



Philadelphia Authority for
Industrial Development

AGENDA

TO: THE MEMBERS OF THE BOARD OF DIRECTORS OF THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

FROM: ILENE BURAK, ESQ., SECRETARY

The following is the Agenda for the Meeting of the Board of Directors of the Philadelphia Authority for Industrial Development (PAID) and its affiliates, to be held on Tuesday, June 25, 2024, 5:00 p.m. via Zoom. <https://zoom.us/j/98677306381?pwd=Z3U4TTVrR21Ma2tuYVJ6RIY2M0lVQT09>

Meeting ID: 986 7730 6381

Passcode: 973395

- I. Approval of the Minutes of the Authority for the meeting held on Tuesday May 28, 2024.
- II. Public Comments
- III. Consider and Approve Resolutions authorizing PAID to:
 - A. issue one or more series of revenue bonds (the "Bonds") through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") in the form attached hereto, in an amount not to exceed \$10,000,000 on behalf of Maritime Academy Charter School.
 - B. enter into an option to purchase agreement for 5198 S 19th Street, Philadelphia, PA 19112 (the Property), with B57 Pier LLC or an approved subsidiary or affiliate of Rhoads Industries, Inc. (Rhoads). The purchase price will be \$1,100,000.

RESOLUTION

Philadelphia Authority for Industrial Development

Maritime Academy Charter School (the “Borrower” or “School”)

A Resolution authorizing the issuance of one or more series of revenue bonds (the “Bonds”) through the Philadelphia Authority for Industrial Development (“PAID” or the “Authority”) in the form attached hereto, in an amount not to exceed \$10,000,000 on behalf of the School.

The proceeds of the Bonds will be used by the School to finance (i) the construction, renovation, equipping and/or rehabilitation of the Arsenal Buildings 201 and 202, located at 2275 Bridge Street, to be used as the elementary and middle school facilities, (ii) the financing of other miscellaneous capital expenditures at the School’s facilities, (iii) the refinancing of existing loans the proceeds of which were used to (a) finance the acquisition and renovation of the School’s elementary school building and administrative building located at the Arsenal Buildings 11, 106, and 107, located at 2275 Bridge Street and (b) finance the acquisition and renovation of the School’s high school building located at 2700 East Huntingdon Street (iv) costs of issuance, and (v) other lawful and appropriate purposes consistent with the foregoing;

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the School upon such terms and conditions as they deem to be in the best interests of the Authority.

BACKGROUND

Formed in November of 2001, Maritime Academy Charter School is a public, independent, tuition-free charter school serving 870 students from Kindergarten through Twelfth grades. The School is located at 2275 Bridge and 2700 E. Huntingdon Streets in Philadelphia. The Huntingdon Street location is used for the high school and the Bridge Street location is used for the elementary school.

The School’s original charter was issued in 2003 for an initial term of five years. Since that time the School has undergone four successful charter renewals in 2008, 2013 and 2018 and 2023.

On November 5, 2013, the PAID Board consented to the issuance of a bank qualified bond through the Horsham Industrial and Commercial Development Authority in an amount up to \$4,000,000 on behalf of the School. The proceeds were used to refund certain indebtedness of the School and pay the costs of issuance. This financing closed on December 23, 2013 in the amount of \$3,995,000. This financing was refunded with a commercial loan is no longer outstanding.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

AUTHORIZING THE UNDERTAKING BY THE AUTHORITY OF THE FINANCING OF A PROJECT FOR THE BENEFIT OF MARITIME ACADEMY CHARTER SCHOOL, INC. (THE “**SCHOOL**”); AUTHORIZING THE ISSUANCE OF UP TO \$10,000,000 AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF REVENUE BONDS OF THE AUTHORITY FOR THE BENEFIT OF THE SCHOOL; AUTHORIZING ALL ACTIONS OF THE AUTHORIZED OFFICERS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION THE APPROVAL, EXECUTION AND DELIVERY OF ALL FINANCING DOCUMENTS, NECESSARY AND APPROPRIATE TO EFFECTUATE THE ISSUANCE AND SALE OF THE BONDS AND FINANCING OF THE PROJECT.

