement with 1260 HDC and MF Mid City, to, among other things, extend the term of the Lease and memorialize the assignment of the obligations of the tenant thereunder from 1260 HDC to MF Mid City (the "Lease Assignment").

In preparing to finalize the Lease Assignment, the parties determined that the legal description of the Leased Premises attached to the Lease does not accurately describe the portion of the first floor of the Leased Premises actually occupied and used by the tenant under the Lease (the "First Floor Space"), as reflected on that certain First Floor Plan, dated November 8, 2022, prepared by the project architect Cecil Baker & Partners (the "First Floor Plan") and the updated survey of the First Floor Space as prepared by Eustace Surveyors (the "Corrected Legal Description").

The Board is requested to approve an additional amendment to the Lease, to be included in the Lease Assignment, to reflect the Corrected Legal Description.

Proposed Resolution is attached.

Prepared by: Alex Braden

RESOLUTION NO.
(Amending Resolution No. 2022-20, Adopted April 13, 2022)

MODIFICATION TO RESOLUTION NO. 2022-20, ADOPTED APRIL 13, 2022, TO INCLUDE A CORRECTED PREMISES LEGAL DESCRIPTION IN LEASE AMENDMENT, ASSIGNMENT AND ASSUMPTION AGREEMENT

WHEREAS, pursuant to Resolution No. 2022-20, adopted on April 13, 2022, the Philadelphia Redevelopment Authority (the "Authority") authorized a certain Lease Amendment, Assignment and Assumption Agreement (the "Assignment Agreement") to be entered into by and among the Authority as Landlord, 1260 Housing Development as Assignor ("1260 HDC"), and MF Mid City LLC ("MF") as Assignee, with respect to that certain Amended and Restated Lease dated effective as of February 26, 1998, originally by and among the Authority as Landlord and Mid-City Residential Associates, L.P., as predecessor to 1260 HDC, as tenant (the "Lease") for the fourth through seventh floors plus a portion of the first floor of the Mid-City Y building located at 2025-29 Chestnut Street (the "Leased Premises").

WHEREAS, it has been determined that the legal description of the Leased Premises attached to the Lease does not accurately describe the portion of the first floor of the Leased Premises actually occupied and used by the tenant (including any successors and assigns thereof) under the Lease (the "First Floor Space"), as reflected on that certain First Floor Plan, dated November 8, 2022, prepared by the project architect Cecil Baker & Partners (the "First Floor Plan").

WHEREAS, the parties to the Assignment Agreement seek to have the Assignment Agreement provide for the legal description of the Leased Premises attached to the Lease to be amended to reflect the correct legal description of the First Floor Space, as depicted on the First Floor Plan and the updated survey of the First Floor Space as prepared by Eustace Surveyors (the "Corrected Legal Description").

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Resolution No. 2022-20, adopted on April 13, 2022, is hereby amended to provide that the following additional term shall be incorporated into the Assignment Agreement:

- 1) The legal description of the Leased Premises attached to the Lease, along with any applicable provisions of the Lease that make reference to the legal description, square footage or dimensions of the Leased Premises, will be amended to reflect the Corrected Legal Description.

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


BOARD FACTSHEET

Meeting of May 17, 2023

Issuance of Certificate of Completion

1531 Cecil B. Moore Avenue

NAME OF DEVELOPER/APPLICANT: Gryphon Webb Co.

NATURE OF TRANSACTION: The Board is asked to authorize the issuance of a Certificate of Completion for 1531 Cecil B. Moore Avenue (the "Property"), and to approve, on an after-the fact basis, the building plans pursuant to which the Property was developed (the "Building Plans").

BACKGROUND: Pursuant to Resolution No. 2014-85 adopted on September 10, 2014, the Redevelopment Authority (the "Authority") entered into a Redevelopment Agreement with Gryphon Webb LLC to expand its adjacent business and construct a one-story kitchen on the front portion of the Property with open-air outdoor dining area in the rear of the Property. Developer purchased the Property for Ninety-Six Thousand Dollars (\$96,000). Gryphon Webb LLC's entity name was subsequently changed to Gryphon Webb Co. ("Developer"). Pertinent recording document is as follows:

- Redevelopment Agreement: February 25, 2016, Doc. ID No. 53028002
- Deed: February 25, 2016, Doc. ID No. 53028003

The Building Plans now contemplate a two-story building with office and indoor dining space in the rear of the Property and an open-air outdoor dining area in the front Property. Developer has submitted a construction affidavit confirming total construction costs for the project in the amount of One Hundred Eighty-Eight Thousand Six Hundred Dollars (\$188,600).

Developer has completed construction on the Property in accordance with the Building Plans and has received a Certificate of Occupancy from the City of Philadelphia – Department of Licenses & Inspections.

The Board is requested to authorize the issuance of a Certificate of Completion and to approve the Building Plans, on an after-the-fact basis.

An administrative fee for the unauthorized plan change will apply in the amount of Nine Thousand Four Hundred Thirty Dollars (\$9,430.00), which

amount represents 5% of the total construction costs as confirmed by Developer's notarized construction affidavit.

PROPERTY DESCRIPTION: 1531 Cecil B. Moore Avenue

Description: 1,746 SF **Zoning:** CMX-2 **Use:** Commercial

The Property value was established by an independent appraisal and advertised for sale on www.phillylandworks.org. The Authority received multiple expressions of interest for the property. The applicant was chosen due to being the adjacent property owner.

FINANCING:

Developer purchased the property and provided documentation of available funds in an amount no less than the total project cost.

COMMENTS OR OTHER CONDITIONS:

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

The selection of a developer for the Project did not include requirements for an Economic Opportunity Plan ("EOP"), and Prevailing Wage and Fine Arts requirements did not apply to the project.

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

Prepared by: Brian Romano, Project Manager II
Reviewed by: Jessie Lawrence, Director of Real Estate

RESOLUTION NO.**RESOLUTION AUTHORIZING THE ISSUANCE OF A CERTIFICATE OF COMPLETION FOR 1531 CECIL B. MOORE AVENUE, LOCATED IN THE NORTH PHILADELPHIA REDEVELOPMENT AREA, CECIL B. MOORE AVENUE URBAN RENEWAL AREA**

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") entered into a Redevelopment Agreement (the "Redevelopment Agreement") with Gryphon Webb Co. ("Developer"), dated February 19, 2015, for the development of 1531 Cecil B. Moore Avenue;

