

PHILADELPHIA REDEVELOPMENT AUTHORITY

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

**BOARD MEETING
WEDNESDAY, SEPTEMBER 11, 2019**

Open Session – 4:00 P.M.

A G E N D A

APPROVAL OF BOARD MINUTES

- (a) Meeting of August 14, 2019

I. EXECUTIVE DIRECTOR'S REPORT

II. ADMINISTRATIVE

Credit Enhancement Facility
Workforce Housing Construction Loans
**Amendment to Resolution No. 2016-132, Adopted
December 14, 2016**

III. DEVELOPMENT

- (a) Kensington North of Lehigh Redevelopment Area
Joel Rojas
2035 E. Birch Street
**Selection of Redeveloper and Non-Amortizing
Loan**
- (b) Point Breeze Urban Renewal Area
Community Justice Land Trust
1324-1332 S. Capitol Street
Selection of Redeveloper
- (c) Model Cities Urban Renewal Area
435 Master Street, L.P.
427-435 Master Street
Amendatory Agreement

AGENDA

Board Meeting of September 11, 2019

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- (d) Advocate Community Development Corporation
2004-10 N. 17th Street and 2133 N. Gratz Street
**Release of Redevelopment Agreement and Certain
Deed Covenants**

- (e) South Central Urban Renewal Area
1100 South Street, LLC
1100-04 South Street including 602-06
S. 11th Street
Certificate of Completion

- (f) Central Tioga Urban Renewal Area
Venango Court LLC
1621-31 W. Venango Street
Amendatory Agreement

IV. HOUSING FINANCE

Lillia Crippen Townhomes Preservation Development
Lillia Crippen Limited Partnership
1826-1850 N. 6th Street, 1802, 1804, 1806, 1808, 1810,
1812, 1814, 1816 & 1818 N. 6th Street, 608, 610, 612 &
614 W. Wilt Street, 601, 603, 607, 609, 611, 613, 615,
617, 619, 621 & 623 W. Montgomery Avenue and
607, 609, 611, 613, 615, 617, 619, 621, 623 W. Montgomery
Avenue and 1803, 1805, 1807, 1809, 1811, 1813, 1815,
1817 & 1819 N. Marshall Street
**New Financing and Modification of Existing Loans to
Targeted Neighborhood Initiative Limited Partnership and
TNI 2 Limited Partnership**

PHILADELPHIA REDEVELOPMENT AUTHORITY
BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, August 14, 2019, commencing at 4:08 P.M., in the offices of the Philadelphia Redevelopment Authority, being its regular meeting place, 16th floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

ROLL CALL

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

The following members of the Authority staff were present: Gregory Heller, Ryan D. Harmon, Esquire, Robert LaBrum, Brian Romano, Zena Holland, Nia Turner, Jane Allen, Karanja Slaughter and Elizabeth Bonaccorso.

Also in attendance: Peilin Chen, Finance Department; Angel Rodriguez, PLB; Roneece Dent, PLB; Bradley Vassallo, PLB; John Kollmeier, Brownfield Science & Technology, Inc.; Mark Shorr, Guy Laren's Office; Earl D. Lively, Community Consultant; Dr. Razel Gebrehana; and Jamila Davis, DHCD.

ANNOUNCEMENTS

None.



MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of July 10, 2019.

Upon motion made and duly seconded, the minutes of July 10, 2019 were approved.



EXECUTIVE DIRECTOR'S REPORT

None.



ADMINISTRATIVE

Mr. LaBrum presented "Item II (a) – Approval of Second Amendment to Contract for Professional Services with Hill International, Inc., for the Gallery Mall Redevelopment Project" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-53

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY TO ENTER INTO A SECOND AMENDMENT TO THE CONTACT FOR PROFESSIONAL SERVICES BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND HILL INTERNATIONAL, INC., FOR THE GALLERY MALL REDEVELOPMENT PROJECT

WHEREAS, by Resolution No. 2015-127, adopted November 18, 2015, the Philadelphia Redevelopment Authority ("Authority") approved the Contract for Professional Services (the "Contract") between the Authority and Hill International, Inc. ("Hill"), for the construction management and monitoring of the Gallery Mall redevelopment project (the "Project").

WHEREAS, on December 22, 2017, a First Amendment to Contract for Professional Services ("First Amendment") between the Authority and Hill was executed relative to the Project, which extended the Contract term.

