

AN ORDINANCE

Authorizing and approving the execution and delivery of one or more Service Agreements between The City of Philadelphia and the Philadelphia Redevelopment Authority and/or one or more other City-related Authorities relating to the financing of a Neighborhood Preservation Initiative which includes housing, commercial corridors, and neighborhood infrastructure programs; approving the issuance by each such Authority of bonds, notes or other evidences of indebtedness (including reimbursement obligations related to lines or letters of credit) in one or more series to finance or refinance such initiative and authorizing and approving the obligation of The City of Philadelphia to pay in full when due the Service Fee and other amounts payable under each Service Agreement; authorizing certain City officers to take certain actions required to issue such bonds, notes or other evidences of indebtedness; covenanting that The City of Philadelphia will make necessary appropriations in each of the City's fiscal years to provide for, and will make timely payments of, the Service Fee and other amounts due under each such Service Agreement; and authorizing and approving the Director of Finance of the City and other City officials to take other necessary or appropriate actions to effectuate the purposes of this ordinance; all under certain terms and conditions.

WHEREAS, The City of Philadelphia (the "City") has determined that the Philadelphia Redevelopment Authority and/or one or more other City-related Authorities designated by the Director of Finance of the City (each, an "Authority," and, collectively, the "Authorities") will, at the direction of and with the cooperation of the City, pursuant to the related Service Agreement (as defined herein), provide financial and administrative services to the City in connection with, and undertake, all or a portion of a Neighborhood Preservation Initiative which includes housing, commercial corridors, and neighborhood infrastructure programs (the "Program"), including the financing or refinancing of certain costs thereof, all as further described in Exhibit A hereto in order to encourage the provision of healthful homes and a decent living environment, eliminate blight, preserve critical affordable housing, respond to inadequacies in the supply of residential owner-occupied and rental housing in the City, encourage the provision of adequate places for employment, and promote economic activity to improve the health, safety and welfare of residents of the City; and

WHEREAS, The Council of the City (the "Council") has, by this Ordinance, determined that it is in the best interests of the City to: (i) authorize and approve the execution and delivery of one or more Service Agreements (each, a "Service Agreement," and collectively, the "Service Agreements") by and between the City and each applicable Authority; (ii) approve the issuance by each applicable Authority of bonds, notes or other evidences of indebtedness (including reimbursement obligations related to lines or letters of credit) in such amount and for such purposes as described in Section 1 herein in one or more series, either as taxable or tax-exempt obligations; and (iii) authorize and approve the performance by the City of its obligation to pay in full when due the Service Fee (as defined in the applicable Service Agreement) and other amounts payable under each such Service Agreement; and

WHEREAS, The City is authorized to enter into the Service Agreements to enable the financing and refinancing of certain costs of the Program; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Council hereby: (i) authorizes and approves the execution and delivery of one or more Service Agreements, which shall be substantially in the form of Exhibit B hereto, with one or more Authorities, all as determined by the Director of Finance of the City (the "Director of Finance"); (ii) approves the issuance from time to time by one or more of the Authorities of bonds, notes or other evidences of indebtedness (including reimbursement obligations related to lines or letters of credit) (the "Obligations") in an aggregate principal amount not to exceed Four Hundred Million Dollars (\$400,000,000), net of original issue discount, plus amounts necessary for costs of issuance, amounts necessary to effect any refunding of Obligations, interest on the Obligations and costs of credit or liquidity enhancement, at any one time outstanding, in one or more series, either as taxable or tax-exempt obligations, to finance or refinance certain costs of the Program, interest on the Obligations, costs of credit or liquidity enhancement, amounts necessary to effect any refunding, and the costs of issuing the Obligations (collectively, the "Project"); and (iii) authorizes and approves the performance by the City of its obligation to pay in full when due the Service Fee payable under each Service Agreement (with respect to each Service Agreement, the "Service Fee") and other amounts payable under each Service Agreement.

