

City of Philadelphia



(Bill No. 200348)

AN ORDINANCE

Amending Title 14 of The Philadelphia Code, entitled “Zoning and Planning,” to amend certain provisions of Chapter 14-500, entitled “Overlay Zoning Districts,” by creating the “/WCS, West Chestnut Street Overlay District,” all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 14 of The Philadelphia Code is hereby amended to read as follows:

TITLE 14. ZONING AND PLANNING

* * *

CHAPTER 14-500. OVERLAY ZONING DISTRICTS

* * *

§ 14-502. / CTR, Center City Overlay District.

* * *

(2) Applicability.

* * *

(b) Area Boundaries

* * *

*(.33) West Chestnut Street Area.
The West Chestnut Street Area shall consist of all lots with at least 80 ft. of street frontage on the south side of Chestnut Street and street frontage on the north side of Ionic Street, beginning at the corner of 20th Street and following a line running westwardly along Chestnut Street a distance of 205 ft.*

* * *

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(d) /CTR Summary Table.

Table 14-502-1, below, summarizes the standards and regulations of this § 14-502 (/CTR, Center City Overlay District). In the event of conflict between the provisions of Table 14-502-1 and the text of this Zoning Code, the text shall govern.

Table 14-502-1: /CTR Summary Table

Area	Height Controls	Setback / Build-To Controls	Supplemental Use Controls	Parking & Loading Controls	Sign Controls	Special Review Controls	Bulk and Massing Controls
* * *							
Spruce Street Area		§ 14-502(4)(a)					
* * *							
West Chestnut Street Area				§ 14-502(6)(k)		§ 14-502(8)(a)	§ 14-502(9)(f)
Vine Street Area					§ 14-502(7)(e)		
* * *							

(6) Parking and Loading Regulations.

* * *

(k) *West Chestnut Street Area*

(.1) Accessory parking shall be provided in the West Chestnut Street Area at a ratio of one parking space for every five dwelling units, provided that required accessory parking spaces may be located off-site within a distance of 3,000 ft., but must otherwise conform to the provisions of § 14-802(9) Off-Site Parking.

(.2) If at least 36 months have elapsed from the date of issuance of a final Certificate of Occupancy and fewer than fifty percent (50%) of the required accessory parking spaces have been rented or sold to residents of a development covered under this West Chestnut Street Area, the applicable development will no longer be required to provide any parking, provided that the developer must be issued an amended zoning permit or a new zoning permit that removes any reference to the previously required parking. L&I shall issue such an amended zoning permit or new zoning permit only if the applicant certifies to L&I, and provides documentation demonstrating, that the 36-month time period has elapsed and that the number of off-site spaces rented or owned by residents of dwelling units in the development on an annual basis is less than fifty percent (50%) of the total number of spaces required by this West Chestnut Street Area.

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(.3) There shall be no required off-street loading spaces for lots within the West Chestnut Street Area.

(.4) Off-street loading spaces provided in the West Chestnut Street Area that are not required by this Code are not subject to the provisions of § 14-806(2)(b) (Minimum Dimensions).

(.5) In the event of a conflict between any provision of this subsection (k) and any other provision of Chapter 14-500 (Overlay Zoning Districts), the provisions of this subsection (k) shall govern.

(.6) The provisions of this subsection (k) shall lapse on December 31, 2024, except as to any building permit then in effect.

* * *

(8) Special Review Areas.

The following special review requirements apply to the areas described in each subsection below are shown on the Special Review Areas map for illustrative purposes only.

(a) Planning Commission Review.

(.1) L&I shall not issue a building permit for the erection of a building or alteration of a facade in the Chestnut and Walnut Street Area, South Broad Street Area, or East Market Street Area until the Commission has reviewed plans of the facade and determined that the proposed facade, in the opinion of the Commission, is in harmony with Center City's historic commercial area and pedestrian-oriented environment. The Commission has 60 days to approve or disapprove the application, after which its approval will be presumed.

(.2) West Chestnut Street Area.

(.a) In addition to the provisions of (.1), above, L&I shall not issue a building permit for the erection of a building or alteration of a facade in the West Chestnut Street Area unless either:

(.i) The Commission has reviewed the plans of the facade and determined that those plans are substantially similar to the plans that were previously reviewed by the Civic Design Review Committee, pursuant to § 14-304(5) (Civic Design Review); or

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(.ii) The plans of the facade are reviewed by the Civic Design Review Committee, as described in § 14-304(5) (Civic Design Review), as though the plans were filed pursuant to a new zoning permit application.

(.b) In the event of a conflict between any provision of this subsection (.2) and any other provision of Chapter 14-500 (Overlay Zoning Districts), the provisions of this subsection (.2) shall govern.

(.c) The provisions of this subsection (.2) shall lapse on December 31, 2024, except as to any building permit then in effect.

* * *

(9) Bulk and Massing Controls.

