

**ACTION ITEM NO. 4**

**RESOLUTION OF THE BOARD OF EDUCATION OF  
THE SCHOOL DISTRICT OF PHILADELPHIA**

**AUTHORIZING THE INCURRENCE  
OF  
LEASE RENTAL DEBT**

**Adopted: October 17, 2019**

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**ACTION ITEM NO. 4**

**RESOLUTION OF THE BOARD OF EDUCATION OF**

**THE SCHOOL DISTRICT OF PHILADELPHIA**

**Adopted: October 17, 2019**

**AUTHORIZING AND DIRECTING THE INCURRENCE OF LEASE RENTAL DEBT THROUGH THE EXECUTION OF A FIFTH SUPPLEMENTAL LEASE AND A FIFTH SUPPLEMENTAL SUBLEASE TO SECURE THE ISSUANCE BY THE STATE PUBLIC SCHOOL BUILDING AUTHORITY (“AUTHORITY”) OF TWO SERIES OF SCHOOL LEASE REVENUE REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$188,290,000 CONSISTING OF \$167,535,000 SCHOOL LEASE REVENUE REFUNDING BONDS (THE SCHOOL DISTRICT OF PHILADELPHIA PROJECT), SERIES A OF 2019 (FEDERALLY TAXABLE) (“SERIES A BONDS”) AND \$20,755,000 SCHOOL LEASE REVENUE REFUNDING BONDS (THE SCHOOL DISTRICT OF PHILADELPHIA PROJECT), SERIES B OF 2019 (FEDERALLY TAXABLE – AGM INSURED) (“SERIES B BONDS”, AND TOGETHER WITH THE SERIES A BONDS, THE “2019 BONDS”) FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE REFUNDING PROJECT (HEREIN DEFINED); APPROVING THE REFUNDING PROJECT; REQUESTING THE AUTHORITY TO UNDERTAKE THE REFUNDING PROJECT AND TO ENTER INTO A BOND PURCHASE AGREEMENT; APPROVING AND DIRECTING THE EXECUTION AND DELIVERY OF SUCH BOND PURCHASE AGREEMENT; DIRECTING THE CHIEF FINANCIAL OFFICER OR DEPUTY CHIEF FINANCIAL OFFICER OF THE SCHOOL DISTRICT TO PREPARE AND VERIFY THE REQUIRED DEBT STATEMENT AND APPEND THERETO A BORROWING BASE CERTIFICATE; APPROVING THE FIFTH SUPPLEMENTAL LEASE AND THE FIFTH SUPPLEMENTAL SUBLEASE AND THE PAYMENT OF BASE RENTAL PAYMENTS AND ADDITIONAL RENTAL PAYMENTS UNDER THE SAME; APPROVING AND DIRECTING THE EXECUTION AND DELIVERY OF A FIFTH AMENDMENT TO INTERCEPT AGREEMENT TO SUPPORT THE PAYMENT OF BASE RENTAL PAYMENTS UNDER THE SUBLEASE; COVENANTING THAT THE SCHOOL DISTRICT SHALL INCLUDE THE AMOUNT OF ANNUAL BASE RENTAL PAYMENTS IN ITS BUDGET FOR EACH FISCAL YEAR AND APPROPRIATE AND**

**PAY SUCH RENTAL PAYMENTS IN EACH SUCH FISCAL YEAR; COVENANTING TO TIMELY FILE THE OFFICIAL STATEMENT RELATING TO THE 2019 BONDS WITH THE PENNSYLVANIA DEPARTMENT OF EDUCATION PURSUANT TO THE FISCAL CODE; REQUESTING THE AUTHORITY TO ENTER INTO A FIFTH SUPPLEMENTAL INDENTURE WITH RESPECT TO THE 2019 BONDS; APPROVING THE AWARD OF SUCH 2019 BONDS BY THE AUTHORITY AT A PRIVATE SALE; AUTHORIZING AND DIRECTING THE CHIEF FINANCIAL OFFICER OR DEPUTY CHIEF FINANCIAL OFFICER OF THE SCHOOL DISTRICT TO CERTIFY AND TO FILE WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT AND THE DISTRIBUTION THEREOF AND RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; APPROVING THE PURCHASE OF MUNICIPAL BOND INSURANCE FOR A PORTION OF THE 2019 BONDS; AUTHORIZING THE INVESTMENT OF FUNDS BY THE TRUSTEE; AUTHORIZING THE PROPER OFFICERS OF THE SCHOOL DISTRICT TO DO ALL THINGS NECESSARY OR APPROPRIATE TO CARRY OUT THE REFUNDING PROJECT AND THE ISSUANCE OF THE 2019 BONDS; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; APPROVING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; AFFIRMING PRIOR ACTIONS OF THE SCHOOL DISTRICT; RESCINDING ALL INCONSISTENT RESOLUTIONS; AND MAKING CERTAIN OTHER DETERMINATIONS AND APPROVALS.**