SECTION 2. The Director of Finance is hereby authorized to execute and deliver, on behalf of the City, one or more Service Agreements in substantially the form of Exhibit B hereto, with such changes as the City Solicitor shall advise based on requirements of law or otherwise, and the Director of Finance shall approve, consistent with the terms of this Ordinance. No amendment or supplement to a Service Agreement which permits the total aggregate principal amount of the Authorities' Obligations (at any one time outstanding) described in Section 1 hereof to be exceeded shall be executed unless first approved by ordinance of the Council.

SECTION 3. The issuance of Obligations to refund outstanding Obligations (whether at maturity, through redemption or otherwise) is hereby authorized, and the Director of Finance is hereby authorized to execute and deliver, on behalf of the City, any required amendment or supplement to each related Service Agreement in such form as the City Solicitor shall advise and the Director of Finance shall approve, consistent with the terms of this Ordinance; provided that no amendment or supplement to any such Service Agreement shall permit the issuance of Obligations by any Authority which causes the total aggregate principal amount of the Authorities' Obligations (at any one time outstanding) described in Section 1 hereof to be exceeded unless first approved by ordinance of the Council.

SECTION 4. Each Service Agreement authorized by this Ordinance (and any required amendment or supplement thereto) shall be executed in conjunction with the issuance by the related Authority of its Obligations in an aggregate principal amount, together with the aggregate principal amount of any other Obligations issued by such Authority and the other Authorities (at any one time outstanding) that does not exceed that set forth in Section 1 hereof to be applied for the purposes described in Section 1 hereof. The Obligations shall not be executed or delivered until the Director of Finance has approved the terms thereof.

SECTION 5. The City covenants to budget and make appropriations beginning in Fiscal Year 2022 and in each and every fiscal year thereafter in such amounts as shall be required in order to make timely all Service Fee payments due and payable and to pay timely all other amounts due and payable under each Service Agreement.

SECTION 6. As long as the Obligations issued by an Authority are outstanding, the City covenants unconditionally to make all Service Fee payments and pay all other amounts due as provided for under the related Service Agreement directly to any trustee and/or other entity (each, a "Trustee") to which such Service Fee may be assigned as security for payment of the Obligations issued by such Authority, any other payments due to a lender or a holder with respect to any Obligations, and the obligations of such Authority under any credit facility and/or liquidity facility securing the related Obligations, only out of current revenues of the City, which payments shall not be suspended, abated, reduced, abrogated, waived, diminished or otherwise modified in any manner or to any extent whatsoever and regardless of any rights of set-off, recoupment or counterclaim that the City may have against any Authority or any Trustee or any holder of Obligations, any credit provider or any other party or parties and regardless of any contingency, act of God, event or cause whatsoever and notwithstanding any circumstances or occurrence that may arise after the date thereof.

SECTION 7. The City agrees to be bound by each and every provision, covenant and agreement set forth in the Service Agreements.

SECTION 8. The Director of Finance and all other proper officials of the City are hereby authorized, jointly and severally, on behalf of the City, to execute all documents (including without limitation one or more continuing disclosure agreements, letters of representation, continuing covenant agreements, escrow agreements, reimbursement agreements for any lines or letters of credit, and intergovernmental or other cooperation agreements with one or more Authorities and/or other appropriate parties, as directed by the Director of Finance) as may be necessary in order to accomplish the intent and purpose of this Ordinance and the Project, and to take all actions as may be required by the Constitution and the laws of the Commonwealth of Pennsylvania in order to effectuate the financing approved hereby and the issuance of the Obligations.

SECTION 9. The Council reasonably expects that the proceeds of each series of tax-exempt Obligations will be expended for the Project within three years of the issuance of each such series and will not take any action or omit to take any action which would cause the expenditure of the proceeds of tax-exempt Obligations for the Project to proceed other than with due diligence.

SECTION 10. In accordance with Treasury Regulations §1.150-2, the City hereby states its intention that a portion of the proceeds of the Obligations will be used to reimburse itself or an Authority for expenditures for costs of the Project paid prior to the date of issuance of one or more series of the Obligations. The maximum principal amount of Obligations expected to be issued for the Project is \$400,000,000.

SECTION 11. This Ordinance shall take effect immediately.

EXHIBIT A

[PLACEHOLDER]

EXHIBIT B

[PLACEHOLDER]