* * *

(f) West Chestnut Street Area.

(.1) Lots zoned CMX-4 in the West Chestnut Street Area shall have a maximum allowed floor area ratio of 1,200 percent (1200%) of the lot, provided that workforce housing must be provided on the lot. In order to meet this requirement, the property owner or applicant must submit an affidavit certifying that a minimum of 20 percent (20%) of the proposed dwelling units will be provided as workforce housing. For the purposes of this subsection, workforce housing shall be defined pursuant to § 14-702(7)(a)(.1).

(.2) In the event of a conflict between any provision of this subsection (f) and any other provision of Chapter 14-500 (Overlay Zoning Districts), the provisions of this subsection (f) shall govern.

(.3) The provisions of this subsection (f) shall lapse on December 31, 2024, except as to any building permit then in effect.

* * *

SECTION 2. This Ordinance shall become effective immediately.

Project name: 2012 Chestnut Street

Name of developer: 2012 Chestnut Partners, LP

Headquarters location: 414 S. 16th Street, Philadelphia, PA

No. employees: NA

Annual revenues: NA

Project budget (construction): \$28 million

Project budget (professional services): \$1.2 million

City of Philadelphia
Economic Opportunity Plan
2012 Chestnut Street

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I. Introduction and Definitions

The City of Philadelphia strongly encourages the use of certified Minority ("MBE"), Women ("WBE"), Disabled ("DSBE") and Disadvantaged ("DBEs") Business Enterprises (collectively, "M/W/DSBEs") and minority and female workers in all aspects of **2012 Chestnut Street** (the "Project") located at **2012 Chestnut Street** ("the Site") which may include financial investment, design, construction, and operations.

¹ In support of this objective, the City of Philadelphia will require that **2012 Chestnut Partners, LP** (the "Owner") commit to this Economic Opportunity Plan ("EOP" or "Plan"). This Plan contains ranges of projected M/W/DSBE utilization and goals for the employment of minority and female workers in connection with the Project at the Site. This Plan shall be a part of and incorporated into the resulting agreement(s) with the owners of the **2012 Chestnut Street**.

The Owner hereby verifies that all information submitted to the Office of Economic Opportunity ("OEO") in response to this Plan is true and correct and takes notice that the submission of false information is subject to the penalties of 18 PA C. S. Section 4904, relating to unsworn falsification to authorities and 18 PA C. S. Section 4107.2 (a)(4), relating to fraud in connection with minority business enterprises or women's business enterprises.

For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by OEO. Only the work or supply efforts of firms that are certified as M/W/DSBEs by an OEO-approved certifying agency will be eligible to receive credit as a Best and Good Faith Effort. ² In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered M/W/DSBEs maintained by the OEO and available online at <https://phila.mwdsbe.com/>.

For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives herein stated. Best and Good Faith Efforts are rebuttably presumed met when commitments are made within the M/W/DSBE participation ranges established for the Project and a commitment is made to employ a diverse workforce as enumerated herein.

II. Project Scope

The project is proposed to include approximately 162 apartments, including 32 affordable units, and 4,800 SF of ground floor retail over 14 stories on a lot that is currently vacant and is the former Philadelphia Housing Authority HQ building located at 2012 Chestnut Street.

III. Goals

A. M/W/DSBE Participation Ranges

As a benchmark for the expression of "Best and Good Faith Efforts" to provide meaningful and representative opportunities for M/W/DSBEs in the Project, the following participation ranges have been established. These participation ranges represent, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable through the exercise of Best and Good Faith Efforts. These percentages relate to the good faith

¹ Disadvantaged Business Enterprises ("DBEs") are those socially or economically disadvantaged minority and woman owned businesses certified under 49 C.F.R. Part 26.

² A list of "OEO approved certifying agencies" can be found at www.phila.gov/oEO

estimated cost of the entire Project. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g., MBE and WBE and DSBE or WBE and DSBE) will only be credited toward one participation range as either an MBE or WBE or DSBE. The ranges are based upon an analysis of factors such as the size and scope of the Project and the availability of MBEs, WBEs, and DSBEs to participate in this development.

The following contract goals have been set for the Project:

Contracts	Minority Owned	Female Owned	DSBE	Total
Construction	40%	10-15%	BGFE	50-55%

B. Employment Goals

The Owner agrees to exhaust its Best and Good Faith Efforts to employ minority persons, by race and ethnicity, and females in its workforce of apprentices and journeypersons at the following levels:

African American journeypersons:32% of all journeyman hours worked across all trades

Asian journeypersons: 3% of all journeyman hours worked across all trades

Hispanic journeypersons:15% of all journeyman hours worked across all trades

Female journeypersons:5% of all journeyman hours worked across all trades

Minority apprentices:50% of all hours worked by all apprentices

Female apprentices:5% of all hours worked by all apprentices

Local Residents

25%

The Owner will be required to submit to the City, no later than seven (7) days before the starting date of work on any such contract, a Workforce Diversity Goal Plan which shall include specific availability and utilization strategies for meeting the Workforce Diversity goals. The City’s Labor Standards Unit shall have the responsibility of administering oversight of these Workforce Diversity Goals including evaluating the sufficiency of the Workforce Diversity Goal Plan, and monitoring the successful Bidder’s Best and Good Faith Efforts towards realization of the goals throughout the duration of the contract.