WHEREAS, it is in the best interest of the Authority to approve the Second Amendment to the Contract for Professional Services ("Second Amendment") between Authority and Hill for the Project, to further extend the term of the Contract through to the expected completion date of the Project.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, the authorization is hereby given to the Authority's Executive Director to enter into a Second Amendment to the Contract for Professional Services for the construction management, monitoring and close-out of the Project through March 31, 2020, with a compensation amount not to exceed Forty Thousand Four Hundred Dollars (\$40,400).

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

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

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



Mr. LaBrum presented "Item II (b) – Approval Construction Contract with Burns Mechanical, Inc., for the Philadelphia Zoo Boiler Replacement Project" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-54

RESOLUTION AUTHORIZING THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, TO ENTER INTO A CONSTRUCTION CONTRACT WITH BURNS MECHANICAL, INC., FOR THE PHILADELPHIA ZOO BOILER REPLACEMENT PROJECT

WHEREAS, the City of Philadelphia (the "City") solicited proposals seeking responses from qualified HVAC firms willing and capable of performing the Philadelphia Zoo boiler replacement project (the "Project")

WHEREAS, Burns Mechanical, Inc. ("Burns") submitted its response to the City, outlining their extensive experience. Burns was the lowest, qualified bidder.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, the authorization is hereby given to the Authority's Executive Director to enter into a Construction Contract, as agent for the City, with Burns for the Project, with a maximum compensation not to exceed One Hundred Ninety-Three Thousand Six Hundred Dollars (total Base Bid plus 10% Contingency).

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

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

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



Mr. Harmon presented "Item II (c) – Professional Legal Services Contract with Jane Duffy, Esquire" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-55

RESOLUTION AUTHORIZING LEGAL SERVICES CONTRACT WITH JANE DUFFY, ESQUIRE

WHEREAS, the Authority issued a competitive Request For Proposals ("RFP") from qualified attorneys for representation of the Authority in matters relating to provision of construction/permanent loans for multi-family rental and homeownership projects financed by the Authority; and

WHEREAS, Jane Duffy, Esquire, was the only respondent;

WHEREAS, Authority staff has reviewed and evaluated the response to the RFP and has determined that Jane Duffy, Esquire, meets all selection criteria and has the experience and qualifications to perform the services stated in the RFP; and

WHEREAS, Authority staff has recommended that this legal services contract be awarded to Jane Duffy.

NOW THEREFORE BE IT RESOLVED, By the Philadelphia Redevelopment Authority that the Authority is authorized to execute a contract ("Contract") with Jane Duffy, Esquire, for the purpose of representing the Authority in matters related to multi-family rental and homeownership projects financed by the Authority and such other matters as may be directed by General Counsel, at a maximum compensation not to exceed One Hundred Thousand Dollars (\$100,000) to be paid at the rate of Seventy-Five Dollars (\$75.00) per hour; that the Contract shall commence as of February 1, 2019, and terminate on January 31, 2020, and shall contain an option to allow the Authority to extend the Contract for two (2) additional one (1)

year terms on the same terms and conditions; it being determined that Jane Duffy, Esquire, is qualified and experienced to perform such services; that the compensation is fair and proper under all the circumstances and at a rate not in excess of what is customarily paid for services of equivalent scope and quality; further authorizing that the Contract be in a form and manner satisfactory to General Counsel.

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

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

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



Mr. Harmon presented "Item II (d) – Agreement for Professional Services Contract with Brownfield Science & Technology, Inc." in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-56

RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND BROWNFIELD SCIENCE & TECHNOLOGY, INC., TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given for the Authority to enter into an Agreement for Professional Services with Brownfield Science & Technology, Inc. ("BSTI"), to provide the Authority with environmental consulting services on the terms set forth in the attached Fact Sheet.

FURTHER AUTHORIZING, the payment of compensation to BSTI for all services in an amount not to exceed Ninety Thousand Dollars (\$90,000), at the hourly rates provided for in the attached Fact Sheet.

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

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

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



Mr. Harmon presented "Item II (e) – Agreement for Professional Services Contract with Duffield Associates, Inc." in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-57

RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND DUFFIELD ASSOCIATES, INC., TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given for the Authority to enter into an Agreement for Professional Services with Duffield Associates, Inc. ("Duffield"), to provide the Authority with environmental consulting services on the terms set forth in the attached Fact Sheet.