WHEREAS, The School District of Philadelphia (the “School District”) is a body corporate and an independent home rule school district of the first class organized and existing pursuant to the laws of the Commonwealth of Pennsylvania (the “Commonwealth”) with the power to incur indebtedness under the Local Government Unit Debt Act, as amended, 53 Pa.C.S. § 8001 *et seq.* (the “Debt Act”); and

WHEREAS, the State Public School Building Authority (the “Authority”) was created under the Act of the General Assembly of the Commonwealth approved July 5, 1947, P.L. 1217, known as the State Public School Building Authority Act, as amended (the “Act”), for the purpose of, among other things, acquiring, financing, refinancing, constructing, improving, furnishing, equipping, maintaining and operating buildings for public schools and educational broadcasting facilities for use as part of the public school system of the Commonwealth under the jurisdiction of the Department of Education of the Commonwealth; and

WHEREAS, the Authority is authorized under the Act to, among other things, acquire, purchase, hold, lease as lessee and use any property, real, personal or mixed, tangible or intangible or any interest therein necessary or desirable for carrying out the purposes of the Authority, and to sell, lease as lessor, transfer and dispose of any property or any interest therein at any time acquired by the Authority, and to acquire by purchase, lease or otherwise, and to construct, improve, maintain, repair, furnish, equip and operate school projects; and

WHEREAS, the Authority has previously issued, on behalf of the School District, *inter alia*, its \$264,995,000, original aggregate principal amount, State Public School Building

Authority, School Lease Revenue Bonds (The School District of Philadelphia Project) Series 2012 (the “2012 Bonds”); and

WHEREAS, the School District has requested the Authority to undertake, in cooperation with the School District, a project for the benefit of the School District, which consists of: (a) the advance refunding through the issuance of taxable obligations of a portion of the outstanding maturities of the 2012 Bonds (the “Refunded 2012 Bonds”); and (b) the payment of the costs and expenses of issuing the 2019 Bonds, defined below (“the “Refunding Project”); and

WHEREAS, the Authority, at the request of the School District, has determined to authorize and issue \$167,535,000 aggregate principal amount, of School Lease Revenue Refunding Bonds (The School District of Philadelphia Project), Series A of 2019 (Federally Taxable) (the “Series A Bonds”) and \$20,755,000 aggregate principal amount, of School Lease Revenue Refunding Bonds (The School District of Philadelphia Project), Series B of 2019 (Federally Taxable - AGM Insured) (the “Series B Bonds”, and together with the Series A Bonds, the “2019 Bonds”), to be dated their date of issuance, under and secured by a Trust Indenture, dated as of September 1, 2003 (the “Original Indenture”), as amended and supplemented by a First Supplemental Trust Indenture, dated as of December 1, 2006 (the “First Supplemental Indenture”), a Second Supplemental Trust Indenture dated as of November 1, 2012 entered into in connection with the 2012 Bonds therein defined (the “Second Supplemental Indenture”), a Third Supplemental Trust Indenture, dated as of April 1, 2015 entered into in connection with the 2015 Bonds therein defined (the “Third Supplemental Indenture”), a Fourth Supplemental Trust Indenture, dated as of November 1, 2016 entered into in connection with the 2016 Bonds (defined therein) (the “Fourth Supplemental Indenture”) each between the Authority and Bank of New York Mellon Trust Company, N.A., as trustee (being the successor trustee to J.P. Morgan Trust Company, National Association, the “Trustee”) and has determined to enter into a Fifth Supplemental Trust Indenture to be dated as of November 1, 2019, between the Authority and the Trustee (the “Fifth Supplemental Indenture” and, together with the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture, the “Indenture”), with proceeds from the sale thereof to be used for and toward payment of all costs and expenses of the Refunding Project; and