IV. Equity Ownership

The Philadelphia Code 17-1603 requires that each Economic Opportunity Plan include information concerning the Equity Ownership (as defined) of (1) the contractor, developer and/or recipient of financial assistance required to submit the Plan; (2) participants (as defined) engaged by the contractor, developer and/or recipient of financial assistance; and (3) the eventual owner or owners of the project or contract to which the Plan relates; and requiring periodic reports for the purpose of updating Equity Ownership information; all under certain terms and conditions.

Identify the current equity owners of the project.

Type of Ownership	% Minority Owned	% Women-Owned	% Disabled Persons
Partnership	50%	0%	0%

If the project is privately owned, the following individuals will become the anticipated Equity Owners upon completion.

Type of Ownership	% Minority Owned	% Women-Owned	% Disabled Persons
Sole Proprietorship			
Partnership			
Corporation			

Following the completion of the project, the project owner is responsible for meeting the reporting guideline identified in the Philadelphia Code.³

V. Diversity Practices

In compliance with Chapter 17-1603, the Economic Opportunity Plan shall contain a statement from the contractor, developer, and/or recipient of financial assistance summarizing past practices by identifying and describing examples of processes used to develop diversity at any/all levels of its organization including, but not limited to, Board and managerial positions. This statement shall also summarize strategic business plans specific to current or past practices of M/W/DSBE utilization on government and non-government projects and procurement.

1. Describe employment and recruitment policies used to achieve diversity in your workforce.

The ownership of the entity will contract with a General Contractor who will be in charge of the procurement of labor and materials for the project. The General Contractor will be made aware of the need to hire and partner with MBEs, WBEs, and DsBEs.

2. Provide the race, gender, and residential (local) status of your:

A. Directors	N/A
B. Management	2 Males 1 Caucasian, 1 African American 1 Philadelphia Resident
C. General Workforce	N/A

³ Per The Philadelphia Code 17-1603: *Continuing Reporting Requirements*.

(i) Within 30 days of each anniversary of the date that the Plan is finally certified, the contractor, developer and/or recipient of financial assistance shall file with the Chief Clerk of Council and the certifying agency an addendum to the original Plan that provides the Equity Ownership information required in subsection (g)(.2), updated so that it is accurate as of the anniversary date. This requirement shall continue until the project is completed.

(ii) The final EOP report required pursuant to § 17-1604(2)(.a) shall include updated Equity Ownership information that is accurate as of the date of the final report.

(iii) After the final EOP report has been filed, the owner or owners of the completed project shall have a continuing obligation to file a Statement of the owner's or owners' Equity Ownership within 30 days of each anniversary of the date that the final EOP report is submitted. The Statement shall be accurate as of the relevant anniversary date, and shall be filed with the Chief Clerk of Council and the certifying agency. No Statement shall be required if the completed project is not privately-owned.

3. Identify your organization’s methods of solicitation and utilization of Minority, Woman and Disabled Businesses (M/W/DSBEs). Please be specific in describing outreach and any procurement policies that are focused on creating or sustaining business relationships with M/W/DSBEs.

The ownership of this entity will contract with a General Contractor who will be in charge of the procurement of labor and materials for the project. The GC will be made aware of the need to hire and partner with Bes, WBEs, and DsBEs.

4. What percentage of your company’s total spend with vendors and suppliers is attributable to M/W/DSBEs? Please include a list of the largest M/W/DSBEs used by your organization in the last 12 months.

A. Identify the type of goods or services purchased.	
B. Amount of the contract.	
C. Indicate if any of these M/W/DSBEs are listed in the City of Philadelphia’s Office of Economic Opportunity Registry.	
D. Are these companies certified as M/W/DSBEs? Do you rely on any particular certifying agency?	
E. If there is no previous M/W/DSBE utilization, the Plan shall contain a statement that explains the reason for the lack of M/W/DSBE participation in past contract(s) or project(s).	

5. Describe any initiatives made by your organization to increase investment and promote equity ownership by minorities and women.

6. The Plan shall contain a statement from the contractor, developer or recipient of financial assistance identifying all City contracts and financial assistance entered into or received by the entity and by any related corporate entities in the three years before execution of the EOP, or such greater amount of time as may be set forth in the record retention requirement of an applicable EOP, that were subject to an EOP that contained M/W/DSBE goals and/or workforce diversity goals. For purposes of this subsection (f.1), “related corporate entities” means any business entity controlled by a person or business with a majority interest in the business agreeing to the EOP.