FURTHER AUTHORIZING, the payment of compensation to Duffield for all services in an amount not to exceed Ninety Thousand Dollars (\$90,000), at the hourly rates provided for in the attached Fact Sheet.

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

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

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



DEVELOPMENT

Ms. Fadullon stated that "Item III – Certificate of Completion for 1100-04 South Street including 602-06 S. 11th Street" is being tabled at this time. Ms. Fadullon stated that the Board members have several questions that need to be answered. This item may be resubmitted at the September meeting.



At this time, Ms. Fadullon recused herself and Mr. Cuorato chaired the meeting.

HOUSING FINANCE

Ms. Holland presented "Item IV – Consent to Loan Modification, Nicole Hines Limited Partnership" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Ms. Fadullon recused herself because of a potential conflict of interest.

Board Action

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

RESOLUTION NO. 2019-58

RESOLUTION AUTHORIZING THE AUTHORITY TO AMEND THE AUTHORITY'S LOAN WITH NICOLE HINES LIMITED PARTNERSHIP TO CHANGE THE AUTHORITY'S LIEN POSITION

WHEREAS, pursuant to Resolution 2019-44, adopted June 12, 2019, the Authority was authorized to enter into a non-recourse construction/permanent loan agreement with Nicole Hines Limited Partnership ("Borrower") in the amount of One Million Nine Hundred Seventy-Nine Thousand Four Hundred Ninety-Five Dollars (\$1,979,495) (the "Authority Loan"). The proceeds of the Authority Loan will be used to assist in the new construction of thirty-five (35) units of affordable rental housing located at 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street (the "Properties"); and

WHEREAS, the Authority Loan was intended to be secured by second lien position on the leasehold interest on the Properties behind the Pennsylvania Housing Finance Agency's Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHFA Loan"); and

WHEREAS, the Borrower has requested the Authority consent to amend the Authority Loan to be secured by a third lien position on the leasehold interest on the Properties behind a mortgage securing a construction loan from Citizens Bank, N.A. ("Citizens Loan") and the mortgage securing the PHFA Loan; and

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

1. Amend the Authority Loan to be secured by a third lien position on Borrower's leasehold interest on the Properties behind mortgages securing the Citizens Loan and the PHFA Loan.
2. All other terms and conditions of Resolution 2019-44 shall remain in full force and effect.
3. Satisfactory tax status clearances issued on all members of the development team.

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

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

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

One Abstention: Ms. Fadullon.



At this time Ms. Fadullon resumed chairing the meeting.

REAL ESTATE

Mr. Vassallo presented "Item V (a) – Conveyance of Properties" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Rodriguez distributed to the Board members and general public a copy of the appraisal summary page relative to the appraisal obtained for 2301-07 Ridge Avenue.

Ms. Fadullon recognized Mr. Earl D. Lively and he addressed the Board. Mr. Lively thanked the members of the Board for approving today's action. Mr. Lively stated that project will benefit the community's neighborhood.

Mr. Dubow stated that since there are some discrepancies with the redeveloper not being tax compliant with the City, it is requested that a clause be included in the resolution making it contingent on receipt of confirmation of tax compliance. Mr. Rodriguez stated that Land Bank is working to clear up the discrepancies.

Ms. Fadullon stated for the record that the resolution would be amended to make it contingent on receipt of confirmation of tax compliance.

Board Action

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

RESOLUTION NO. 2019-59 (REVISED)

**CITY OF PHILADELPHIA – DEPARTMENT OF PUBLIC PROPERTY -
RESOLUTION AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF
PHILADELPHIA TO VARIOUS PROPERTIES AND DISPOSITION OF SUCH
PROPERTIES**

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

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

WHEREAS, the City Commissioner of Public Property has also recommended to City Council the below dispositions;

WHEREAS, the Philadelphia Land Bank ("PLB") has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property;

WHEREAS, the PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance;

WHEREAS, although the PDA will initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance;

WHEREAS, certain of the properties identified below will be conveyed for nominal consideration and others, all as identified below, will be conveyed at fair market value as determined through a competitive sale.

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

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
2301 Ridge Avenue	Y&R Ridge On	\$140,000.00 (Non-Competitive)
2303 Ridge Avenue	the Rise Limited	
2305 Ridge Avenue	Liability Company	
2307 Ridge Avenue		

FURTHER RESOLVING, that this Resolution is contingent on receipt by the Philadelphia Redevelopment Authority of all tax compliance clearances for Grantee and all of Grantee's principals and affiliates.

