

City of Philadelphia



(Bill No. 260509)

AN ORDINANCE

Authorizing the Commissioner of Public Property of The City of Philadelphia, on behalf of The City of Philadelphia and in cooperation with The Philadelphia Municipal Authority, to undertake a Project to promote the health, safety and welfare of the residents of The City of Philadelphia; authorizing and approving (i) a project including the refunding of bonds issued to refinance the New Youth Center Facility, (ii) one or more amendments to an existing Ground Lease, as previously amended, between The City of Philadelphia and The Philadelphia Municipal Authority, (iii) one or more amendments to an existing Prime Lease, as previously amended, between The City of Philadelphia and The Philadelphia Municipal Authority and the assignment of such amendments to a trustee and (iv) the obligation of The City of Philadelphia to pay rent under the Prime Lease, as amended, when due; approving the issuance by The Philadelphia Municipal Authority of bonds, in one or more series, from time to time, to pay the costs of such project; authorizing certain officers of The City of Philadelphia to enter into such lease amendments and to take such other actions as may be necessary or appropriate to accomplish the intent and purpose of this Ordinance; agreeing to be bound by each and every provision, covenant and agreement set forth in the Ground Lease and Prime Lease, each as amended; covenanting that The City of Philadelphia will make necessary appropriations in each of The City of Philadelphia's fiscal years to provide for, and make, rental payments when due under the Prime Lease, as amended; all under certain terms and conditions.

WHEREAS, in order to provide for the health, safety and well-being of the citizens of The City of Philadelphia (the "City"), it was necessary to undertake a project consisting of the design, construction, equipping and leasing of a youth center facility (the "2009 Project"), to include a secure residential detention facility providing educational, health and social services to juveniles and other related facilities, and parking improvements on the Property (defined hereafter) (together, the "New Youth Center Facility"), and The Philadelphia Municipal Authority (the "Authority"), by the issuance of \$97,850,000 of its Lease Revenue Bonds Series 2009 (the "2009 Bonds") pursuant to a Trust Indenture dated as of June 1, 2009 (the "2009 Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as successor trustee (together with any successors, the "Trustee"), financed such 2009 Project; and

WHEREAS, in connection with the issuance of the 2009 Bonds, the City and the Authority entered into a Ground Lease dated as of June 1, 2009 (the "2009 Ground Lease") of property located at 91 North 48th Street, Philadelphia, Pennsylvania (the "Property"), wherein the City leased the Property to the Authority in connection with the development and construction of the 2009 Project; and

WHEREAS, the Authority and the City simultaneously entered into a Prime Lease dated as of June 1, 2009 (the "2009 Prime Lease") of the Property, together with the New Youth Center Facility (collectively, the "Leased Premises"), wherein the City agreed to pay a rental, solely out

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of its current revenues, in an amount sufficient to pay the principal of, premium, if any, and interest on the 2009 Bonds and administrative expenses of the Authority incurred in connection with such financing, including any arbitrage rebate payments due to the United States Treasury with respect to the 2009 Bonds; and

WHEREAS, the City and the Authority entered into a First Amendment to Prime Lease dated May 22, 2014 (the “First Amendment to Prime Lease”) to incorporate an additional tract of land into the Leased Premises; and

WHEREAS, in order to provide for the health, safety, and well-being of the citizens of the City, the City undertook a project (the “2017 Refinancing Project”) consisting of: (a) the refunding of the 2009 Bonds maturing on April 1 in the years 2022 through 2024, inclusive, 2029, 2034, and 2039; (b) paying the costs of issuance for the 2017 Refunding Bonds (defined hereafter); and

WHEREAS, Ordinance (Bill No. 160968) of the Council of the City (the “Council”), approved by the Mayor of the City on December 14, 2016 (the “2016 Ordinance”), among other things, approved the 2017 Refinancing Project and the issuance of the 2017 Refunding Bonds; and

