

COMMUNITY BENEFITS AGREEMENT

between

CALLOWHILL CENTER ASSOCIATES &

THE CENTER CITY NORTH IMPROVEMENT COALITION

This Community Benefits Agreement is made and entered into on this day, December 3, 2012 between Callowhill Center Associates (“CCA”) and the Center City North Improvement Coalition (“Coalition”). It establishes a range of community benefits that will be provided by CCA in conjunction with the proposed Digital Sign Project (“Project”).

RECITALS

- A. Callowhill Center Associates desires to erect a non-accessory sign on the southern face of the property it owns at 421 North 7th Street in Philadelphia’s Callowhill neighborhood.
- B. Philadelphia City Council is considering an ordinance (Bill # 120920) permitting the construction of non-accessory static or digital sign(s) in Philadelphia’s Callowhill neighborhood.
- C. Callowhill Center Associates stands to garner substantial revenue from the operation of the proposed sign.
- D. The Center City North Improvement Coalition’s member organizations have voiced concerns about placing a static or digital sign on the building due to the potential adverse impact on quality of life, property values, and the potential for future proliferation of advertising signage in the area.
- E. All Parties to this Agreement desire to foster significant improvements to the neighborhood and communities surrounding the sign.
- F. The Parties desire to enter into this Agreement as a means of resolving their differences through cooperation and settlement, rather than through conflict and litigation.
- G. By entering into this Agreement, the Parties desire to ensure that the erection of the static or digital sign and its continuous operation confers concrete and tangible benefits to the community, as enumerated herein.

DEFINITIONS

“Wall-wrap” and “digital or static sign” shall be used interchangeably throughout this document.

“Center City North Improvement Coalition” refers to an unincorporated association composed only of the organizations signatory to this Agreement under the Signatory Page.

“Center City North” refers only to the area in proximity to the proposed wall-wrap, bounded by Broad Street to the west, 2nd Street to the east, Girard Avenue to the north, and Market Street to the south.

“Center City North Improvement Fund” or “Fund” refers to the charitable non-profit foundation established by this Community Benefits Agreement to facilitate and administer the community benefits specified herein.

AGREEMENT OVERVIEW

Term of Agreement.

This Agreement shall be operative from the date of the commencement of the operation of the static or digital wall-wrap through the permanent cessation of its operation.

Center City North Improvement Fund.

This Agreement shall establish a charitable foundation, the Center City North Improvement Fund, to administer the community benefits specified herein.

The Fund shall be furnished by an annual contribution from Callowhill Center Associates of 20% of the net revenues from the wall-wrap. The term “net revenues” shall be the revenues received by CCA after the deduction for all expenses related to the sign(s), including but not limited to direct costs of creation and installation, maintenance, management, operation, commissions, licenses, permits, any governmental assessments or fees and CCA’s payments for building expenses including taxes, or allocated in accordance with generally accepted accounting principles.

In the event that there is a period when no revenue is paid to CCA due to a casualty or otherwise, no payments shall be due to coalition or Fund during that period. Payments shall resume when the revenue stream from the sign(s) is restored to CCA.

The Fund shall be managed by a Board of Trustees composed of representatives from founding signatory member organizations of the Coalition, subject to the Fund’s mission statement and by-laws; the Trustees may also elect to include experts to aid in the evaluation of proposals. The Fund’s By-Laws shall be drafted and ratified by the Board of Trustees within 3 months of the execution of this Agreement.

It is the understanding of all Parties to this Agreement that the Fund’s Board of Trustees shall keep administrative costs of running the Fund to an absolute minimum. It is further their understanding 75% of the Fund’s net assets (after administrative costs) will be disbursed annually to projects that aim to substantially improve the quality of public education in neighborhood district schools located in, and for children who reside in, the Center City North Area, via a process overseen by the Board of Trustees of the Fund; and that 25% of the Fund’s net assets (after administrative costs) will be disbursed annually to neighborhood projects in the Center City North area, via a process overseen by the Board of Trustees of the Fund.

Verification

CCA agrees to provide quarterly certified financial statements to the Coalition and the Fund attesting to the income and expenses related to the sign.

Successor clause

In the event that CCA sells the building or assigns rights and the successor continues to operate a sign, this Agreement shall be considered binding on said successor. In order to effectuate this successor provision, a copy of this executed Agreement shall be attached to the deed of the property.

In the event that a signatory recipient to this agreement ceases to operate or chooses a successor recipient to participate in the Coalition, such successor shall be located in and for the benefit of the same immediate neighborhood.

Wall-wrap caveats.

CCA agrees not to allow advertising of alcohol or tobacco products.

CCA agrees to make a good faith effort to incorporate public service announcements into the advertising stream as possible.

Agreement Lawful and Legally Enforceable

All Parties to this Agreement understand and agree that it is lawful, enforceable, and binding on all Parties; agree to waive any potential challenges to the enforceability of the Agreement; and agree not to affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Agreement in any judicial action, or other proceeding such as arbitration or mediation.

Severability Clause

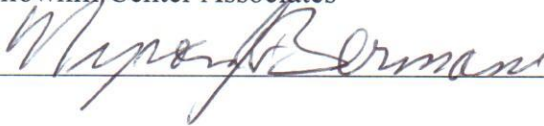
If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.

SIGNATORY PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers.

Dated: 12-3-12 Callowhill Center Associates

By:
Myron J. Berman
Vice President



Dated: 12/3/12 Kearny Home & School Association

By:
Jenni Desnoeue
Co-President



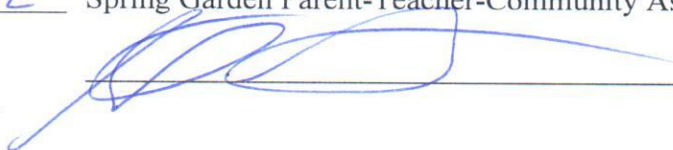
Dated: 12/3/12 McCall Home & School Association

By:
Merle Backer
Co-President




Dated: 12/3/12 Spring Garden Parent-Teacher-Community Association

By:
Stephen Nelson
President



Dated: 12/3/12 West Poplar Community Development Corporation

By:
JEFFREY SAUNDERS
VICE-PRESIDENT



Witnessed by:
Hon. Mark Squilla
Councilman, 1st District