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

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

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



Mr. Vassallo presented "Item V (b) – Conveyance of Properties" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Vassallo informed the members of the Board that today's action is strictly a name change to meet the IRS requirements for Qualified Opportunity Zones.

Mr. Heller asked if the ownership of the entity has changed in any manner. is still the same entity. Mr. Vassallo replied that Mark Shorr was present and could answer all questions. Mr. Shorr responded that the ownership has remained the same and that the modification is limited strictly to the name.

Board Action

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

RESOLUTION NO. 2019-60

CITY OF PHILADELPHIA – DEPARTMENT OF PUBLIC PROPERTY - RESOLUTION AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO VARIOUS PROPERTIES AND DISPOSITION OF SUCH PROPERTIES

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

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

WHEREAS, the City Commissioner of Public Property has also recommended to City Council the below dispositions;

WHEREAS, the Philadelphia Land Bank ("PLB") has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property;

WHEREAS, the PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance;

WHEREAS, although the PDA will initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance;

WHEREAS, certain of the properties identified below will be conveyed for nominal consideration and others, all as identified below, will be conveyed at fair market value as determined through a competitive sale.

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

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
5107 Market Street 5109 Market Street 5111 Market Street 5113 Market Street 5121 Market Street 5123 Market Street 5125 Market Street	51 Market Owner Limited Liability Company	\$420,000.00 (Competitive - Request for Proposals) (for all properties)

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

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

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



ADD ON ITEM

Mr. Harmon presented "Item VI – Approval of Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Cuorato asked if the Authority is entitled to an administrative fee for its services under this Grant Agreement. Mr. Harmon stated that the Authority is entitled to an administrative fee of eight percent (8%) of each project costs. Mr. Harmon further stated that the previous iteration of this Grant Agreement entitled the Authority to a seven percent (7%) administrative fee.

Mr. Dubow recused himself due to potential conflict of interest.

Board Action

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

RESOLUTION NO. 2019-61

RESOLUTION AUTHORIZING APPROVAL OF A 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, IN AN AMOUNT NOT TO EXCEED TEN MILLION DOLLARS (\$10,000,000), TO FINANCE CAPITAL CONSTRUCTION AND IMPROVEMENT PROJECTS IN AND AROUND THE CITY

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to enter into a Grant Agreement with the City of Philadelphia, acting through its Department of Public Property and its Finance Department (the "City"), as grantor, in an amount not to exceed Ten Million Dollars (\$10,000,000) ("Grant Funds") to finance capital construction and improvement projects in and around the City (each, a "Project," and collectively, the "Projects").

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

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

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

One (1) Abstention: Mr. Dubow.



OLD BUSINESS

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



NEW BUSINESS

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



ADJOURNMENT

There being no further business to come before the Board, Ms. Fadullon declared the meeting adjourned at 4:28 P.M.

SECRETARY TO THE BOARD



BOARD FACTSHEET
 Meeting of August 14, 2019
 Approval of Second Amendment to Contract for Professional
 Services
 Hill International, Inc.
 Gallery Mall Redevelopment Project

NATURE OF TRANSACTION:

The approval the Second Amendment to the Contract for Professional Services between the Philadelphia Redevelopment Authority ("Authority") and Hill International, Inc. for construction management, monitoring and close-out of the Gallery Mall redevelopment project ("Project"). The Second Amendment will extend the contract term through March 31, 2020 (the anticipated completion date for the Project). Total compensation for the extended construction management, monitoring and close-out for the Project shall not exceed Forty Thousand Four Hundred Dollars (\$40,400).

BACKGROUND:

The City of Philadelphia ("City") has requested the Authority to assume all responsibilities with respect to the construction monitoring during the term of the construction of the Project.

On November 18, 2015, the Authority Board approved a Contract for Professional Services with Hill International, Inc., for the construction management and monitoring of the Gallery Mall Redevelopment Project for a term of two (2) years, at a compensation not to exceed Ninety Thousand Seven Hundred Twenty Dollars (\$90,720).

On December 22, 2017, the Authority's Executive Director approved the First Amendment to the Contract for Professional Services ("First Amendment") which extended the term of the Original Agreement for twenty-four (24) months from the First Amendment effective date, or upon completion of construction of the Project, or upon expenditure of maximum compensation, whichever is sooner. The date of the First Amendment effective date was January 22, 2017, and will expire December 22, 2019. However, due to the extended construction timeline of the Project, the original compensation amount of Ninety Thousand Seven Hundred Twenty Dollars (\$90,720) has been expended.