WHEREAS, the Authority financed the 2017 Refinancing Project by the issuance of its \$83,220,000 City Agreement Revenue Refunding Bonds, Series 2017 (Juvenile Justice Services Center) (the “2017 Refunding Bonds”) pursuant to the 2009 Indenture, as supplemented by a First Supplemental Indenture dated as of April 1, 2017 (the “First Supplemental Indenture”); and

WHEREAS, in connection with the issuance of the 2017 Refunding Bonds, the City and the Authority amended the terms of: (i) the 2009 Ground Lease pursuant to a First Amendment to Ground Lease dated as of April 1, 2017 (the “First Amendment to Ground Lease,” and together with the 2009 Ground Lease, the “Existing Ground Lease”); and (ii) the 2009 Prime Lease, as theretofore amended by the First Amendment to Prime Lease, pursuant to a certain Second Amendment to Prime Lease dated as of April 1, 2017 (the “Second Amendment to Prime Lease”), whereby the City agreed to pay a rental, solely out of its current revenues, in an amount sufficient to pay the principal of, premium, if any, and interest on the 2017 Refunding Bonds and administrative expenses of the Authority incurred in connection with such financing; and

WHEREAS, in connection with the granting of a non-exclusive easement and purchase option to a third party in connection with on-site parking related to a portion of the Leased Premises: (i) the Authority and the City entered into a Third Amendment to Prime Lease, dated as of January 22, 2020 (the “Third Amendment to Prime Lease,” and together with the 2009 Prime Lease, the First Amendment to Prime Lease, and the Second Amendment to Prime Lease, the “Existing Prime Lease”) and (ii) the Authority and the Trustee entered into a Second Supplemental Indenture dated as of January 31, 2020 (the “Second Supplemental Indenture,” and together with the 2009 Indenture and the First Supplemental Indenture, the “Existing Indenture”); and

WHEREAS, in order to provide for the health, safety and well being of the citizens of the City, the City will undertake a project (the “Refinancing Project”) consisting of: (a) the refunding at

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one or more times of all or a portion of (i) the outstanding 2017 Refunding Bonds and (ii) the Bonds (defined hereafter) approved hereby and issued pursuant to the Indenture (defined hereafter); (b) paying costs of issuance for the Bonds; and (c) further amending, from time to time, the terms of the Existing Ground Lease and the Existing Prime Lease, in connection with the Refinancing Project; and

WHEREAS, the Authority by the issuance, in one or more series, from time to time, of not more than Sixty Million Dollars (\$60,000,000) of aggregate principal amount of bonds at any one time outstanding (the “Bonds”) will finance the Refinancing Project; and

WHEREAS, in order to induce the Authority to finance the Refinancing Project and acknowledge the issuance of the Bonds, the City will, from time to time as necessary, enter into one or more amendments of the Existing Ground Lease (collectively, the “Ground Lease Amendments”) and one or more amendments of the Existing Prime Lease (collectively, the “Prime Lease Amendments,” and together with the Ground Lease Amendments, the “Lease Amendments”) (as so amended, the “Ground Lease” and “Prime Lease,” respectively) with the Authority; such Lease Amendments will make certain amendments and/or set forth certain provisions in connection with the issuance of the Bonds; and

WHEREAS, pursuant to the Prime Lease, the City will agree to pay a rental, solely out of its current revenues, in an amount sufficient to pay the principal of, premium, if any, and interest on the Bonds and administrative expenses of the Authority incurred in connection with the Refinancing Project; and