VI. Responsiveness

A. The owner shall identify M/W/DSBE commitments and other agreements evidencing their intent to use Best and Good Faith efforts to employ minority persons and females at the levels stated herein. The identified commitments constitute a representation that the M/W/DSBE is capable of providing commercially useful goods or services relevant to the commitments and that the Owner has entered into legally binding commitments or other legally binding agreements with the listed M/W/DSBEs for the work or supply effort described and the dollar/percentage amounts set forth. In calculating the percentage of

M/W/DSBE participation, the standard mathematical rules apply in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern.

B. M/W/DSBE commitments are to be memorialized in a written subcontract agreement. Letters of intent, quotations, contracts, subcontracts and any other documents evidencing commitments with M/W/DSBEs become part of and an exhibit to the Agreement resulting from the RFP.

C. OEO will review the owner's commitments for the purpose of determining whether Best and Good Faith Efforts have been made. OEO reserves the right to request further documentation and/or clarifying information at any time during the construction and development of the Project.

VII. Compliance and Monitoring of Best and Good Faith Efforts

A. The owner agrees to cooperate with OEO in its compliance monitoring efforts, and to submit, upon the request of OEO, documentation relative to its implementation of the Plan, including the items described below:

- Copies of signed contracts and purchase orders with M/W/DSBE subcontractors
- Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation; and
- Telephone logs and correspondence relating to M/W/DSBE commitments.
- To the extent required by law, the Owner shall ensure that its on-site contractors maintain certified payrolls which include a breakout of hours worked by minority and female apprentices and journeypersons. These documents are subject to inspection by OEO.

B. Prompt Payment of M/W/DSBEs

The owner agrees and shall cause its contractors to ensure that M/W/DSBEs participating on the Project receive prompt payment for their work or supply effort within five (5) days after receipt of payment from the project owner.

C. Oversight Committee

For this Project, an Oversight Committee ("Committee") must be established if the project budget exceeds five million dollars. With the sole discretion of the City, an oversight committee may consist of representatives from the Owner, representatives of the building trades, the construction manager, and the City which may include the Project site's district councilperson, OEO, and appropriate community organizations. The Committee will meet regularly to provide advice for the purpose of facilitating compliance with the Plan.

D. Reporting

The owner agrees to file an annual report with the City of Philadelphia and City Council concerning the performance of the Economic Opportunity Plan through the duration of the Project. In addition, during construction, the Owner will provide "snapshot" reports containing updates for certain categories of information contained in its annual report on a monthly basis during construction. Snapshot reporting will include: (i) utilization of M/W/DSBEs, and (ii) the hiring and employment of minorities and females. All reports (quarterly & annually) provided to the City under this section will also be provided to the Office of Economic Opportunity.

VIII. Remedies and Penalties for Non-Compliance

A. The owner agrees that its compliance with the requirements of this Plan is material to the Agreement. Failure to comply with the Plan may constitute a substantial breach of the Agreement and is subject to the remedies and penalties contained therein or otherwise available at law or in equity. Notwithstanding the foregoing, no privity of contract exists between the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither the Owner nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.



4/17/2021

Mark Cartella⁴

Date

Vice President of Construction
Alterra Property Group, LLC.
414 S. 16th Street, Philadelphia, PA 19146

Iola Harper⁵

Date

Deputy Commerce Director for the Office of Economic Opportunity
Department of Commerce
City of Philadelphia

⁴ The Owner's Representative is required to sign and date, but the City reserves the right to obtain the Owner's Representative signature thereon at any time prior to Plan certification. The Owner Representative will receive from the City a certified copy of its Plan which should be filed with the Chief Clerk of City Council within fifteen (15) days of the issuance and published by OEO, in a downloadable format, on the OEO website.

⁵ Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.

COMMUNITY BENEFITS AGREEMENT

THIS COMMUNITY BENEFITS AGREEMENT (hereinafter, “the Agreement”) is entered into this _____ day of _____, 2020, by and between **ALTERRA PROPERTY GROUP, LLC** (hereinafter, “Developer”) and the **CENTER CITY RESIDENTS’ ASSOCIATION** (hereinafter “CCRA”).