WHEREAS, the Philadelphia Authority for Industrial Development (the “**Authority**”) is organized and existing under the laws of the Commonwealth of Pennsylvania pursuant to the Economic Development Financing Law, as amended (the “**Act**”); and

WHEREAS, pursuant to the Act, the Authority has the power and authority to issue revenue obligations to pay costs of “educational facilities” as defined in the Act, pending approval by the Department of Community and Economic Development; and

WHEREAS, the School is a public charter school duly organized and validly existing under the laws of the Commonwealth of Pennsylvania, the Pennsylvania Charter School Law (24 P.S. §17-1701-A, et seq.), and a Pennsylvania nonprofit corporation described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and exempt from federal taxation under Section 501(a) of the Code that owns the property constituting the project facility located at the School’s existing facilities located at the Arsenal Buildings 11, 106, and 107, located at 2275 Bridge Street, Philadelphia, Pennsylvania and 2700 East Huntingdon Street, Philadelphia, Pennsylvania, and the School’s new facility located at the Arsenal Buildings 201 and 202, located at 2275 Bridge Street, Philadelphia, Pennsylvania; and

WHEREAS, the School operates the Project Facilities (as defined herein) as a charter school; and

WHEREAS, the School has made application to the Authority requesting that the Authority issue its revenue bonds, tax-exempt or taxable, in one or more series (collectively, the “**Bonds**”) to finance the costs of a project (the “**Project**”) that consists of the financing of: (i) the construction, renovation, equipping and/or rehabilitation of the Arsenal Buildings 201 and 202, located at 2275 Bridge Street, Philadelphia, Pennsylvania, to be used as the elementary and middle school facilities (the “**New Facility**”), (ii) the financing of other miscellaneous capital expenditures at the Project Facilities, (iii) funding the refinance of existing loans the proceeds of which were used to (a) finance the acquisition and renovation of the School’s elementary school building and administrative building located at the Arsenal Buildings 11, 106, and 107, located at 2275 Bridge Street, Philadelphia, Pennsylvania and (b) finance the acquisition and renovation of the School’s high school building located at 2700 East Huntingdon Street, Philadelphia, Pennsylvania (collectively, the “**Existing Facility**” and together with the New Facility, the

“**Project Facilities**”), (iv) financing all or a portion of the costs of issuance of the Bonds, and (v) other lawful and appropriate purposes consistent with the foregoing; and

WHEREAS, at the request of the School and in order to finance the Project, the Authority has determined to issue the Bonds, pursuant to one or more trust indentures or trust agreements (as may be amended or supplemented from time to time, the “**Indenture**”) between the Authority and a commercial bank or trust company designated by the School and acceptable to Hamlin Capital Management, LLC, as trustee for the holders on the Bonds (the “**Trustee**”), and to loan the proceeds of the Bonds (the “**Loan**”) to the School to pay costs of the Project; and

WHEREAS, pursuant to one or more loan agreements (as may be amended or supplemented from time to time, the “**Loan Agreement**”) between the Authority and the School, the Authority will make the Loan to the School to pay costs of the Project and the School will (i) repay the principal and interest on the Loan in the amounts and at the times necessary for the Authority to timely pay debt service on the Bonds and (ii) pay other amounts as required under the Loan Agreement and the Indenture, including without limitation periodic payments to the Authority in amounts sufficient to pay the Authority’s administrative expenses; and

WHEREAS, to secure its obligations under the Loan Agreement, the School may deliver to the Authority or to the Trustee, for the benefit of the bondholders, such mortgages, assignments, guaranties, revenue pledges or other security, pursuant to one or more security agreements (collectively, the “**Security Agreements**”), as may be necessary in connection with the offering and sale of the Bonds, and the Authority may pledge and assign its rights under the Loan Agreement (including without limitation the Authority’s rights to the loan payments made by the School thereunder) and any such Security Agreements to the Trustee for the benefit of Bondholders pursuant to one or more assignments (the “**Assignments**”); and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority will enter into a Bond Purchase Agreement (the “**Purchase Agreement**”) with the School, Truist Securities, Inc., as underwriter (the “**Underwriter**”), and any of the other Tenants as may be deemed necessary pursuant to which the Underwriter will offer to purchase the Bonds upon the terms and conditions set forth therein; and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority may prepare and deliver for use by the Underwriter a preliminary official statement or other preliminary offering memorandum, and any supplement thereto (the “**Preliminary Offering Memorandum**”) and a final official statement or other final offering memorandum, and any supplement thereto (the “**Offering Memorandum**”) relating to the Project, the School, the Authority and the Bonds; and