WHEREAS, the School District, as lessor, and the Authority, as lessee, heretofore entered into a Lease Agreement, dated as of September 1, 2003 (the “Original Lease”), a First Supplemental Lease Agreement, dated as of December 1, 2006 (the “First Supplemental Lease”), a Second Supplemental Lease Agreement, dated as of November 1, 2012 (the “Second Supplemental Lease”), a Third Supplemental Lease Agreement, dated as of April 1, 2015 (the “Third Supplemental Lease”), a Fourth Supplemental Lease Agreement, dated as of November 1, 2016 (the “Fourth Supplemental Lease”) and have determined to enter into a Fifth Supplemental Lease Agreement to be dated as of November 1, 2019 (the “Fifth Supplemental Lease” and together with the Original Lease, the First Supplemental Lease, the Second Supplemental Lease, the Third Supplemental Lease and the Fourth Supplemental Lease, the “Lease”) and, under the Fifth Supplemental Lease, the School District has agreed to lease to the Authority certain land and facilities of the School District described therein (the “2019 Leased Premises”) for a rental consisting of the net proceeds of the 2019 Bonds; and

WHEREAS, the Authority, as sublessor and the School District, as sublessee, heretofore entered into a Sublease Agreement, dated as of September 1, 2003 (the "Original Sublease"), a First Supplemental Sublease Agreement, dated as of December 1, 2006 (the "First Supplemental Sublease"), a Second Supplemental Sublease Agreement, dated as of November 1, 2012 (the "Second Supplemental Sublease"), a Third Supplemental Sublease Agreement, dated as of April 1, 2015 (the "Third Supplemental Sublease"), a Fourth Supplemental Sublease Agreement, dated as of November 1, 2016 (the "Fourth Supplemental Sublease") and have determined to enter into a Fifth Supplemental Sublease Agreement to be dated as of November 1, 2019 (the "Fifth Supplemental Sublease" and together with the Original Sublease, the First Supplemental Sublease, the Second Supplemental Sublease, the Third Supplemental Sublease and the Fourth Supplemental Sublease, the "Sublease"), and under the Fifth Supplemental Sublease, the Authority has agreed, among other things, to sublease the 2019 Leased Premises to the School District; and

WHEREAS, pursuant to the Sublease, the School District shall make rental payments to the Authority or its assigns in amounts sufficient to pay when due (i) the principal or redemption price of and interest on the Remaining 2003 Bonds (as defined in the Second Supplemental Sublease) (the "2003 Base Rental Payments"), (ii) the principal or redemption price and interest on the Remaining 2006 Bonds (as defined in the Fourth Supplemental Indenture) (the "2006 Base Rental Payments"), (iii) the principal or redemption price of and interest on the Remaining 2012 Bonds (as defined in the Fifth Supplemental Indenture) (the "2012 Base Rental Payments"), (iv) the principal or redemption price of and interest on the 2015 Bonds (the "2015 Base Rental Payments"); (v) the principal or redemption price of and interest on the 2016 Bonds (the "2016 Base Rental Payments"); and (vi) the principal or redemption price of and interest on the 2019 Bonds, the "2019 Base Rental Payments" and, together with the 2003 Base Rental Payments, the 2006 Base Rental Payments, the 2012 Base Rental Payments, the 2015 Base Rental Payments, and the 2016 Base Rental Payments, the "Base Rental Payments"), and (vi) the fees and expenses of the Trustee and the Authority; and

WHEREAS, the Authority will assign the Fifth Supplemental Sublease and all the Base Rental Payments due from the School District thereunder to the Trustee pursuant to an Assignment, to be dated of even date with the Fifth Supplemental Sublease (the "Assignment"); and

WHEREAS, to provide additional security for the prompt payment in full of all Base Rental Payments due under the Sublease, the School District, the Authority and the Treasurer of the Commonwealth of Pennsylvania (the "State Treasurer") have determined, in accordance with Section 785(b) of the Public School Code of 1949, as amended, to enter into a Fifth Amendment to Intercept Agreement, to be dated as of November 1, 2019, or on or before the date of issuance of the 2019 Bonds, by and among the School District, the Authority and the State Treasurer and acknowledged and agreed to by the Pennsylvania Department of Education ("PDE") and the Trustee (the "Fifth Amendment to Intercept Agreement"), which Fifth Amendment to Intercept Agreement amends and supplements the Intercept Agreement, dated as of September 1, 2003 (the "Original Intercept Agreement"), as previously amended and supplemented by the First Amendment to Intercept Agreement, dated as of December 1, 2006 (the "First Amendment to Intercept Agreement"), the Second Amendment to Intercept Agreement, dated as of November 1, 2012 (the "Second Amendment to Intercept Agreement"), the Third Amendment to Intercept Agreement, dated as of April 1, 2015 (the "Third Amendment to Intercept Agreement") and the Fourth Amendment to Intercept Agreement, dated as of November 1, 2016 (the "Fourth