WHEREAS, Developer is party to a ground lease with the Philadelphia Housing Authority (hereinafter “the PHA”) with regard to certain real property owned by the PHA in Philadelphia, Pennsylvania, currently known as 2012-18 Chestnut Street (hereinafter, “the Property”);

WHEREAS, Developer desires and intends to construct on the Property, *inter alia*, a 107,258 square foot residential tower with ground level retail/commercial (hereinafter, “the Project”);

WHEREAS, CCRA is the registered community organization (hereinafter, “RCO”) under the Philadelphia Zoning Code authorized to represent the interests of the residents who live in the territory encompassing the south side of John F. Kennedy Boulevard to the north side of South Street, and from west side of Broad Street to the Schuylkill River; and which such territory includes the Property and the cite of the Proposed Property; and

WHEREAS, Developer has, to date, has made efforts to engage CCRA regarding its plans to develop the Property to construct the Project;

NOW THEREFORE, in consideration of the mutual promises and obligations contained herein, the adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, and intending to be legally bound, the parties hereby enter into this Agreement and agree to the following terms:

1. **Design Plans and Specifications**. Developer will agree to construct the Project substantially in accordance with the plans attached to this Agreement as Exhibit “A” (hereinafter “the Current Plans”) with respect to massing, setbacks, ground level retail space dimensions, internal residential and retail/commercial trash storage, design, and materials visible on the proposed building’s exterior, subject to any and all necessary modifications that may be required or requested in connection with obtaining any zoning ordinance(s), approval(s), and/or permit(s) from the City of Philadelphia and/or any other governmental agency (hereinafter, “Necessary Modifications”). Notwithstanding the foregoing, and subject to all such Necessary Modifications, the final plans for the Project shall have at least the following parameters:

- (a) The maximum height of the project will be 165 feet.
- (b) The Project will include ground level retail/commercial on the side of the building that fronts Chestnut Street.
- (c) The Project will not include above-grade parking.

- (d) The Project will include 60 internal bike storage spaces for residential occupants.
- (e) The Project will have enclosed, off-street trash storage for residential and retail/commercial occupants, which is to be accessed from the 2000 block of Ionic Street, substantially as shown in Exhibit "A".
- (f) There will be no vehicle entrance, loading, or unloading on Chestnut Street.

2. **Modification of Design Plans and Specifications.** The parties acknowledge and understand that the Current Plans are not final, and further acknowledge and understand that the Current Plans will be modified as planning for the Project progresses. Prior to the submission of any request for zoning approvals with the Philadelphia Department of Licenses and Inspections (hereinafter, "L&I"), Developer agrees to submit updated plans for the Project (hereinafter, "Updated Plans") to CCRA; and CCRA shall then determine, within ten (10) days following receipt thereof, whether the Updated Plans are substantially consistent in all relevant respects with the parameters outlined in Paragraph 1 of this Agreement. Updated Plans that are reasonably determined by CCRA not to be substantially consistent shall be modified by Developer to the satisfaction of both Developer and CCRA prior to Developer submitting the Updated Plans for zoning approval(s), provided that CCRA shall have a maximum of ten (10) days to comment on any additional revisions made to the Updated Plans pursuant this Paragraph.

- (a) **Parking Reduction.** The parking requirement pursuant to the ordinance only sunsets if an application for a new zoning permit is made. If no parking reduction is requested, the developer would have to continue to provide all the parking spaces required, even if they are empty. These spaces would be available to new tenants as they sign leases. In the event that the parking requirement sunsets, the developer agrees to make commercially reasonable efforts to help tenants rent spaces directly from the parking lot operators that are providing the spaces, or help them make alternate parking arrangements. It should be noted that the residents will ultimately be paying for the spaces that they are using, and that triggering this provision may not, in and of itself, require a new Civic Design Review, unless the City Departments determine otherwise.

3. **Additional Promises and Community Benefits.** In a further effort to be a good neighbor and encourage the beneficial development the area near the Property, Developer further agrees to the following:

- (a) **Diverse Enterprise and Workforce Opportunities.** Developer is committed to certain diverse enterprise and workforce goals for construction of the Project, which are designed both to ensure a diverse business enterprise pool as well as a workforce that is both diverse and reflective of the City of Philadelphia. Therefore, as part of any City Council legislative bill/ordinance which Developer seeks that would change City zoning controls that are applicable to the Property to accommodate the Project, Developer agrees to apply for, and enter into, an Economic

Opportunity Plan (hereinafter, “EOP”) approved by the Philadelphia Office of Economic Opportunity. Developer will provide CCRA with a copy of such EOP and all reports or updates required thereunder.