WHEREAS, the Authority desires to authorize and approve the Project, the issuance, execution and delivery of the Bonds, and the execution and delivery of the Indenture, the Loan Agreement and other Security Agreements, the Purchase Agreement, the Assignments, the Preliminary Offering Memorandum, the Offering Memorandum and such other instruments and documents as shall be necessary or appropriate to effectuate the purposes of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the members of the Authority as follows:

Section 1. Approval of Project and Issuance of the Bonds. The Authority hereby authorizes and approves the undertaking of the Project and the issuance of the Bonds to finance all or a portion of the costs of the Project. The Bonds shall be issued in one or more series as tax-exempt and/or taxable bonds and secured pursuant to the Indenture in an aggregate amount not to exceed \$10,000,000, including an

aggregate amount not to exceed \$8,510,000 for new money purposes and an aggregate amount not to exceed \$1,490,000 for refunding purposes. The Bonds shall be designated “Philadelphia Authority for Industrial Development Revenue Bonds (Maritime Academy Charter School Project) Series of 2024” with such further designation or sub-designation as shall be set forth in the Indenture. The Bonds shall have a final maturity not exceeding 40 years, shall bear interest at a variable or fixed rate or rates to be established as provided in the Indenture and the Bonds, and shall contain such other terms and conditions as set forth in the Indenture and permitted in the Act.

Section 2. Approval of the Indenture and the Loan Agreement. The Authority hereby authorizes and approves the execution and delivery of the Indenture, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and an Authorized Officer (as defined in Section 5 hereof) of the Authority executing the Indenture shall approve, such approval to be conclusively evidenced by such officer’s execution thereof. The Authority hereby authorizes and approves the execution and delivery of the Loan Agreement, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and an Authorized Officer of the Authority executing the Loan Agreement shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 3. Sale of the Bonds; Approval of the Purchase Agreement.

(a) The Authority hereby authorizes and approves the issuance and sale of the Bonds to the Underwriter. The Bonds shall be sold at such rates and on such terms and conditions as are set forth in the Purchase Agreement.

(b) The Authority hereby authorizes and approves the execution of the Purchase Agreement containing such terms and provisions as Bond Counsel, counsel to the Authority and an Authorized Officer of the Authority executing the same shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 4. Approval of Preliminary Offering Memorandum and Offering Memorandum. The Authority hereby authorizes and approves the distribution of a Preliminary Offering Memorandum and the distribution, execution and delivery of an Offering Memorandum, and any amendments or supplements thereto, in such forms as counsel to the Authority and the Authorized Officer of the Authority executing the same (if any) shall approve. The Authority hereby authorizes and directs any Authorized Officer to certify to the Underwriter that the Preliminary Offering Memorandum and/or the Offering Memorandum, as approved, is deemed final within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

Section 5. Direction to Authorized Officers.

(a) For purposes of this Resolution, the Chair, Vice Chair, Secretary or Assistant Secretary of the Board of the Authority shall be deemed to be an “Authorized Officer.” Each Authorized Officer may act jointly or severally in performing his or her duties hereunder.

(b) The Board of the Authority hereby authorizes and directs any Authorized Officer to execute and deliver the Bonds, the Indenture, the Loan Agreement, the Assignments, the Purchase Agreement, the Offering Memorandum, and any amendments or supplements thereto and, subject to the approval thereof by counsel to the Authority and the Authorized Officer executing the same, to execute and deliver any other agreement, amendment, supplement, instrument, certificate or other document required to be executed by the Authority in connection with the offering, issuance and delivery of the

Bonds, and such execution and delivery shall be conclusive evidence of the approval thereof by the Board of the Authority.

(c) The Board of the Authority hereby authorizes and directs the Secretary, the Assistant Secretary or another Authorized Officer of the Authority to affix and attest the seal of the Authority to any document as may be required, and to attest the signature of any Authorized Officer where required.

Section 6. Further Action. The Authorized Officers are hereby authorized and directed, jointly and severally, to take such further actions and execute such additional documents, including any amendments or supplements thereto, as may be necessary or appropriate to effectuate the matters contemplated by this Resolution, to implement and complete the Project, to issue and sell the Bonds, or to otherwise effectuate the purposes of this Resolution.

Section 7. Prior Actions. All actions heretofore taken and all documents and instruments heretofore executed by or on behalf of the Authority in connection with the Project and the Bonds are hereby ratified and approved.