FUNDING:

The project will be funded with Authority's working capital.

Proposed resolution and supporting project information are attached (photograph).

Prepared by: Robert LaBrum
 Reviewed by: Ryan Harmon



BOARD FACTSHEET
 Meeting of August 14, 2019
 Approval of Construction Contract
 Burns Mechanical, Inc.
 Philadelphia Zoo

NATURE OF TRANSACTION:

The approval of Construction Contract between the Philadelphia Redevelopment Authority (the "Authority"), as agent for the City of Philadelphia (the "City"), and Burns Mechanical, Inc. ("Burns"), for the Philadelphia Zoo boiler replacement project (the "Project").

The Project includes the replacement of boilers in the Small Reptile, Zoo Maintenance and Condor Buildings.

SELECTION PROCESS:

The City solicited proposals from qualified HVAC firms for the Project. Three (3) bids were received and Burns was the lowest, qualified bidder.

Burns Mechanical, Inc.

123 Gibraltar Road
 Horsham, PA 19044
 Total Base Bid: \$176,000
 EOP: 12% - 16% MBE; 8% - 12% WBE

BACKGROUND/FINANCING:

The project will be funded with City capital funds as outlined in an executed Subgrant Agreement between the Authority and the City of Philadelphia. The Agreement allows for funds to be transferred to the Authority for City projects.

Proposed Resolution and supporting project information are attached.

Prepared by: Robert LaBrum
 Reviewed by: Ryan Harmon



BOARD FACTSHEET
Meeting of August 14, 2019
Professional Legal Services Contract
Jane Duffy, Esquire

The Board is requested to approve a legal services contract with Jane Duffy, Esquire ("Respondent"), to provide legal services for the Authority's Housing Division multi-family rental and homeownership projects. This work involves primarily the negotiation and preparation of loan documentation related to the development of low-income housing.

In January, 2019, the Authority issued a Request for Proposals from qualified attorneys to perform these services. One response was received. Respondent's qualifications and other selection criteria were reviewed by Authority staff. Based on this review, Staff has recommended the selection of Respondent for this work.

The proposed resolution would provide for a one (1) year contract with a maximum compensation of One Hundred Thousand Dollars (\$100,000), payable at the rate of Seventy-Five Dollars (\$75.00) per hour. The Authority will have two (2) one-year options to renew this contract on the same terms.

The proposed resolution is attached.

Prepared by Ryan D. Harmon, Esq.



BOARD FACTSHEET

Meeting of August 14, 2019

Agreement for Professional Services

Brownfield Science & Technology, Inc.

NAME OF PROVIDER: Brownfield Science & Technology, Inc. ("BSTI")

REQUEST: Approval of an Agreement for Professional Services between the Authority and BSTI to provide environmental consulting services.

AGREEMENT FOR PROFESSIONAL SERVICES TERMS AND CONDITIONS:

The Philadelphia Redevelopment Authority (the "Authority") issued a Request for Proposals ("RFP") dated January 16, 2019, seeking qualified providers to provide environmental consulting services. The Authority received thirteen (13) proposals. BSTI and Duffield Associates, Inc., were chosen to be the most responsive bidders as they best satisfied the selection criteria set forth in the RFP including, but not limited to, prior experience, capacity and economic inclusion. BSTI is certified by the City of Philadelphia as a Women Business Enterprise.

Term: The term of the Agreement for Professional Services with BSTI is one (1) year, which term may be extended for three (3) additional one (1) year terms at the sole discretion of the Authority.

Scope of Services: The scope of services to be provided by BSTI is attached hereto as Exhibit "A."

Compensation: The maximum compensation for all services provided by BSTI shall not exceed Ninety Thousand Dollars (\$90,000) and the hourly rates are attached hereto as Exhibit "B." Such rates will not be adjusted unless otherwise agreed to in writing between the Authority and BSTI.

Prepared By: Ryan Harmon

Reviewed By: Gregory Heller



BOARD FACTSHEET

Meeting of August 14, 2019

Agreement for Professional Services

Duffield Associates, Inc.

NAME OF PROVIDER: Duffield Associates, Inc. ("Duffield")

REQUEST: Approval of an Agreement for Professional Services between the Authority and Duffield to provide environmental consulting services.