- (b) **Affordable Housing.** The Project will include an affordable housing component, providing for a minimum of twenty percent (20%) workforce housing on premises using Philadelphia area median income (hereinafter, “AMI”) standards, that meets the satisfaction of the PHA. Tenants will be selected in accordance with the Developer’s Tenant Selection Plan, attached to this Agreement as Exhibit “C.” Developer, or any subsequent owner, will give notice to CCRA reasonably before any modifications to the low income housing covenant are agreed to with PHA.
- (c) **Sustainable Design.** The Project will incorporate Energy Star appliances, where economically feasible, to enhance the energy efficiency of the building.
- (d) **Streetscape Improvements.** The sidewalk improvements will include granite curbs, cast concrete or stone sidewalk pavers, street lighting, and street trees. With regard to street trees, Developer agrees to protect or replace the two (2) existing street trees at the Property and plant a third street tree following construction of the Project.
- (e) **Stormwater Management.** The Project will have a stormwater management system approved by the Philadelphia Water Department.
- (f) **Exterior Maintenance.** At all times, Developer will make commercially reasonable efforts to maintain the exterior of the Project as appropriate for a high-rise building. Developer will act promptly to cure any acts of vandalism or graffiti occurring on or around the premises.
- (g) **Trash Storage.** The Owner agrees to cause all trash generated by both residential and commercial/retail occupants of the Project to be stored within the premises of the Property in one (1) or more trash facility(ies) to be constructed as part of the Project.
- (h) **Deliveries and Trash Removal.** Post Construction, Developer agrees that loading/unloading for both residential and commercial occupants of the Project, and trash removal, shall be accessed exclusively from the 2000 block of Ionic Street onto 20th Street. Trash and waste shall be removed commercially, no less than twice a week, and at times as required or permitted by applicable law. Developer shall direct its waste hauling provider to pick up trash only during these times. Trash and waste shall not be put out for pick-up on the street. On the contrary, trash and waste shall only be picked up from inside the Project. Developer shall also maintain appropriate security in the areas of the loading docks and trash activities.

- (i) **Loading Zone Designation.** Developer will take steps to have the Philadelphia Streets Department designate the west side of 20th Street, between Ionic Street and Chestnut Street as a loading zone.
- (j) **Traffic Congestion on 20th Street.** To avoid congestion on 20th Street due to loading/unloading, developer will take commercially reasonable steps to schedule loading/unloading at such times to restrict simultaneous use of any loading/unloading areas by more than one (1) vehicle at any time. While any loading/unloading area is in use, Developer will make commercially reasonable efforts to direct other vehicles to circle the block or return at a later time to avoid idling and congestion on 20th Street. An employee or other agent of Developer (or agent managing the building) will be available to mitigate any loading/unloading conflicts that may arise.
- (k) **Building Lighting.** The building exterior (including, without limitation, interior glazed spaces facing the outside) shall not have flashing, color changing or exposed strip LED lighting. There shall be no signage or lighting on the building, except as may be permitted under the Philadelphia Zoning Code or other applicable law. All building exterior lighting shall be pointed in a downward facing direction, or pointed upward to backlight or illuminate the building, but in no event shall such lighting spill over onto City sidewalks or private property.

4. **Support for Approvals.** As consideration for CCRA entering into this Agreement, CCRA agrees to the following:

- (a) CCRA shall support Developer's efforts to petition Philadelphia City Council to amend and/or revise applicable zoning controls for the Property in accordance with the draft legislative language attached to this Agreement as Exhibit "C" (hereinafter, "the Draft Legislation"). For the avoidance of doubt, such support shall include, but shall not be limited to, writing a letter to Philadelphia City Councilperson Kenyatta Johnson (or any such person who may succeed him as the District City Councilperson for the Property) in support of a bill (or amendment to any bill) that includes language that is identical or substantially similar to the language set forth in the Draft Legislation; and at Developer's request, sending a representative to appear and offer testimony at any hearing of Philadelphia City Council, or meeting of any board or agency of the City of Philadelphia, to indicate CCRA's support thereof.
- (b) Except as otherwise provided by this Agreement, CCRA shall not protest, oppose, contest, or appeal any application for a permit submitted by or on behalf of Developer with respect to the Project, including but not limited to,

any application relating to zoning – including for the reduction of parking spaces as outlined in the ordinance, or the construction of streets, building, historic, or utilities; or for the reduction of parking spaces as outlined in § 14-526(3)(a)(.1) of the Draft Legislation (Exhibit “B”). Except as otherwise provided by this Agreement, at the request of Developer, CCRA shall write to or send a representative to appear before any governmental board or agency to testify or otherwise indicate CCRA’s non-opposition for any application for a permit submitted by or on behalf of Developer in connection with the Project.

In the event of any appeal by CCRA of any permit or approval obtained by or on behalf of Developer, Developer shall have the right to unilaterally terminate this Agreement and all of its obligations hereunder.

5. **Subsequent Zoning Re-Classifications.** Notwithstanding CCRA’s requirements under Paragraph 4 of this Agreement, if three (3) years after any zoning ordinance described in Paragraph 4(a) is passed by Philadelphia City Council and enacted into law, but Developer has failed or refused to apply for zoning approvals with the Philadelphia Department of Licenses and Inspections (or has failed or refused to commence demolition and construction on the Property), CCRA reserves the right to petition Philadelphia City Council to rezone the Property back to the zoning controls which existed in law as of the date hereof, unless the expiration clause in the zoning ordinance has become effective.