Section 8. Appointment of Bond Counsel, Underwriter and Trustee. Stradley Ronon Stevens & Young, LLP is hereby appointed Bond Counsel; and Truist Securities, Inc. (or any successor(s) to its underwriting business to be designated by the School) is hereby appointed to serve as Underwriter with respect to the issuance, offering and sale of the Bonds. Any Authorized Officer is authorized to appoint a replacement Bond Counsel or Underwriter at the request of the School; provided that any such replacement firm has satisfied the related application approval requirements of the Pennsylvania Department of Community and Economic Development for the issuance of bonds by the Authority under the Act. Any Authorized Officer is further authorized to appoint a qualified (pursuant to the Indenture) commercial bank or trust company selected by the School and acceptable to Hamlin Capital Management, LLC to serve as bond trustee for the Bonds.

Section 9. Limitation of Liability. The issuance and sale of the Bonds shall not be construed so as to give rise to any pecuniary liability of the Authority or any of its members, officers, or employees, or to give rise to a charge upon the general credit of the Authority or such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Indenture and Loan Agreement.

The Bonds shall be a special limited obligation of the Authority payable solely out of the payments made by the Borrower under the terms of the Loan Agreement and out of other moneys and properties to be applied to the financing of the Project. The Bonds shall not be in any way a debt or liability of the City of Philadelphia, the Commonwealth of Pennsylvania or of any other political subdivision thereof and shall not create or constitute any indebtedness, liability or obligation of the City of Philadelphia, the Commonwealth of Pennsylvania or any other political subdivision thereof, legal, moral or otherwise, nor shall the Bonds be payable out of any funds, revenues or properties of the Authority other than those pledged therefor.

Section 10. Effective Date of Resolution. This Resolution shall take effect immediately.

CERTIFICATION

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certify that this is a true and correct copy of the Resolution adopted by the Board of the Philadelphia Authority for Industrial Development on June 25, 2024 at a duly called and convened public meeting of said Board; that public notice of said meeting was given as required by law; and that such Resolution and the votes thereon have been duly recorded in the minutes.

[SEAL]

By: _____
(Assistant) Secretary

On May 20, 2014 the PAID Board authorized the issuance of \$2,200,000 Revenue Bonds to finance the costs associated with the acquisition, construction, furnishing and equipping and related costs of the purchase of the former Stephen A. Douglass High School located at 2700 E. Huntingdon Street in Philadelphia and the payment of costs of issuance. This financing closed on June 10, 2014 in the amount of \$2,180,000 and will be refunded in full upon completion of the aforementioned project.

June 25, 2024

RESOLUTION

Philadelphia Authority for Industrial Development

B57 Pier LLC

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into an option to purchase agreement for 5198 S 19th Street, Philadelphia, PA 19112 (the Property), with B57 Pier LLC or an approved subsidiary or affiliate of Rhoads Industries, Inc. (Rhoads). The purchase price will be \$1,100,000.

Any of the officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements with B57 Pier LLC or an approved subsidiary or affiliate of Rhoads Industries, Inc., and to do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

Rhoads is a multi-discipline industrial contractor specializing in maritime fabrication, installation, and maintenance. A Philadelphia-based family business that has been in operation since 1896, Rhoads first began doing business at the Navy Yard in 1998. They occupied their first building in 2003, and ultimately established their headquarters in Building 57 after purchasing the building from PAID in 2013. The business has expanded significantly, with clients including the U.S. Navy and commercial shipping lines. Throughout the years, Rhoads has invested over \$80,000,000 into their operations at the Navy Yard and PIDC has provided over \$68,000,000 of financing for their various projects.

Rhoads, through its affiliated and subsidiary companies, currently leases several industrial buildings, a workforce training facility, a dry dock, and a pier from PAID, employing 400 full time employees at the Navy Yard. Rhoads will be assuming the lease of Philly Ship Repair, who has announced the closure of its Philadelphia operations at the Navy Yard. The Property, which consists of Building 634 located on 1.5 acres of land together with 6.5 acres of riparian rights, including pier 6A are part of the leased premises that Rhoads will be assuming. This transaction will support further expansion of the business, which is expected to create several hundred additional jobs in the next 5 years.

The Property sits immediately south of Building 57 and will allow Rhoads to build a new state-of-the-art facility to secure contracts with the US Navy for the fabrication of a new class of submarine. The Navy is requiring that Rhoads acquire fee ownership of pier 6A and Building 634 to fulfill Rhoads's obligations under the contracts.