Amendment to Intercept Agreement”) as amended by Notice dated April 15, 2018, given pursuant to Section 5 of the Original Intercept Agreement (the “2018 Amendment” and, together with the Original Intercept Agreement, the First Amendment to the Intercept Agreement, the Second Amendment to the Intercept Agreement, the Third Amendment to Intercept Agreement, the Fourth Amendment to Intercept Agreement and the Fifth Amendment to Intercept Agreement, the “Intercept Agreement”), which provides for the withholding of amounts of certain Commonwealth appropriations due the School District and the payment thereof by the State Treasurer directly to the Trustee, as assignee of the Authority, to satisfy fully the Base Rental Payments when due; and

WHEREAS, the Authority and the School District have determined to enter into a Bond Purchase Agreement for the purchase of the 2019 Bonds, to be dated as set forth therein (the “Bond Purchase Agreement”), with BofA Securities, Inc., as Representative (the “Representative”), acting for itself and the other underwriters named in the Bond Purchase Agreement (collectively, with the Representative, the “Underwriters”); and

WHEREAS, the School District and the Trustee have determined to enter into a Continuing Disclosure Agreement, to be dated the date of issuance of the 2019 Bonds (the “Continuing Disclosure Agreement”); and

WHEREAS, the School District has determined to authorize and to approve all such actions as shall be necessary and appropriate to facilitate the execution and delivery of the Fifth Supplemental Lease, the Fifth Supplemental Sublease, the Fifth Amendment to Intercept Agreement, the Bond Purchase Agreement and the Continuing Disclosure Agreement, the issuance of the 2019 Bonds, the execution and delivery of all other documents necessary in connection therewith, and the undertaking of the Refunding Project.

NOW THEREFORE, BE IT RESOLVED by the affirmative vote of not less than a majority of the members of the Board of Education of The School District of Philadelphia (the “Board”), as follows:

**Section 1. Authorization of Lease Rental Debt.** The Board does hereby authorize and direct the incurring of lease rental debt of the School District in the principal amount of \$188,290,000 to be evidenced by the execution and delivery by the School District of the Fifth Supplemental Sublease in connection with the issuance by the Authority of the 2019 Bonds. The 2019 Bonds shall be issued pursuant to the Fifth Supplemental Indenture, which shall be substantially in the form attached hereto as Exhibit “B” and made a part hereof, for the purposes of providing funds to finance the Refunding Project. The 2019 Bonds will mature and bear interest as set forth in Exhibit “C” attached hereto and made a part hereof.

**Section 2. Approval of Refunding Project; Maturity Dates.** The School District hereto approves the Refunding Project. The School District will apply the lump sum rental it receives from the Authority from the proceeds of the 2019 Bonds to the payment of the costs of the Refunding Project. In accordance with Section 8142(e) of the Debt Act, the 2019 Bonds are being issued in two series. The first stated maturity of the Series B Bonds is not later than fifteen months after the last stated maturity of the Series A Bonds.

**Section 3. Request to Authority to Undertake the Refunding Project; Bond Purchase Agreement.** The School District hereby requests the Authority to undertake the Refunding Project, to issue and sell the 2019 Bonds and to enter into the Bond Purchase Agreement, in the form attached hereto as Exhibit “D” and made a part hereof. The 2019 Bonds shall be issued in the principal amounts, mature on the dates, bear interest at the rates, and be sold to the Underwriters at the prices set forth in the Bond Purchase Agreement. The Board President or any Member of the Board, or the Superintendent, the Chief Financial Officer or Deputy Chief Financial Officer of the School District (the “Designated Officers”) and Secretary or Assistant Secretary of the Board, as appropriate, are authorized and directed to execute the Bond Purchase Agreement, in the form annexed hereto as Exhibit “D” and made a part hereof and approved hereby, with such changes thereto as the Designated Officers shall approve, the execution of which shall be conclusive evidence of such authorization and approval, and to deliver copies of the same to the Representative, the Authority and the Trustee. A copy of the Bond Purchase Agreement shall be delivered to the Secretary of the School District upon acceptance of the same.