AGREEMENT FOR PROFESSIONAL SERVICES TERMS AND CONDITIONS:

The Philadelphia Redevelopment Authority (the "Authority") issued a Request for Proposals ("RFP") dated January 16, 2019, seeking qualified providers to provide environmental consulting services. The Authority received thirteen (13) proposals. Duffield and Brownfield Science & Technology, Inc., were chosen to be the most responsive bidders as they best satisfied the selection criteria set forth in the RFP including, but not limited to, prior experience, capacity and economic inclusion. Duffield is certified by the City of Philadelphia as a Women Business Enterprise.

Term: The term of the Agreement for Professional Services with Duffield is one (1) year, which term may be extended for three (3) additional one (1) year terms at the sole discretion of the Authority.

Scope of Services: The scope of services to be provided by Duffield is attached hereto as Exhibit "A."

Compensation: The maximum compensation for all services provided by Duffield shall not exceed Ninety Thousand Dollars (\$90,000) and the hourly rates are attached hereto as Exhibit "B." Such rates will not be adjusted unless otherwise agreed to in writing between the Authority and Duffield.

Prepared By: Ryan Harmon

Reviewed By: Gregory Heller

**BOARD FACTSHEET**

Meeting of August 14, 2019

Certificate of Completion

1100-04 South Street including 602-06 S. 11th Street

NAME OF DEVELOPER/APPLICANT: 1100 South Street, LLC ("Redeveloper")

NATURE OF TRANSACTION: The Board is asked to authorize a Resolution authorizing the issuance of a Certificate of Completion for 1100-04 South Street including 602-606 S. 11th Street (the "Property"). The Authority conveyed the Property to the Redeveloper on November 21, 2006.

BACKGROUND: Through the Request for Proposals ("RFP") process, on February 1, 2006, the Authority entered into a Redevelopment Agreement (the "Agreement") with Killian Properties, LLC, for the development of a three-story mixed-use building which consisted of ground floor retail space along South Street, four (4) residential condominium units above the commercial space and two (2) townhouse style condo units along 11th Street (the "Project"). On October 18, 2006, the Authority entered into an Assignment Agreement with Killian Properties, LLC, to assign the development right to Redeveloper, which was a single purpose entity created by Killian Properties, LLC. The parcels were conveyed to Redeveloper on November 21, 2006 for \$550,000.

The Project was completed and there was one (1) consent to sell letter issued so the Redeveloper could sell a unit. To date, all the units have been sold and some more than once.

There was some miscommunication regarding the paperwork between the Redeveloper and the City of Philadelphia's (the "City") Compliance Unit regarding the Economic Opportunity Plan ("EOP"). Because of this issue, the Authority was unable to obtain the required signoff from the City for EOP compliance.

The Redeveloper has since then forwarded supporting documentation to confirm their actual performance and best faith efforts. Based on their submission, the Authority believes that the Project has been completed in substantial conformity with the Agreement and there is no known default that would preclude the Authority from complying with its contractual obligation to issue a Certificate of Completion.

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

Prepared by: Brian Romano
 Reviewed by: Angel Rodriguez



BOARD FACTSHEET

Meeting of August 14, 2019

Consent to Loan Modification

Nicole Hines Limited Partnership

Located at 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street

NAME OF OWNER: Nicole Hines Limited Partnership ("Borrower")

NATURE OF TRANSACTION:

Resolution authorizing the Authority's consent to modify Resolution 2019-44 amending the Authority's lien position.

BACKGROUND INFORMATION:

Pursuant to Resolution 2019-44, adopted June 12, 2019, the Authority was authorized to enter into a non-recourse construction/permanent loan agreement with Nicole Hines Limited Partnership in the amount not to exceed One Million Nine Hundred Seventy-Nine Thousand Four Hundred Ninety-Five Dollars (\$1,979,495) (the "Authority Loan"). The proceeds of the Authority Loan will be used to assist in the new construction of thirty-five (35) affordable rental units located at 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street (the "Properties"). The Authority Loan was intended to be secured by a second lien position on Borrower's leasehold interest on the Properties behind a mortgage securing a loan of Pennsylvania Housing Finance Agency's Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHFA Loan").

Citizens Bank, National Association ("Citizens"), had committed to provide a construction bridge loan which was to be secured by the investor capital contributions. Citizens will now require that its loan in the amount of Eight Million Three Hundred Fifty Dollars (\$8,350,000) ("Citizens Loan") be secured by a first lien in Borrower's leasehold interest.