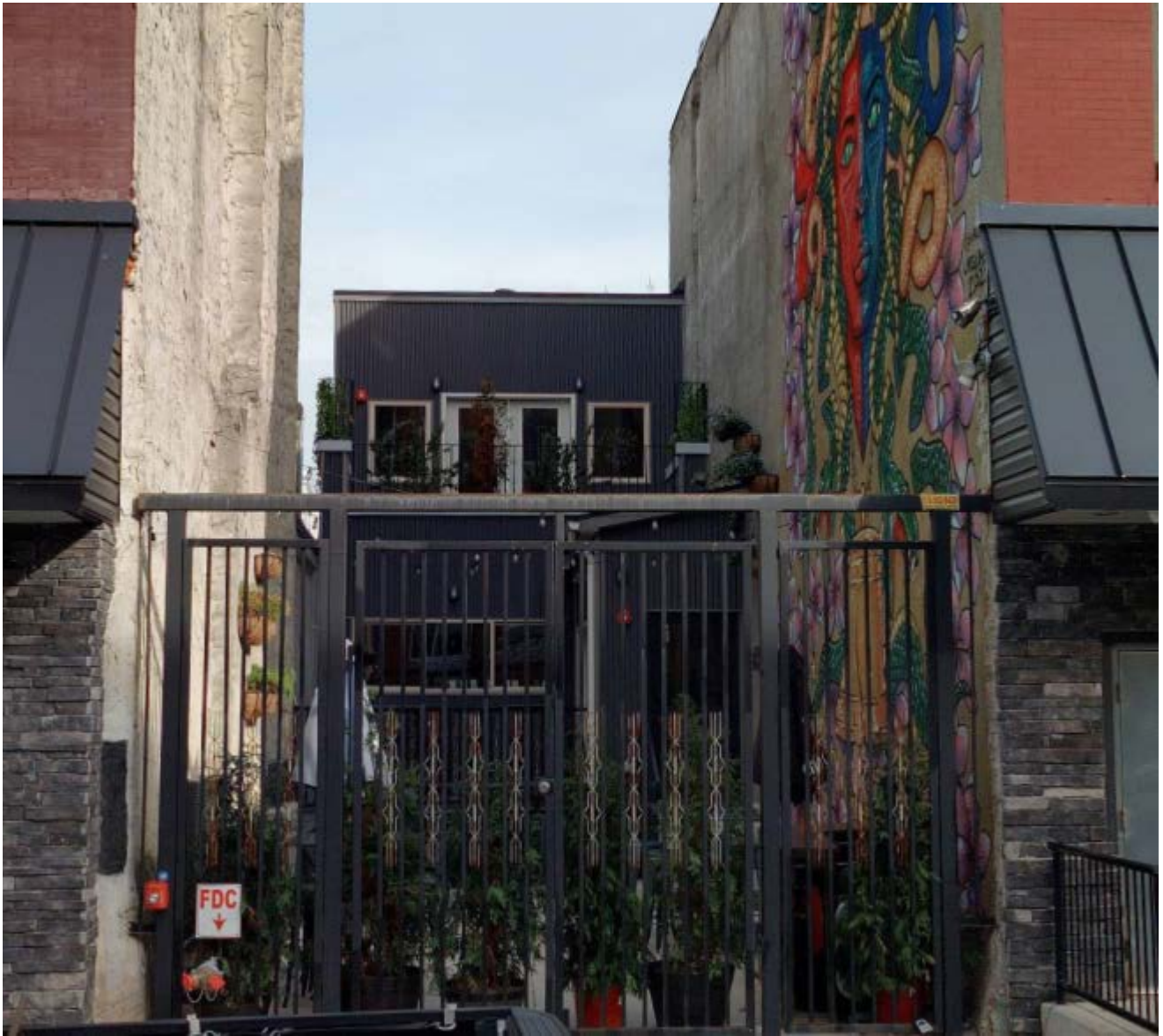
WHEREAS, the property has been developed in accordance with the Redevelopment Area Plan for the North Philadelphia Redevelopment Area and the Urban Renewal Plan Cecil B. Moore Avenue Urban Renewal Area; however, the developer has changed the scope of the project from a one-story structure on the front part of the parcel with an outdoor eating area in the rear to a two-story structure on the rear part of the parcel with the outdoor seating area in the front.

NOW THEREFORE, BE IT RESOLVED, the Philadelphia Redevelopment Authority, that the Deputy Executive Director of Real Estate is hereby authorized to issue a Certificate of Completion certifying the completion of development at 1531 Cecil B. Moore Avenue, subject to the following condition/penalty:

1. Approval of revised plans and payment of an unauthorized plan change fee in the amount of Nine Thousand Four Hundred and Thirty Dollars (\$9,430) which represents 5% of the total construction costs as remitted by the developer's notarized construction affidavit.

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 RESOLVING, 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.



Cecil B. Moore Avenue Urban Renewal Area
1531 Cecil B. Moore Avenue





BOARD FACTSHEET

Meeting of May 17, 2023

Transfer, Assumption, Subordination and Restructuring of three (3) Non-Recourse Construction Permanent Loan Agreements with Villas

Del Caribe Limited Partnership
161-171 W. Allegheny Avenue

NATURE OF TRANSACTION/REQUEST: Authorization for the transfer, assumption, restructuring and subordination of three (3) Philadelphia Redevelopment Authority (the "Authority") loans with Villas Del Caribe Limited Partnership to support the preservation of affordable housing units.

BACKGROUND: The Authority previously authorized the following actions related to the Villas Del Caribe Apartments developed by HACE that provides 81 units of affordable rental housing (the "Project") located at 161-171 W. Allegheny (including 3241-65 N. Hancock Avenue).

1. Pursuant to Resolution No. 14,076, adopted on December 17, 1991, the Authority provided an acquisition loan secured by a mortgage for Five Hundred Thirty-Four Thousand Dollars (\$534,000) with a term of thirty (30) years at an interest rate of 7.61%. On May 9, 2018, the Authority approved Resolution No. 2018-42, which extended the maturity date for an additional thirty (30) years.
2. Pursuant to Resolution No. 15,180, adopted on July 23, 1996, the Authority provided a non-recourse loan secured by a mortgage for One Million Eight Hundred Eighty-Nine Thousand Three Hundred forty-one Dollars (\$1,889,341) for the construction of the Project. This loan accrues interest at 1% with a term of forty (40) years.
3. Pursuant to Resolution No. 2018-43, adopted on May 9, 2018, the Authority provided a non-recourse construction/permanent loan agreement secured by a mortgage for Nine Hundred Fifty Thousand
4. Dollars (\$950,000) for capital improvements to the Project. This loan is at 0% interest with a term of thirty (30) years.

PROPOSED PROJECT: The Project has reached the initial fifteen (15) year of the low-income housing tax credit ("LIHTC") compliance period and needs capital improvements. HACE developed a preservation plan to recapitalize

the Project by completing approximately Twelve Million (\$12,000,000) in capital improvements that include but not limited to:

- Exterior work - removal of existing entry slabs, roof replacement, new security doors, repair/replacement of masonry/stucco and spot repointing, painting, new playground equipment, new landscape pavers and fencing.
- Interior work – flooring replacement, painting, installation of bathroom accessories, finishes, and fixtures, new doors, kitchen appliances and building system repairs.

As the Project recently received from the Pennsylvania Housing Finance Agency ("PHFA") a nine (9%) percent LIHTC award, the Project's affordability period will be extended for an additional forty-two (42) years to families below Sixty (60) percent of the Area Median Income. The new LIHTC award will require the Project to be sold to a new entity created by HACE, Villas Caribe LLC ("New Owner").

PROPOSED FINANCING: The total development cost is approximately Twenty-Five Million Dollars (\$25,000,000) and will be funded with equity proceeds from the sale of the LIHTC credits along with a construction loan provided by Citizens Bank, N.A. ("Citizens"), a PHFA loan under their Construction Cost Relief Program ("CCRP"), and loans from the Community Lenders Community Development Corporation ("CLCDC") and Community First Fund ("CFF") and other additional financing. The recapitalization of the Project does not require any additional financing from the city.

HACE has requested that New Owner assume the existing Authority debt in the amount of Eight Million Five Hundred Fourteen Thousand Twenty-Nine Dollars (\$8,514,029) which includes the principal amounts and Five Million One Hundred Forty Thousand Six Hundred Eighty-Eight Dollars (\$5,140,688) of accrued interest. As all of the existing debt on the Project exceeded the appraised value, PHFA limited the existing debt to the appraised value. As a result, it was requested that Two Million Six Hundred Ninety-Six Thousand Two Hundred Fifty-One Dollars (\$2,696,251) of accrued interest be forgiven. The Authority will satisfy the existing loans and create a new loan in the amount of Five Million Eight Hundred Seventeen Thousand Seven Hundred Seventy-Eight Dollars (\$5,817,778) at 0%, due and payable in forty-two (42) years. This loan will be subordinate to the Citizens, PHFA CCRP, CLCDC and the CFF loans.