**Section 4. Debt Statement and Borrowing Base Certificate.** The Chief Financial Officer or the Deputy Chief Financial Officer of the School District is hereby authorized and directed to prepare and verify the Debt Statement required by Section 8110 of the Debt Act on behalf of the School District and to append thereto a Borrowing Base Certificate, as required by the Debt Act and for the purpose of the filing hereinafter in Section 10 authorized.

**Section 5. Authorization of Fifth Supplemental Lease and Fifth Supplemental Sublease.** Any of the Designated Officers and Secretary or Assistant Secretary of the School District, as appropriate, are authorized and directed to execute, to attest, to seal, to acknowledge and to deliver, as applicable, the Fifth Supplemental Lease and the Fifth Supplemental Sublease, each in substantially the forms annexed hereto as Exhibit “E”, and Exhibit “F”, respectively, and made a part hereof and approved hereby, with such changes thereto as counsel may advise and as the Designated Officers executing the same shall approve, the execution of which shall be conclusive evidence of such authorization and approval. The School District hereby specifically approves the 2019 Base Rental Payments (which are set forth on Exhibit “G” hereto) and other amounts to become payable as provided under the Fifth Supplemental Sublease and/or the Sublease.

**Section 6. General Obligation Covenant.** The School District hereby covenants and agrees with the Authority and the holders of the 2019 Bonds (and confirms its previous covenant and agreement with the Authority, in respect of the Remaining 2003 Bonds, the Remaining 2006 Bonds, the Remaining 2012 Bonds, the 2015 Bonds, the 2016 Bonds and with the holders of the 2019 Bonds, the holders of the Remaining 2003 Bonds, the holders of the Remaining 2006 Bonds, the holders of the Remaining 2012 Bonds, the holders of the 2015 Bonds and the holders of the 2016 Bonds) that the School District shall: (i) include the amounts payable in respect of all the Base Rental Payments due under the Sublease, for each fiscal year in which such sums are payable, in its budget for that year, (ii) appropriate such amounts from its general revenues to the payment of such rental payments; and (iii) duly and punctually pay, or cause to be paid, from any of its revenues or funds, the rental payments on the dates and at places and in the manner stated in the Sublease according to the true intent and meaning thereof. For such budgeting, appropriation and payment of all of the Base Rental Payments, the School District hereby pledges its full faith, credit



and taxing power, within the limits prescribed by law. As provided in the Debt Act, this covenant shall be specifically enforceable.

Nothing in this Resolution shall be construed to give the School District any taxing power not granted by any other provision of law.

**Section 7. Fifth Amendment to Intercept Agreement.** Any of the Designated Officers and Secretary or Assistant Secretary of the School District, as appropriate, are authorized and directed to execute, to attest, to seal, to acknowledge and to deliver, as applicable, the Fifth Amendment to Intercept Agreement, in substantially the form attached hereto as Exhibit “H” and made a part hereof and approved hereby, with such changes therein as counsel may advise and as the Designated Officers executing the same shall approve, the execution of which shall be conclusive evidence of such authorization and approval.

**Section 8. Indenture, Trustee and Assignment of Sublease.** The School District acknowledges: (a) that the 2019 Bonds shall be issued under and secured by the Indenture, to the extent and in the manner provided in the Indenture; (b) that the Authority has previously appointed the Trustee to act as trustee under the Indenture and to act as registrar and paying agent for the 2019 Bonds; and (c) that the Authority will assign all of its interests in the Sublease (except its rights thereunder to indemnification and to the payment of its fees and expenses, if any, and certain other rights), including but not limited to the Base Rental Payments to be received by the Authority thereunder, to the Trustee pursuant to the Assignment. The School District requests the Authority to enter into and hereby approves the Fifth Supplemental Indenture with the Trustee substantially in the form presented to this meeting and attached hereto as Exhibit “B” with only such changes as shall be approved by the School District, which approval shall be evidenced by the execution and delivery by the School District of the Fifth Supplemental Sublease.