WHEREAS, the Council of the City has, by this Ordinance, determined that it is in the best interests of the City to: (i) authorize and approve the Refinancing Project; (ii) authorize and approve the execution and delivery of the Lease Amendments by and between the City and the Authority; (iii) approve the issuance by the Authority of the Bonds, in one or more series, from time to time, to pay the costs of the Refinancing Project; (iv) authorize and approve the assignment of the Prime Lease Amendments by the Authority to the Trustee; and (v) authorize and approve the obligation of the City to pay rent under the Prime Lease; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Council hereby: (i) authorizes and approves the Refinancing Project; (ii) approves the issuance by the Authority of the Bonds, in one or more series from time to time, in an aggregate principal amount not to exceed Sixty Million Dollars (\$60,000,000) at any one time outstanding, pursuant to the Existing Indenture, as it may be further amended and supplemented, to finance the Refinancing Project (the Existing Indenture, as further amended and supplemented, the “Indenture”); (iii) authorizes and approves the execution and delivery from time to time of the Lease Amendments with the Authority; (iv) authorizes and approves the assignment of the Prime Lease Amendments by the Authority to the Trustee; and (v) authorizes and approves the obligation of the City to pay rent under the Prime Lease in an amount sufficient to pay principal of, premium, if any, and interest on the Bonds when due and payable.

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SECTION 2. The Director of Finance, the Commissioner of Public Property and all other proper officials of the City are hereby authorized to execute and deliver, on behalf of the City, the Lease Amendments in substantially the form as the City Solicitor shall advise and the Director of Finance shall approve, consistent with the terms of this Ordinance.

SECTION 3. The Lease Amendments authorized by this Ordinance shall be executed in conjunction with the issuance by the Authority of the Bonds for the purpose of financing the Refinancing Project. The proceeds of each series of the Bonds shall be applied to the financing of costs of the Refinancing Project approved hereby, to the funding of required reserves, if any, and to payment of costs of issuance and costs of credit and/or liquidity enhancement. The Lease Amendments shall not be executed or delivered until the Director of Finance has approved the related bond documents pursuant to Section 7 hereof.

SECTION 4. The Director of Finance, the Commissioner of Public Property, the City Treasurer and all other proper officials of the City are hereby authorized, jointly and severally, on behalf of the City, to execute all documents (including one or more continuing disclosure agreements and one or more escrow agreements in connection with the refunding of the 2017 Refunding Bonds or the Bonds approved hereby and issued pursuant to the Indenture, and to take all actions as may be required by the Constitution and the laws of the Commonwealth, or as may be necessary or appropriate in order to accomplish the intent and purpose of this Ordinance, the Ground Lease and the Prime Lease subject to the “Municipality Authorities Act of 2001,” P.L. 287, as amended.

SECTION 5. The City agrees, and confirms its prior agreements, to be bound by each and every provision, covenant and agreement set forth in the Ground Lease and the Prime Lease.

SECTION 6. The City hereby covenants, and confirms its covenant in the 2016 Ordinance, to budget and make appropriations, beginning in Fiscal Year 2017, in each and every fiscal year in such amounts as shall be required in order to make all rental payments due and payable under the Prime Lease.

SECTION 7. All the terms of the Bonds and the Indenture shall have the approval of the Director of Finance, which approval shall be conclusively evidenced by the execution of the related Prime Lease Amendment by the Director of Finance.

SECTION 8. As long as Bonds issued by the Authority to finance costs of the Refinancing Project are outstanding, the City covenants unconditionally to make all rental payments due as provided for under the Prime Lease directly to any trustee, including the Trustee, to which the Prime Lease has been or may be assigned as security for payment of the Bonds and the obligations of the Authority under any credit facility and/or liquidity facility securing the Bonds, 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 setoff, recoupment or counterclaim that the City may have against

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the Authority or the Trustee or any Bondholder or any other party or parties and regardless of any contingency, act of God, event or cause whatsoever and notwithstanding any circumstance or occurrence that may arise after the date thereof.

SECTION 9. This Ordinance shall take effect immediately.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 11, 2026. The Bill was Signed by the Mayor on June 23, 2026.

A handwritten signature in black ink, reading "Elizabeth McCollum". The signature is fluid and cursive, with the first name "Elizabeth" and last name "McCollum" clearly distinguishable.

Elizabeth McCollum
Chief Clerk of the City Council