BOARD ACTION: The Board is requested to consent to the following:

- Transfer of Project to the New Owner
- Assumption of the Authority debt by the New Owner

- Modification of the terms of the Authority debt as follows:
 1. Reduce the loan balance through forgiveness of a portion of accrued interest.
 2. Reduce the interest rate to zero (0%) percent.
 3. Extend the term to forty-two (42) years.
- Permit the Authority to enter into a Subordination Agreement in favor of the Citizens, PHFA CCRP, CLCDC, and CFF loans.

Proposed Resolution is attached.

Prepared by: Zena Holland, Senior Housing Development Officer
Reviewed by: Nicholas Dema, Senior Vice President, Development Finance

RESOLUTION NO.**RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY TO CONSENT TO THE TRANSFER, ASSUMPTION, SUBORDINATION AND RESTRUCTURING OF THREE (3) NON-RECOURSE CONSTRUCTION PERMANENT LOAN AGREEMENTS WITH VILLAS DEL CARIBE LIMITED PARTNERSHIP**

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") authorized the following actions related to the Villas Del Caribe Apartments developed by HACE that provided eighty-one (81) units of affordable rental housing (the "Project") located at 161-171 W. Allegheny (including 3241-65 N. Hancock Street):

1. Pursuant to Resolution No. 14,076, adopted on December 17, 1991, the Authority provided an acquisition loan to Villas Del Caribe Limited Partnership ("VDC LP") secured by a mortgage for Five Hundred Thirty-Four Thousand Dollars (\$534,000) with a term of thirty (30) years at an interest rate of 7.61%. On May 9, 2018, the Authority approved Resolution No. 2018-42, which extended the maturity date for an additional thirty (30) years; and
2. Pursuant to Resolution No. 15,180, adopted on July 23, 1996, the Authority provided VDC LP a non-recourse loan secured by a mortgage for One Million Eight Hundred Eighty-Nine Thousand Three Hundred forty-one Dollars (\$1,889,341) for the construction of the Project. This loan accrues interest at 1% with a term of forty (40) years; and
3. Pursuant to Resolution No. 2018-43, adopted on May 9, 2018, the Authority provided VDC LP a non-recourse construction/permanent loan agreement secured by a mortgage for Nine Hundred Fifty Thousand Dollars (\$950,000) for capital improvements to the Project. This loan is at 0% interest with a term of thirty (30) years; and

WHEREAS, the Project has reached the initial fifteen (15) year of the low-income housing tax credit ("LIHTC") compliance period and needs capital improvements. HACE developed a preservation plan to recapitalize the Project by completing approximately Twelve Million (\$12,000,000) in capital improvements; and

WHEREAS, the Project recently received from the Pennsylvania Housing Finance Agency ("PHFA") a nine (9%) percent LIHTC award, the Project's affordability period will be extended for an additional forty-two (42) years to families below Sixty (60) percent of the Area Median Income. The new LIHTC award will require the Project to be sold to a new entity created by HACE, Villas Caribe LLC ("New Owner"); and

WHEREAS, the total development cost is approximately Twenty-Five Million Dollars (\$25,000,000) and will be funded with equity proceeds from the sale of the LIHTC credits along with a construction loan provided by Citizens Bank, N.A. ("Citizens"), a PHFA loan under their

Construction Cost Relief Program ("CCRP"), and loans from the Community Lenders Community Development Corporation ("CLCDC") and Community First Fund ("CFF") and other additional financing. The recapitalization of the Project does not require any additional financing from the city; and

WHEREAS, HACE requested the New Owner to assume the existing Authority debt in the amount of Eight Million Five Hundred Fourteen Thousand Twenty-Nine Dollars (\$8,514,029) which includes the principal amounts and Five Million One Hundred Forty Thousand Six Hundred Eighty-Eight Dollars (\$5,140,688) of accrued interest; and

WHEREAS, all existing debt on the Project exceeded the appraised value and, PHFA limited the existing debt to the appraised value. As a result, it was requested that Two Million Six Hundred Ninety-Six Thousand Two Hundred Fifty-One Dollars (\$2,696,251) of accrued interest be forgiven; and

WHEREAS, the Authority will satisfy the existing loans and create a new loan in the amount of Five Million Eight Hundred Seventeen Thousand Seven Hundred Seventy-Eight Dollars (\$5,817,778) at 0%, due and payable in forty-two (42) years. This loan will be subordinate to the Citizens, PHFA CCRP, CLCDC and the CFF loans; and

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

- Transfer of Project to the New Owner
- Assumption of the Authority debt by the New Owner
- Modification of the terms of the Authority debt as follows:
 1. Reduce the loan balance through forgiveness of a portion of accrued interest.
 2. Reduce the interest rate to zero (0%) percent.
 3. Extend the term to forty-two (42) years.
- Enter into a Subordination Agreement in favor of the Citizens, PHFA CCRP, CLCDC Loan, and CFF 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 RESOLVING, 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 May 17, 2023

Transfer, Amendment and Assumption of Existing Loans with
Mid-City Residential Associates, L.P., and New Financing
MF Mid City LLC

TRANSACTION SUMMARY: Authorization for the Philadelphia Redevelopment Authority (the "Authority") to consent to the transfer of the Mid-City Apartments to MF Mid City LLC (the "Borrower") and provide a non-recourse construction permanent loan in an amount not to exceed Six Million Seven Hundred Ninety-Four Thousand One Hundred Sixty-One (\$6,794,161) Dollars (the "Authority Loan") to the Borrower. The Authority Loan will consist of assumed Authority debt in the amount of Two Million Nine Hundred Ninety Thousand Dollars (\$2,994,161) (the "Assumed Debt") from the existing Mid-City Apartment development and new financing in an amount not to exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000) (the "New Financing").

BACKGROUND INFORMATION: In 1998, the Authority authorized the following actions related to 2025-2029 Chestnut Street which is owned by the Authority:

1. Execute a forty (40) year lease for a portion of the first (1st) floor and floors four (4) through seven (7) with Mid-City Residential Associates, L.P. ("MC LP") formed by the Ingerman Group who developed Mid-City Apartments that provide sixty (60) units of permanent rental housing for low-income residents (the "Project").
2. Provide two (2) non-recourse construction/permanent loans to MC LP in the aggregate amount of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) funded with HOME and CDBG funds and secured by two (2) leasehold mortgages.

MC LP advised the Authority that they no longer desired to own and operate the Project. The Authority was successful in finding another tenant and pursuant to Resolution No. 2016-35, adopted on March 9, 2016, the Authority's board authorized the transfer of the lease and assumption of the Authority debt to 1260 Housing Development Corporation ("1260 HDC"). 1260 HDC is working with Mission First Housing Development Corporation ("MFHDC") who will create the development entity MF Mid City LLC ("MF Mid City") to become the owner of the Project.

PROJECT DESCRIPTION: The Project currently consists of twelve (12) one-bedroom units and forty-eight (48) single room occupancy ("SRO") units.

SCOPE OF PRESERVATION/REHABILITATION:

The rehabilitation work will involve converting forty-eight (48) SRO units into forty-one (41) efficiency units, averaging 300 square feet each, that will contain a full kitchen and bathroom. The one-bedroom units will also be updated with new flooring, appliances, light fixtures, kitchen and bathroom finishes. The building's HVAC system will be upgraded, and common areas will receive new flooring and painting throughout.