6. **Construction Activity.**

(a) Developer shall provide CCRA with a proposed construction schedule prior to the commencement of construction work for the Project. Once construction begins, to the extent any material schedule changes are made, Developer shall provide CCRA with an updated construction schedule. All schedules shall be subject to the approval of the City of Philadelphia and subject to compliance with the requirements of the City of Philadelphia.

(b) All construction activities shall be performed in accordance with applicable provisions of Philadelphia Code Chapter 10-400. Temporary sidewalk and streets closures may be made in accordance with the rules and regulations of the Philadelphia Streets Department and other applicable laws. If sidewalk closures occur, protected temporary pedestrian walkways (*i.e.*, buffered from traffic and covered) will be provided, subject to Streets Department approval.

(c) Construction activity may be performed Mondays through Fridays from 7:00 a.m. until no later than 5:00 p.m., and from 8:00 a.m. until 5:00 p.m. on Saturdays. If Developer and/or its contractors, subcontractors, material suppliers, and/or agents find it necessary to work outside of the hours set forth above, Developer shall use reasonable efforts to give CCRA reasonable advance notice that such work at such times is necessary, and the reasons therefor. Developer shall use commercially reasonable efforts to cause its contractors, subcontractors, material suppliers, and agents to restrict vehicles, cranes, or other equipment from idling before or after the hours when construction is allowed.

(d) Developer shall use commercially reasonable efforts to cause its contractors, subcontractors, material suppliers, and agents to conduct construction activities and construction-related deliveries at the Property in such manner as to limit, to the extent reasonably possible, the raising and spreading of debris and dust which may migrate from the Property to the neighboring

properties, and/or the creation (without prompt removal thereof) of waste and dirt piles, except in connection with the site excavation and foundation construction activities; provided, that such activities are conducted in accordance with applicable laws and codes. To the extent reasonably possible, Developer shall require its contractors, subcontractors, material suppliers, and agents to stage all materials and equipment within the Property.

(e) Developer shall use commercially reasonable efforts to direct its contractors and subcontractors to cause temporary lighting to be used during construction to the maximum extent practicable, and to not shine on or into windows of neighbor properties directly.

(f) Developer shall use its commercially reasonable efforts throughout the duration of the construction of the Project to avoid interference with or obstruction of the utilities of and to neighboring properties including, but not limited to, the electrical, natural gas, cable, telephone, water, and sewer supply. In the event of any such interference or obstruction caused by Developer or any of its contractors, subcontractors, material suppliers, and/or agents, then Developer shall make repair of the interference or obstruction its highest priority and shall repair the same on an emergency basis. Notwithstanding the foregoing, to the extent any interference or obstruction to neighboring residents or their tenants is caused by the utilities, Developer shall not be held responsible therefor.

(g) Developer shall provide security for the Project construction site in such manner as Developer and its contractor determine is reasonably necessary.

7. **Ground Floor Restaurant/Retail Variances.**

(a) CCRA's consideration, as an RCO, of any referral from the Philadelphia Zoning Board of Adjustment and/or application for a zoning variance relating to the planned ground floor retail and/or commercial use shall be exempt from the requirements of Paragraph 4 of this Agreement. For the avoidance of doubt, CCRA shall have the right under this Agreement to oppose or not oppose, or not oppose with conditions, any such future application. Developer acknowledges and understands that with regard to referrals relating to sit-down and take-out restaurants, CCRA frequently does not oppose the applications provided that the tenant or occupant agrees to certain standard restrictions concerning, *inter alia*, trash storage, trash pick-up, delivery times, live music, and noise mitigation.

(b) If any ground floor restaurant operating within the Project desires to hold a liquor license, CCRA shall cooperate with Developer in connection with the granting or transfer of one (1) or more liquor licenses to the Property. Such cooperation shall also include working in good faith with Developer to enter into a standard conditional licensing agreement (hereinafter, "CLA") with the Pennsylvania Liquor Control Board. Developer acknowledges and understands that with regard to CLAs, CCRA frequently asks liquor license applicants to agree to certain standard restrictions concerning, *inter alia*, live music, outdoor music, and noise mitigation.

8. **Signage Variances.** CCRA's consideration, as an RCO, of any application for a zoning variance relating to exterior signage on the Project shall be exempt from the requirements of Paragraph 4 of this Agreement. For the avoidance of doubt, CCRA shall have the right under this Agreement to oppose or not oppose any such future application.