The Borrower has requested the Authority's consent to amend the Authority Loan to be secured by a third lien position on Borrower's leasehold interest on the Properties.

BOARD ACTION REQUIRED:

1. Amend the Authority Loan to be secured by a third lien position on Borrower's leasehold interest on the Properties behind mortgages securing the Citizens Loan and the PHFA Loan.

2. All other terms and conditions of Resolution 2019-44 shall remain in full force and effect.
3. Satisfactory tax status clearances issued on all members of the development team.

Proposed Resolution is attached

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



BOARD FACTSHEET

Meeting of August 14, 2019

City of Philadelphia – Department of Public Property

Nature of Transaction: The Philadelphia Redevelopment Authority ("PRA") will facilitate the conveyance of title from the City to identified Grantees listed below.

- The Vacant Property Review Committee ("VPRC") serves as an advisory committee and recommends to the City of Philadelphia ("City") Commissioner of Public Property what City surplus properties should be made available for disposition in accordance with Chapter 16-400 of the City Code.
- Properties and Grantees listed below were recommended by the VPRC to the City Commissioner of Public Property for disposition.
- The City Commissioner of Public Property has also recommended to City Council the below dispositions.
- A Resolution authorizing the below dispositions by the PRA was approved by City Council (Resolution No. 190569).
- Pursuant to a Memorandum of Understanding between the City and the Philadelphia Land Bank ("PLB") dated April 8, 2019, the PLB has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property.
- The PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance. Although the PDA will initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance.
- The conveyance of these properties to the Grantees for reuse will relieve the City of the care, maintenance and management of the properties and help arrest blight in the neighborhoods and restore the properties to productive use.

PROPERTY INFORMATION:

- 1) **Fair Market Disposition:** The following four (4) properties will be conveyed at fair market value as established through a fair market appraisal. The properties are being conveyed as a Non-Competitive Sale by the PLB:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
2301 Ridge Avenue	Y&R Ridge On	\$140,000.00 (Non-
2303 Ridge Avenue	the Rise Limited	Competitive)
2305 Ridge Avenue	Liability Company	
2307 Ridge Avenue		



BOARD FACTSHEET

Meeting of August 14, 2019

City of Philadelphia – Department of Public Property

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- The Vacant Property Review Committee ("VPRC") serves as an advisory committee and recommends to the City of Philadelphia ("City") Commissioner of Public Property what City surplus properties should be made available for disposition in accordance with Chapter 16-400 of the City Code.
- Properties and Grantees listed below were recommended by the VPRC to the City Commissioner of Public Property for disposition.
- The City Commissioner of Public Property has also recommended to City Council the below dispositions.
- A Resolution authorizing the below dispositions by the PRA was approved by City Council (Resolution No. 190138).
- Pursuant to a Memorandum of Understanding between the City and the Philadelphia Land Bank ("PLB") dated April 8, 2019, the PLB has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property.
- The PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance. Although the PDA will initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance.
- The conveyance of these properties to the Grantees for reuse will relieve the City of the care, maintenance and management of the properties and help arrest blight in the neighborhoods and restore the properties to productive use.

PROPERTY INFORMATION:

- 1) **Fair Market Disposition:** The following seven (7) properties will be conveyed at fair market value as established through a competitive Request for Proposals issued by the PLB:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
5107 Market Street	51 Market Owner Limited Liability Company	\$420,000.00 (Competitive - Request for Proposals) (for all properties)
5109 Market Street		
5111 Market Street		
5113 Market Street		
5121 Market Street		
5123 Market Street		
5125 Market Street		



BOARD FACTSHEET

Meeting of August 14, 2019

Approval of 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")

Grant Amount: \$10,000,000

Nature of Transaction: Approval to enter into a Grant Agreement with the City, as grantor, wherein the City will provide funding to the Philadelphia Redevelopment Authority ("Authority"), as grantee, in an amount not to exceed 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 City has appropriated the Grant Funds to be granted to the Authority. The City will grant the Grant Funds in accordance with individual Project requirements, and the Authority will manage, oversee and carry out the Projects. The City will 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 term of the Grant Agreement will be for one (1) year. The City may terminate the Grant Agreement with thirty (30) days' advance written notice.

Proposed Resolution is attached.

Prepared by: Ryan Harmon
 Reviewed by: Gregory Heller