After the rehabilitation all fifty-three (53) rental units will be available for families below 60% Area Median Income. There will be five (5) accessible units and two (2) sensory units, with five (5) units held for the City of Philadelphia Clearinghouse.

The Project currently has a Section 8 Moderate Rehabilitation SRO contract for the SRO units and is currently in the process of converting it to a project-based voucher contract under HUD's Rental Administration Demonstration Program. The Project also has a Pennsylvania Housing Finance Agency ("PHFA") Project Based Operating Assistance ("PBOA") contract for the one-bedroom units.

SITE CONTROL: 1260 HDC is currently in negotiations with the Authority to have the existing lease terms modified and assumed by MF Mid City.

PROJECT FINANCING: The Authority is providing a non-recourse construction/permanent mortgage to the Borrower in an amount not to exceed Six Million Seven Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$6,794,161) consisting of:

- Two Million Nine Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$2,994,161). This represents the original loan amount plus accrued interest less two Hundred Sixty Thousand (\$260,000) of principal payments and forgiveness of Eight Hundred Fifty-Two Thousand Five Hundred Sixty-One (\$852,561) in accrued interest. Forgiveness of interest is needed because PHFA would not permit the acquisition price to exceed the appraised value of the Project.
- Three Million Eight Hundred Thousand Dollars (\$3,800,000) of new financing.

The Authority loan will be structured with a term of 42 years at zero percent (0%) interest. During the loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years and will be

secured by a third leasehold lien position on the Project behind construction-bridge financing provided by JP Morgan Chase Bank, N.A., (“Chase Construction Loan”), PHFA funds provided from their Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (“PHARE”) and Development Cost Relief (“DCRP”) programs. Upon construction completion, and repayment of the construction loan, the Authority loan will move to a second leasehold lien position, behind the PHFA PHARE and DCRP single mortgage Loan.

BOARD ACTION:

The Board is asked to consent to the following:

- Permit the transfer of the Project to the Borrower.
- Forgiveness of accrued interest
- Permit the assumption by the Borrower of Assumed Debt.
- Provide a non-recourse construction/permanent loan in the amount of Six Million Seven Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$6,794,161) (“Authority Loan”) to the Borrower consisting of New Financing and Assumed Debt under the following terms and conditions:
 - The term of the Authority Loan will be for forty-two (42) years at zero percent (0%) interest.
 - During the Authority Loan term, no principal or interest will be required to be paid.
 - The entire balance will be due and payable in forty-two (42) years.
- Permit the Authority Loan to be secured by a third (3rd) lien position on the leasehold interest on the Property behind the Chase Construction Loan, PHFA PHARE, and PHFA DCRP Loans. Upon construction completion, and repayment of the Chase Construction Loan, the Authority Loan will move to a second leasehold lien position, behind the PHFA PHARE, and DCRP single mortgage Loan.
- Closing will be contingent upon tax clearance on all members of the development team.

COMMENTS OR CONDITIONS:

The PHDC Housing Construction Department has approved the plans, specification, and construction costs for the project, the Office of Economic Opportunity has approved the Economic Opportunity goals, and the Philadelphia Planning Commission has stated they do not need to review this

Project due to the funding source. The Development Team has no outstanding tax issues.

Proposed Resolution is attached

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Nicholas Dema, Senior Vice President, Development Finance

RESOLUTION NO.**RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE TRANSFER OF THE MID-CITY APARTMENTS, ENTER INTO A NON-RECOURSE CONSTRUCTION PERMENANT LOAN AGREEMENT WITH MF MID CITY LLC AND PERMIT EXISTING AUTHORITY DEBT TO BE ASSUMED AND RESTRUCTURED UNDER NEW TERMS AND CONDITIONS**

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") authorized the following actions related to 2025-2029 Chestnut Street (the "Property") which is owned by the Authority:

1. Execute a forty (40) year lease for a portion of the first (1st) floor and floors four (4) through seven (7) with Mid-City Residential Associates, L.P. ("MC LP") formed by the Ingerman Group who developed Mid-City Apartments that provide sixty (60) units of permanent rental housing for low-income residents (the "Project"); and
2. Provide two (2) non-recourse construction/permanent loans to MC LP in the aggregate amount of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) funded with HOME and CDBG funds and secured by two (2) leasehold mortgages; and

WHEREAS, MC LP advised the Authority that they no longer desired to own and operate the Project. The Authority was successful in finding another tenant and pursuant to Resolution No. 2016-35, adopted on March 9, 2016, the Authority's board authorized the transfer of the lease and assumption of the Authority debt to 1260 Housing Development Corporation ("1260 HD"); and

WHEREAS, 1260 HDC is working with Mission First Housing Development Corporation ("MFHDC") who will create the development entity MF Mid City LLC ("MF Mid City") to become the owner of the Project; and

WHEREAS, MFHDC, the sponsor of the Project, has developed a preservation plan to rehabilitate to the Project (the "Preservation Project") and maintain the units as low-income housing for an additional forty-two (42) years for households with income at or below sixty (60) percent of Area Median Income; and

WHEREAS, the rehabilitation work will involve converting the forty-eight (48) Single Room Occupancy (SRO) units into forty-one (41) efficiency units, and rehabilitation of twelve (12) one-bedroom units; and

WHEREAS, after the rehabilitation all fifty-three (53) rental units will be available for families below 60% Area Median Income; and

WHEREAS, to finance the Project, MFHDC applied for and received from the Pennsylvania Housing Finance Agency ("PHFA") four (4%) percent low-income housing tax credits, tax exempt bonds, construction-bridge financing provided by JP Morgan Chase Bank, N.A., ("Chase Construction Loan"), PHFA funds provided from their Pennsylvania Housing

Affordability and Rehabilitation Enhancement Fund ("PHARE") and Development Cost Relief ("DCRP") programs. In addition, MFHDC received a commitment from the City of Philadelphia Division of Housing and Community Development for new financing in the amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000) ("New Financing"); and

WHEREAS, MFHDC has requested the Authority's consent to transfer the Project to the Borrower, and for the Borrower to assume the principal amount of the Authority Loans and a portion of the accrued interest for a total assumed debt in the amount of Two Million Nine Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$2,994,161) ("Assumed Debt") under revised terms; and

WHEREAS, MFHDC has further requested the Authority to forgive a portion of accrued interest in the approximate amount of Eight Hundred Fifty-Two Thousand Five Hundred Sixty-One Dollars (\$852,561) (such portion, the "Accrued Interest").

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

- Permit the transfer of the Project to Borrower.
- Forgive the Forgiven Interest.
- Permit the assumption by the Borrower of Assumed Debt.
- Provide a non-recourse construction/permanent loan in the amount of \$6,794,161 ("Authority Loan") to the Borrower consisting of New Financing and Assumed Debt under the following terms and conditions:
 - The term of the Authority Loan will be for forty-two (42) years at zero percent (0%) interest.
 - During the Authority Loan term, no principal or interest will be required to be paid.
 - The entire balance will be due and payable in forty-two (42) years.
- Permit the Authority Loan to be secured by a third (3rd) lien position on the leasehold lien position on the Property, behind the Chase Construction Loan, PHFA PHARE, and PHFA DCRP Loans. Upon construction completion, and repayment of the Chase Construction Loan, the Authority Loan will move to a second leasehold lien position, behind the PHFA PHARE, and DCRP single mortgage 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 RESOLVING, 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.