9. **Notices.** All notices and other communications required herein shall be sent by email *and* U.S. first class mail (or in lieu of U.S. first class mail, by other recognized overnight delivery service) to the following addresses:

(1) If to Developer:
 Alterra Property Group, LLC
 414 S. 16th Street
 Philadelphia, PA 19146
 Attn: Leo Addimando
 Managing Partner
 Email: leo@alterraproperty.com

(2) If to CCRA:
 Center City Residents' Association
 1900 Market Street, 8th Fl.
 Philadelphia, PA 19103
 Attn: Travis Oliver
 Operations Manager
 Email: centercity@centercityresidents.org

with a copy to:
 Blank Rome, LLP
 One Logan Square
 130 N. 18th Street
 Philadelphia, PA 19103
 Attn: Adam E. Laver, Esquire
 Email: laver@blankrome.com

with a copy to:
 Wade Albert, Esq.
 1845 Walnut Street
 Philadelphia, PA 19103
 Email: wade.d.albert@gmail.com

or in each case, at such other addresses as may, from time-to-time, be specified in writing, provided that no change shall be deemed to have been given until it is actually received by the other party.

10. **Lender and Partner Modifications.** In connection with Developer obtaining any debt and/or equity financing for the Project, if Developer's lender requests reasonable modification to this Agreement and/or a subordination, non-disturbance, and attornment agreement (hereinafter, "SNDA"), the parties will cooperate in acknowledging and documenting such modifications and/or in executing a SNDA. CCRA shall not terminate this Agreement in the event of a default hereunder by Developer unless CCRA shall have first given Developer's lender notice of and an opportunity to cure such default. Upon request by any lender or successor owner, CCRA shall provide a commercially reasonable estoppel certificate confirming whether Developer is in compliance with the terms of this Agreement.

11. **Recording.** Developer will record notice of this Agreement with the Philadelphia Department of Records within thirty (30) days of execution of the Agreement by all parties, at its sole expense.

12. **Authority.** The individuals executing this Agreement represent and warrant that they are each authorized to bind their respective party.

13. **Successors and Assigns.** The terms and conditions set forth herein are covenants intended by the parties hereto to apply to and bind Developer and CCRA, and each of their respective successors and assigns (as well as any managers or operators of the Project and the premises thereof, and any condominium and/or co-operative association and members thereof in the event that the Project is ever converted into condominium or co-operate type ownership). Developer agrees to provide a copy of this Agreement to any prospective successor or assign, and require that any successor or assign agree to be bound by this Agreement as a condition of any sale or conveyance; and this Agreement shall be solely binding upon such successors and assigns, and any previous owner shall be released from any liability hereunder. As a condition to such release,

Developer agrees to provide CCRA with a copy of Developer's written notice to such successor or assign, and such successor's or assign's acceptance thereof, regarding the requirements of this Paragraph.

14. **Voluntary Agreement.** The parties acknowledge and represent that each has had the opportunity to thoroughly discuss all aspects of this Agreement with an attorney, that each has carefully read and fully understood all of the provisions of this Agreement, and that each is voluntarily entering into this Agreement.

15. **Submission to Jurisdiction.** The parties hereby consent to the jurisdiction of any state or federal court in Philadelphia County, Pennsylvania, and irrevocably agree that all actions and proceedings relating to this Agreement may and shall promptly be litigated in such courts. Each party further waives any objection it may have to the conduct of any action or proceeding in any such court based on improper venue or *forum non conveniens*.

16. **Additional Terms.**

- (a) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. All other agreements, understandings, and negotiations, by the parties with respect to the subject matter hereof, as of the date hereof, are merged into this Agreement.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
- (c) In the event that any court or governmental agency of competent jurisdiction finds that any provision of this Agreement, or part thereof, is illegal, invalid, or unenforceable in any respect, the court or governmental agency may limit, alter or reform such provision to render it valid and enforceable. In the event that any court or governmental agency of competent jurisdiction finds that any part of this Agreement is illegal, invalid, or unenforceable in any respect, and that limitation, alteration, or reformation of the provision is not possible, then the validity, legality, and enforceability of the remainder shall not be affected.
- (d) Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law.
- (e) The terms of this Agreement may be changed, waived, discharged, or terminated only by an agreement in writing signed by all parties.
- (f) No waiver by a party of any condition or of any breach of any term, covenant, representation or warranty contained herein shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver of any such condition or breach in any other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.
- (g) The recitals contained in this Agreement are incorporated herein as if set forth at length. The headings in this Agreement are for convenience of the parties and are not part of the substance thereof.

- (h) This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same Agreement.

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IN WITNESS WHEREOF, I have hereunto set my hand and seal on the dates set forth below.

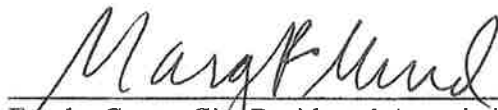


For Alterra Property Group, LLC

3/10/21
Date

By: LEO ADDIMANIO
Print name

MANAGING PARTNER
Title



For the Center City Residents' Association

March 10, 2021
Date

By: Margaret R Mund
Print name

President
Title

City of Philadelphia

BILL NO. 200348 continued

Certified Copy

City of Philadelphia

BILL NO. 200348 continued

Certified Copy

CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on April 29, 2021. The Bill was Signed by the Mayor on May 11, 2021.



Michael A. Decker
Chief Clerk of the City Council