Philadelphia Redevelopment Authority

Project Fact Sheet

PROJECT NAME	Mid-City Apartments
ADDRESS	2025-29 Chestnut Street
OWNER/BORROWER	MF Mid City LLC
MANAGING MEMBER	MF Mid City MM LLC
DEVELOPER/SPONSOR	Mission First Housing Development Corporation
GENERAL CONTRACTOR	Columbus Property Management & Development Inc.
TOTAL DEVELOPMENT COST	\$18,965,780
TOTAL CONSTRUCTION COST	\$9,100,896
PRA FINANCING	\$3,800,000 Neighborhood Preservation Initiative (NPI) -New Financing + <u>\$2,994,161 - Assumed Debt</u> \$6,794,161 - Total Authority Loan
SCOPE OF CONSTRUCTION	Preservation/Rehabilitation

BACKGROUND INFORMATION

In 1998, the Philadelphia Redevelopment Authority (the “Authority”) authorized the following actions related to 2025-2029 Chestnut Street which is owned by the Authority:

1. Execute a forty (40) year lease for a portion of the first (1st) floor and floors four (4) through seven (7) with Mid-City Residential Associates, L.P. (“MC LP”) formed by the Ingerman Group who developed Mid-City Apartments that provide sixty (60) units of permanent rental housing for low-income residents (the “Project”).
2. Provide two (2) non-recourse construction/permanent loans to MC LP in the aggregate amount of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) funded with HOME and CDBG funds and secured by two (2) leasehold mortgages.

MC LP advised the Authority that they no longer desired to own and operate the Project. The Authority was successful in finding another tenant and pursuant to Resolution No. 2016-35, adopted on March 9, 2016, the Authority’s board authorized the transfer of the lease and assumption of the

Authority debt to 1260 Housing Development Corporation (“1260 HDC”). 1260 HDC is working with Mission First Housing Development Corporation (“MFHDC”) who will create the development entity MF Mid City LLC (“MF Mid City”) to become the owner of the Project.

PROJECT DESCRIPTION

The Project currently consists of twelve (12) one-bedroom units and forty-eight (48) single room occupancy (“SRO”) units.

SCOPE OF PRESERVATION REHABILITATION

The rehabilitation work will involve converting forty-eight (48) SRO units into forty-one (41) efficiency units, averaging 300 square feet each, that will contain a full kitchen and bathroom. The one-bedroom units will also be updated with new flooring, appliances, light fixtures, kitchen and bathroom finishes. The building’s HVAC system will be upgraded, and common areas will receive new flooring and painting throughout.

After the rehabilitation all fifty-three (53) rental units will be available for families below 60% Area Median Income. There will be six (6) accessible units and three (3) sensory units, with five (5) units held for the City of Philadelphia Clearinghouse.

The Project currently has a Section 8 Moderate Rehabilitation SRO contract for the SRO units and is currently in the process of converting it to a project-based voucher contract under HUD’s Rental Administration Demonstration Program. The Project also has a Pennsylvania Housing Finance Agency (“PHFA”) Project Based Operating Assistance (“PBOA”) contract for the one-bedroom units.

SITE CONTROL

1260 HDC is currently working with the Authority to have the existing lease terms modified and assumed by MF Mid City.

DEVELOPER/BORROWER DESCRIPTION

MF Mid City LLC, a Pennsylvania Limited Liability Company, was formed for the sole purpose of developing this project. MF Mid City MM LLC will serve as the general partner.

MFHDC will serve as the developer and will organize and advance the Project through the development process, structure the project financing and syndication of equity proceeds. MFHDC is a nonprofit full-service real estate organization that provides affordable housing and services through their affiliates. MFHDC, through their affiliate 1260 Housing Development Corporation, administers over a dozen contracts for the City of Philadelphia serving residents with physical and mental disabilities, partnering with various agencies. Below are past projects:

- **Monument Mews** – 60 rental units – 4101 Edgely Avenue – PRA funding \$1,500,000 – currently under construction
- **Apartments at New Market West** – 41 rental units – 13-27 N. Salford Street – PHDC funding \$2,000,000 - completed 2022.
- **Mission First Northeast Affordability Initiative** – 38 rental units – 7900-02 Castor Ave., 6735 Bustleton Ave., 1327-37 Crease St., 1647 Dyre St., and 419 Chandler Street – PRA funding \$372,334 - completed 2020.
- **Mission First Center City Affordability Initiative** – 29 rental units – 1237-43 Belmont Ave., 2211 Walnut St., 1213 Spruce St., and 443 McKean Street – PRA funding \$488,639- completed 2020.
- **Partnership Preservation Initiative** – 92 rental units – scattered site- PRA funding \$5,500,000- completed 2015.
- **Legacy Preservation Initiative** – 139 rental units- scattered site – PRA funding \$1,500,000- completed 2014.

PROJECT FINANCING

The Authority is providing a non-recourse construction/permanent mortgage to the Borrower in an amount not to exceed Six Million Seven Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$6,794,161) consisting of:

- Two Million Nine Hundred Ninety-Four Thousand One Hundred Sixty-One Dollars (\$2,994,161). This represents the original loan amount plus accrued interest less two Hundred Sixty Thousand (\$260,000) of principal payments and forgiveness of Eight Hundred Fifty-Two Thousand Five Hundred Sixty-One (\$852,561) in accrued interest. Forgiveness of interest is needed because PHFA would not permit the acquisition price to exceed the appraised value of the Project.
- Three Million Eight Hundred Thousand Dollars (\$3,800,000) of new financing

The Authority loan will be structured with a term of 42 years at zero percent (0%) interest. During the loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in 42 years and will be secured by a third leasehold lien position on the Project behind construction-bridge financing provided by JP Morgan Chase Bank, N.A., PHFA funds provided from their Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (“PHARE”) and Development Cost Relief (“DCRP”) programs. Upon construction completion, and repayment of the construction loan, the Authority Loan will move to a second leasehold lien position, behind the PHFA PHARE and DCRP single mortgage Loan.

R4 Capital LLC has agreed to purchase a 99.99% interest in the Limited Liability Company in the estimated amount of \$7,812,794 in exchange for low-income housing tax credits.

JP Morgan Chase Bank, N.A. (“Chase”) will provide the Chase Construction Loan in an amount not to exceed \$10,500,000 which will bridge the equity contributions and advance loan proceeds. At construction completion and satisfaction of conditions set by the investor, the

equity will repay the Chase Construction Loan. The Chase Construction Loan will be secured by a first leasehold lien position on the Project during construction.

Pennsylvania Housing Finance Agency will provide PHARE funds in an amount between \$1,000,000 - \$1,500,000, and DCRP funds in an amount between \$368,012 - \$450,000 and will be secured second lien single mortgage on the leasehold interest of the property. Upon payment of the JP Morgan Chase Construction Loan, the PHFA PHARE and DCRP will remain in a second lien single mortgage Loan on the leasehold interest on the Project.

The Community Development Financial Institutions Fund will provide a loan in the amount of \$150,000 through the Capital Magnet Fund. This will be in a subordinate leasehold lien position on the Property.

Federal Home Loan Bank in the amount of \$2,000,000.

Seller's Note in the amount of \$133,106.

Energy Rebate in the amount of \$25,476.

Deferred Developers Fee in the amount of \$682,231.

APPROVALS

- The Philadelphia Planning Commission has stated they do not need to review this Project due to the funding source.
- Housing Construction Division approval of plans, specifications, and costs.
- The participation ranges for MBE 18%, and WBE 12% have been approved by the Office of Economic Opportunity.
- Department of Revenue's tax clearance for all members of the Development Team.

EXHIBITS

- Project Development Team
- Board of Directors- Mission First Housing Development Corporation
- Development Budget
- Operating Proforma
- EOP
- Site Plan

Mid-City Apartments
Project Development Team

OWNER/BORROWER	MF Mid City LLC 2042-48 Arch Street, 2 nd Floor Philadelphia, PA 19103
MANAGING MEMBER	MF Mid City MM LLC 2042-48 Arch Street, 2 nd Floor Philadelphia, PA 19103
DEVELOPER/SPONSOR	Mission First Housing Development Corporation 2042-48 Arch Street, 2 nd Floor Philadelphia, A 19103
ARCHITECT	CBP Architects PC (f/k/a Cecil Baker & Partners, Inc.) 234 Market Street, 4 th Floor Philadelphia, PA 19106
CONTRACTOR	Columbus Property Management & Development Inc. 5901 Market Street Philadelphia, PA 19139
ATTORNEY	Berman Indictor, LLP 30 N. 41 st Street, Suite 450 Philadelphia, PA 19104
PROPERTY MANAGEMENT	Community Realty Management 36 S. Main Street Pleasantville, NJ 08232

**Mission First Housing Group, Inc. Mission First Housing Development Corporation
1260 Housing Development Corporation
Columbus Property Management & Development, Inc.
Board(s) of Directors**

Mike Davidson, Esq. - Chair
Russell Johnson - Vice Chair
Mark A Duffy - Treasurer
Michael Simmons – Secretary
Harry (“Skip”) G. Dittmann
James Kilcoyne
Marva E. Williams, Ph.D
Thomas A.K. Queenan

Development Financing

PRA Funding	\$	3,800,000	20.04%
PRA Assumed Debt	\$	2,994,161	15.79%
Limited Partner Equity		7,812,794	41.19%
PHFA PHARE Funds		1,000,000	5.27%
PHFA DCRP Funds		368,012	1.94%
FHLB funding		2,000,000	10.55%
Seller's Note		133,106	0.70%
Deferred Developer's Fee		682,231	3.60%
MFHDC Capital Magnet Fund		150,000	0.79%
Energy Rebate		25,476	0.13%
Total Financing	\$	18,965,780	100.00%

**PRA
Maximum Rates**

Development Costs

Construction Costs

General Requirements	\$	472,452	4.90%
Building Demolition	0		
Selective Demolition	408,291		
Site Work	0		
Offsite Improvements	0		
Environ Remed(gc con)	0		
Sub-total Site Work		408,291	
Structures		7,465,901	
Builders Profit		472,452	
Builders Overhead		157,484	
Bond Premium		100,509	
Building Permits		23,808	
Construction Contingency		910,090	9.89%
Other: Security		103,000	
Other:			
Total Construction Costs	\$	10,113,987	

Fees

Architectural Fee - Design	\$	371,266
Architectural Fee- Adiminstration		123,755
Legal - Development		75,000
Civil Engineering		0
Survey		20,000
Soil/Structural Report		0
Environmental Audit		65,106
Environmental Remediation		0
Energy Audit		4,750
HERS Rater		0
Passive House Consultant		0
Project Capital Needs Assessment		43,900
Property Appraisal		14,750
Market Study		17,500
Cost Certification		15,000
Other: Soft Cost Contingency		18,776
Other		0
Fees Subtotal	\$	769,803

**PRA
Maximum Rates**

3% (nc)/5.0%(rehab)

[See PHFA Guidelines](#)

Max \$15,000

<u>Misc. Development Charges</u>		
Multifamily Housing Applic Fee	\$	5,000
Agency Legal Closing Fee		15,000
Tax Credit Reservation Fee		56,674
Tax Credit Carryover Allocation Fee		0
Tax Credit Cost Certification Fee		2,500
Furnishings (Common Area)		50,000
Rent-up expense		0
Relocation		338,463
Utility Tap in, Hook up, & Municipal Fee		500
Subsidy Layering Review Fee		0
Other: DCRP Application Fee		5,000
Misc. Development Subtotal	\$	473,137
<u>Construction & Financing Charges</u>		
Construction Loan Interest	\$	-
Construction Loan Origination Fee		0
Construction Loan Credit Enhancement		0
Construction Loan Application Fee		0
Taxes During Construction		30,212
Insurance During Construction		54,999
Title Insurance		75,000
Recording		5,000
PHFA Construction Servicing Fee		10,000
Other		0
Construction/Financing Subtotal	\$	175,211
<u>Permanent Financing</u>		
Agency Loan Reservation Fee	\$	2,000
Agency Loan Origination Fee		49,000
Permanent Loan Origination Fee		0
Permanent Loan Credit Enhancement		0
Cost Of Issuance/Underwriters Discount		0
Other: Bond Legal		55,000
Other: PHFA Legal Fee		15,000
Other: PHFA TEFRA Notice		3,500
Permanent Financing Subtotal	\$	124,500
<u>Land and Building Purchase</u>		
Acquisition of Land	\$	-
Acquisition of Existing Structures		3,350,000
Acquisition Legal Fees		12,500
Closing Costs		68,675
Demolition Of Existing Structures		0
Other		0
Land/Building Purchase Subtotal	\$	3,431,175
Total Replacement Costs	\$	15,087,813

| limit \$1,000 per unit
limit \$1,200 per unit/\$600 preserv

<u>Development Reserves</u>	
Operating Reserve	\$ -
Transformation Reserve	\$ -
Rental Subsidy Reserve	\$ -
Real Estate Tax Reserve 1 yr	\$ 20,142
Insurance Reserve 1 yr	\$ 95,227
Social Service Reserve	\$ 591,445
Other: Replacement Reserve Initial Depos	\$ 53,000
Reserves Subtotal	\$ 759,814
Developer's Fee	\$ 2,033,991
<u>Syndication Fees</u>	
Organizational	\$ 2,500
Bridge loan interst during construction	\$ 664,172
Bridge Loan Interest After Construction	\$ 101,990
Bridge Loan Fees & Expenses	\$ 173,100
Legal Fees	\$ 62,500
Accounting Fees	\$ 11,000
Compliance Monitoring	\$ 68,900
Other	\$ -
Syndication Fees Subtotal	\$ 1,084,162
Total Development Costs	\$ 18,965,780

\$ 1,240
See PHFA Guidelines

Total Units	53
Total Sq. Ft.	22,678

		per unit	per sq. ft.
Total Construction Costs	\$	190,830	\$ 446
Total Replacement Costs	\$	284,676	\$ 665
Total Development Costs	\$	357,845	\$ 836
Replacement Cost + Dev. Fee	\$	323,053	\$ 755

\$ 225

Cost Analysis					<u>Blended per Unit Cost Allowable</u>	
<u>Proposed Unit Mix</u>						
0 Bdrm	41	units @	\$	215,667	per unit	\$ 8,842,347
1 Bdrm	12	units @	\$	247,228	per unit	\$ 2,966,736
2 Bdrm	0	units @	\$	300,636	per unit	\$ -
3 Bdrm	0	units @	\$	388,926	per unit	\$ -
4 Bdrm	0	units @	\$	426,919	per unit	\$ -
Totals	53					\$ 11,809,083
Cost per Unit Allowable			\$	222,813	per unit	
Cost per Unit for Project			\$	284,676	per unit	Not Allowable
						Waiver Required?
						YES
Cost per Square Foot Allowable			\$	225	psf	
Cost per Sq. Ft. for Project			\$	755	psf	Not Allowable
120% of 234-Condominium				99.40%		The % needs to be 100% or below otherwise bidding is req'd

Item III (b)

Category	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	Total
1 Bed - Misc	2	20	16	37	4	200	5	200	5	7.00	200
1 Bed - Studio	1	3	1	5	5	250	5	250	5	1,250	250
1 Bed - Pkca	1	1	5	2	5	250	5	250	5	1,250	250
2 Bed - Misc or Sm	3	1	1	2	5	250	5	250	5	1,250	250
3 Bed	1	1	1	1	1	1,000	1	1,000	1	5,000	1,000
4+ Bed	0	0	0	0	0	0	0	0	0	0	0
Total	7	26	24	50	20	1,000	20	1,000	20	5,000	1,270

Category	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	Total
1	1	2	3	4	5	6	7	8	9	10	11
2	1	2	3	4	5	6	7	8	9	10	11
3	1	2	3	4	5	6	7	8	9	10	11
4	1	2	3	4	5	6	7	8	9	10	11
5	1	2	3	4	5	6	7	8	9	10	11
6	1	2	3	4	5	6	7	8	9	10	11
7	1	2	3	4	5	6	7	8	9	10	11
8	1	2	3	4	5	6	7	8	9	10	11
9	1	2	3	4	5	6	7	8	9	10	11
10	1	2	3	4	5	6	7	8	9	10	11
11	1	2	3	4	5	6	7	8	9	10	11
12	1	2	3	4	5	6	7	8	9	10	11
13	1	2	3	4	5	6	7	8	9	10	11
14	1	2	3	4	5	6	7	8	9	10	11
15	1	2	3	4	5	6	7	8	9	10	11
16	1	2	3	4	5	6	7	8	9	10	11
17	1	2	3	4	5	6	7	8	9	10	11
18	1	2	3	4	5	6	7	8	9	10	11
19	1	2	3	4	5	6	7	8	9	10	11
20	1	2	3	4	5	6	7	8	9	10	11
Total	1	2	3	4	5	6	7	8	9	10	11

Category	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	Total
1	1	2	3	4	5	6	7	8	9	10	11
2	1	2	3	4	5	6	7	8	9	10	11
3	1	2	3	4	5	6	7	8	9	10	11
4	1	2	3	4	5	6	7	8	9	10	11
5	1	2	3	4	5	6	7	8	9	10	11
6	1	2	3	4	5	6	7	8	9	10	11
7	1	2	3	4	5	6	7	8	9	10	11
8	1	2	3	4	5	6	7	8	9	10	11
9	1	2	3	4	5	6	7	8	9	10	11
10	1	2	3	4	5	6	7	8	9	10	11
11	1	2	3	4	5	6	7	8	9	10	11
12	1	2	3	4	5	6	7	8	9	10	11
13	1	2	3	4	5	6	7	8	9	10	11
14	1	2	3	4	5	6	7	8	9	10	11
15	1	2	3	4	5	6	7	8	9	10	11
16	1	2	3	4	5	6	7	8	9	10	11
17	1	2	3	4	5	6	7	8	9	10	11
18	1	2	3	4	5	6	7	8	9	10	11
19	1	2	3	4	5	6	7	8	9	10	11
20	1	2	3	4	5	6	7	8	9	10	11
Total	1	2	3	4	5	6	7	8	9	10	11

Category	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	Total
1	1	2	3	4	5	6	7	8	9	10	11
2	1	2	3	4	5	6	7	8	9	10	11
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6	1	2	3	4	5	6	7	8	9	10	11
7	1	2	3	4	5	6	7	8	9	10	11
8	1	2	3	4	5	6	7	8	9	10	11
9	1	2	3	4	5	6	7	8	9	10	11
10	1	2	3	4	5	6	7	8	9	10	11
11	1	2	3	4	5	6	7	8	9	10	11
12	1	2	3	4	5	6	7	8	9	10	11
13	1	2	3	4	5	6	7	8	9	10	11
14	1	2	3	4	5	6	7	8	9	10	11
15	1	2	3	4	5	6	7	8	9	10	11
16	1	2	3	4	5	6	7	8	9	10	11
17	1	2	3	4	5	6	7	8	9	10	11
18	1	2	3	4	5	6	7	8	9	10	11
19	1	2	3	4	5	6	7	8	9	10	11
20	1	2	3	4	5	6	7	8	9	10	11
Total	1	2	3	4	5	6	7	8	9	10	11



MEMORANDUM

TO: Mathew Tharakan, Deputy Director, DHCD
FROM: Zena Holland, Housing Finance Department
SUBJECT: Economic Opportunity Plan
 Mid-City Apartments

DATE: March 22, 2023

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

Project Name:	MidCity Apartments
Project Address(s):	2025-29 Chestnut Street
Owner:	MF Mid City LLC
Developer:	Mission First Housing Development Corporation
Contractor:	Columbus Property Management & Development Inc.
Unit Breakdown:	Rental – 60 Units
Type of Project:	Preservation/Rehabilitation
PHDC Funding Amount:	\$3,800,000 – Neighborhood Preservation Initiative (NPI) + PRA Assumed Debt
Construction Cost:	\$9,100,896
Total Development Cost:	\$18,440,685

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

MBE Goals: 18%

WBE Goals: 12%

DBE Goals:

Mathew Tharakan
 Mathew Tharakan

04/17/2023
 Date

GENERAL CONTRACTOR'S PAST CONTRACTS WITH RDA:

Contract:	Inglis Accessible Housing	Date:	
Projected MBE Goals:	<u>18%</u>	Achieved MBE:	<u>26%</u>
Projected WBE Goals:	<u>7%</u>	Achieved WBE:	<u>10%</u>
Projected DBE Goals:	<u>2%</u>	Achieved DBE:	<u>0%</u>

Contract:	Melville Way	Date:	
Projected MBE Goals:	<u>18%</u>	Achieved MBE:	<u>8%</u>
Projected WBE Goals:	<u>7%</u>	Achieved WBE:	<u>9%</u>
Projected DBE Goals:	<u>2%</u>	Achieved DBE:	<u>0%</u>

Contract:	Melon 1 Corporation	Date:	
Projected MBE Goals:	<u>18%</u>	Achieved MBE:	<u>10%</u>
Projected WBE Goals:	<u>7%</u>	Achieved WBE:	<u>0%</u>
Projected DBE Goals:	<u>2%</u>	Achieved DBE:	<u>0%</u>

**BOARD FACTSHEET**

Meeting of May 17, 2023

Consent to the Sale and Assumption of existing debt provided to Sarah Allen Homes Partners, L.P., Sarah Allen Community Homes IV, L.P., and Sarah Allen Community Homes V, L.P.

TRANSACTION SUMMARY:

Authorization for the sale, and assumption of the Philadelphia Redevelopment Authority (the "Authority") loans in connection with Sarah Allen II, Sarah Allen IV, and Sarah Allen V developments (collectively, the "Projects").

BACKGROUND INFORMATION:

The Authority authorized the following actions to the Projects developed by Friends Rehabilitation Program ("FRP"):

1. Pursuant to Resolution #14,415 adopted on November 23, 1993, the Authority provided the following two (2) loans to Sarah Allen Homes Partners, L.P.:
 - A loan in the amount of Nine Hundred Thousand Dollars (\$900,000) which accrues interest at 1% with a term of 40 years with no payments due until year thirty-one (31).
 - A loan in the amount of One Hundred Thirty Thousand Dollars (\$130,000) which accrues interest at Applicable Federal Rate ("AFR") for a term of 40 years with no payments due until year thirty-one (31).

The proceeds were used for the construction of the Sarah Allen II development which consists of 36 affordable units located at 831-67 North 41st Street, and 4046-52 Ogden Street.

2. Pursuant to Resolution #15,288 adopted on July 11, 2000, the Authority provided a loan to Sarah Allen Community Homes IV, L.P. in the amount of Nine Hundred Thousand Dollars (\$900,000) for the Sarah Allen IV development which consists of 40 affordable rental units located at 4007-4011 Aspen Street, 832-840 North 41st Street, 836 North Preston Street, and 845-849, 853-857 Palm Street. This loan accrues interest at 1% with a term of 40 years with no payments due until year 31.

3. Pursuant to Resolution #16,501 adopted on July 11, 2000, the Authority provided the following two (2) loans to Sarah Allen Community Homes V, L.P.:

- A loan in the amount of Three Hundred Ninety-Three Thousand Eight Hundred Dollars (\$393,800) which accrues interest at 0% with a term of 30 years with no payments due until maturity.
- A loan in the amount of Six Hundred Sixty-Seven One Hundred Forty Dollars (\$667,140) which accrues interest at AFR with a term of 30 years with no payments due until maturity.

The proceeds were used for the construction of the Sarah Allen V development which consists of 27 affordable rental units located at 808-812 North 41st Street, 4100-4106 Ogden Street, 768 North 41st Street, 4100 Brown Street, 754-766 North 41st Street, 4103 Ogden Street.

PROPOSED PROJECT:

FRP has requested the Authority's consent to the sale of the Projects and assumption of the Authority debt which has a total outstanding balance of approximately Four Million Six Hundred Twenty Thousand Six-Hundred Seventeen Dollars (\$4,620,617) to entities created by the principal partners of German Yakubov and Leve Yakubov as further detailed on Exhibit A ("New Owners").

The New Owners have developed over 300 units within 100 properties throughout the Mantua and Belmont section of West Philadelphia. The New Owners plans to purchase the Projects, work with FRP to reduce the number of vacant units through the completion of capital improvements thereby reducing operating losses. FRP will continue to serve as the management agent with oversight by the New Owners.

The New Owners requested the Authority consent to new debt, but the Authority has determined with the current number of vacancies and the negative financial performance, the Authority will not consent to any new debt on the Projects. However, if the Projects become financially stable in the future, the Authority is willing to review subordinating to new financing.

The New Owners' long-term vision for the Projects is to develop more dense developments which may involve demolition but is committed to maintaining at minimum the existing number of affordable rental units.

BOARD ACTION:

The Board is asked to consent to the following:

- Transfer of the Projects to the New Owners.
- Assumption of the Authority Debt by the New Owners.

COMMENTS OR OTHER CONDITIONS:

- Loan closing will be contingent upon New Owners being compliant with City of Philadelphia Department of Revenue.

Proposed Resolution is attached.

Prepared by: Zena Holland, Senior Housing Development Officer

Reviewed by: Nicholas Dema, Senior Vice President, Development Finance

RESOLUTION NO.**RESOLUTION AUTHORIZING THE AUTHORITY TO CONSENT TO THE SALE AND ASSUMPTION OF EXISTING AUTHORITY DEBT PROVIDED TO SARAH ALLEN HOMES PARTNERS, L.P., SARAH ALLEN COMMUNITY HOMES IV, L.P., AND SARAH ALLEN COMMUNITY HOMES V, L.P.**

WHEREAS, the Philadelphia Redevelopment Authority (the "Authority") authorized the following actions in connection with Sarah Allen II, Sarah Allen IV, and Sarah Allen V developments (collectively, the "Projects") developed by Friends Rehabilitation Program ("FRP"):

1. Pursuant to Resolution No. 14,415 adopted on November 23, 1993, the Authority provided the following two (2) loans to Sarah Allen Homes Partners, L.P.:
 - Non-recourse construction/permanent loan secured by a mortgage for Nine Hundred Thousand Dollars (\$900,000) with a term of forty (40) years at an interest rate of 1% with no payments due until year thirty-one (31).
 - Non-recourse construction/permanent loan secured by a mortgage for One Hundred Thirty Thousand Dollars (\$130,000) with a term of forty (40) years at Applicable Federal Rate ("AFR") with no payments due until year thirty-one (31).

The proceeds were used for the construction of the Sarah Allen II development which consists of 36 affordable units located at 831-67 North 41st Street, and 4046-52 Ogden Street.

2. Pursuant to Resolution No. 15,288 adopted on July 11, 2000, the Authority provided a non-recourse construction/permanent loan secured by a mortgage to Sarah Allen Community Homes IV, L.P. for Nine Hundred Thousand Dollars (\$900,000) with a term of forty (40) years at an interest rate of one percent (1%) with no payments due until year thirty-one (31).

The proceeds were used for the Sarah Allen IV development which consists of 40 affordable rental units located at 4007-4011 Aspen Street, 832-840 North 41st Street, 836 North Preston Street, and 845-849, 853-857 Palm Street

3. Pursuant to Resolution No. 16,501 adopted on July 11, 2000, the Authority provided the following two (2) loans to Sarah Allen Community Homes V, L.P.:
 - Non-recourse construction/permanent loan secured by a mortgage for Three Hundred Ninety-Three Thousand Eight Hundred Dollars (\$393,800) with a term of thirty (30) years at an interest rate of zero (0%) with no payments due until maturity.
 - Non-recourse construction/permanent loan secured by a mortgage for Six Hundred Sixty-Seven One Hundred Forty Dollars (\$667,140) with a term of thirty (30) years with an interest rate at AFR with no payments due until maturity.

The proceeds were used for the construction of the Sarah Allen V development which consists of 27 affordable rental units located at 808-812 North 41st Street, 4100-4106 Ogden Street, 768 North 41st Street, 4100 Brown Street, 754-766 North 41st Street, 4103 Ogden Street; and

WHEREAS, FRP has requested the Authority's consent to the sale of the Projects and assumption of the Authority debt with an outstanding balance of approximately Four Million Six Hundred Twenty Thousand Six-Hundred Seventeen Dollars (\$4,620,617) to entities created by the principal partners of German Yakubov and Leve Yakubov as described on Exhibit A ("New Owners"); and

WHEREAS, the New Owners have developed over 300 units within 100 properties throughout the Mantua and Belmont sections of West Philadelphia. The New Owners plan to purchase the Projects, work with FRP to reduce the number of vacant units through the completion of capital improvements thereby reducing operating losses; and

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

- Permit the transfer of the Project to the New Owners.
- Permit the assumption of the Authority Debt by the New Owners.

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 RESOLVING, 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

<u>Title -New</u>	<u>BRT Address</u>	<u>Number of units</u>	<u>Projects</u>
HSM-FRP-1 LLC	831-67 N 41ST ST	24	Sarah Allen II
HSM-FRP-1 LLC	4046-52 OGDEN ST	12	Sarah Allen II
HSM-FRP-2 LLC	4007-11 ASPEN ST	20	Sarah Allen IV
HSM-FRP-3 LLC	836 N PRESTON ST	8	Sarah Allen IV
HSM-FRP-4 LLC	832-40 N 41ST ST	8	Sarah Allen IV
HSM-FRP-6 LLC	845-49 PALM ST	2	Sarah Allen IV
HSM-FRP-6 LLC	853-57 PALM ST	2	Sarah Allen IV
HSM-FRP-5 LLC	808-812 N 41st	2	Sarah Allen V
HSM-FRP-6 LLC	4100 OGDEN ST	5	Sarah Allen V
HSM-FRP-6 LLC	4102 OGDEN ST	2	Sarah Allen V
HSM-FRP-6 LLC	4104 OGDEN ST	2	Sarah Allen V
HSM-FRP-6 LLC	4106 OGDEN ST	2	Sarah Allen V
HSM-FRP-7 LLC	768 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	4100 BROWN ST	4	Sarah Allen V
HSM-FRP-7 LLC	754 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	756 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	758 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	760 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	762 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	764 N 41st	1	Sarah Allen V
HSM-FRP-7 LLC	766 N 41st	1	Sarah Allen V
HSM-FRP-8 LLC	4103 OGDEN ST	2	Sarah Allen V