**Section 9. Private Sale.** The Board, after due deliberation and investigation, has found that a private sale of the 2019 Bonds by negotiation is in the best financial interest of the School District and requests that the Authority award the 2019 Bonds, at private sale, to the Underwriters named in, and upon the terms set forth in, the Bond Purchase Agreement. As set forth in the Bond Purchase Agreement, the 2019 Bonds are purchased at a price of \$187,594,489.55 (reflecting an underwriters’ discount of \$695,510.45). The good faith deposit of not less than two percent (2%) of the aggregate principal amount of the 2019 Bonds which is reflected in the Preliminary Official Statement (as hereinafter defined) shall be received and held by the School District on behalf of the Authority and applied in accordance with the terms of the Bond Purchase Agreement. The Board hereby determines that the approval of the 2019 Base Rental Payments due under the Fifth Supplemental Sublease, as set forth in Exhibit “G” to this Resolution, will assist the School District in bringing debt service on all outstanding debt within the same classification as the 2019 Bonds (including the School District’s general obligation debt) more nearly into an overall level annual debt service plan, in accordance with Section 8142(b)(2) of the Act.

**Section 10. Application to Department of Community and Economic Development.** The Chief Financial Officer or Deputy Chief Financial Officer of the School District is hereby authorized and directed to certify to and file with the Department of Community and Economic Development, in accordance with the Debt Act, a complete and accurate copy of the proceedings

taken in connection with the increase of debt authorized hereunder, including this Resolution and the Debt Statement with Borrowing Base Certificate hereinabove referred to, and to pay the filing fees necessary in connection therewith.

**Section 11. Official Statement.** The Official Statement of the Authority with respect to the 2019 Bonds in the form submitted to the Board is hereby approved, subject to such changes and supplements as the person executing the Official Statement on behalf of the School District shall approve, after consultation with counsel, the execution thereof by such person to be conclusive evidence of such approval, and the Board President or any Member of the Board or the Chief Financial Officer of the School District is hereby authorized to execute said Official Statement and said Official Statement is hereby authorized to be distributed by the Underwriters to purchasers of the 2019 Bonds. The distribution of the Preliminary Official Statement in respect of the 2019 Bonds dated October 7, 2019 (the “Preliminary Official Statement”), and the determination that, as to the information and statements therein relating to the School District and the 2019 Bonds, such Preliminary Official Statement was “deemed final” as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Board (“Rule 15c2-12”), are hereby ratified and confirmed.

**Section 12. Municipal Bond Insurance.** The purchase of a policy of municipal bond insurance (the “Policy”) unconditionally guaranteeing payment of principal of and interest on the Series B Bonds (the “Insured Bonds”) from Assured Guaranty Municipal Corp. (the “Bond Insurer”), is hereby authorized and approved and the commitment letter of the Bond Insurer to issue such Policy, dated October 16, 2019, is hereby approved.

**Section 13. Investment of Funds.** The School District hereby authorizes and directs the Trustee to invest all funds held under the Indenture at the direction of the School District and authorizes appropriate officers of the School District in accordance with the Indenture to present investment directions to the Authority and the Trustee, from time to time, including the execution and delivery of investment agreements, if determined to be necessary or appropriate, regarding the investment of said funds in accordance with the Indenture.

**Section 14. Further Action.** The proper officers of the School District are hereby severally authorized and directed on behalf of the School District to execute any and all papers and documents and to do or cause to be done any and all acts and things necessary or appropriate to enable the School District and the Authority to carry out the transactions contemplated herein and by the Bond Purchase Agreement, the Lease, the Sublease, the Intercept Agreement and the Indenture, and to effectuate the issuance, sale and delivery of the 2019 Bonds, the approval of the payment of costs of issuance by the Trustee under the Indenture, the investment of the proceeds of the 2019 Bonds and of moneys in the Revenue Fund and the Debt Service Fund (as defined under the Indenture), and the timely payment in full of the 2019 Bonds. Whenever any officer of the School District is authorized to act hereunder, and there is a vacancy in any such office, any person duly appointed to perform the duties of such officer shall be entitled to act hereunder as if specifically authorized.

**Section 15. Continuing Disclosure Agreement.** It is hereby determined that it is necessary and appropriate for the School District to execute and deliver the Continuing Disclosure Agreement for the benefit of the holders from time to time of the 2019 Bonds, substantially in the

form of Exhibit “T” annexed hereto, to assist the Underwriters in complying with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. The Continuing Disclosure Agreement is hereby approved and the Chief Financial Officer or Deputy Chief Financial Officer of the School District are hereby severally authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially such form, with such changes therein as counsel may advise and the officer executing the Continuing Disclosure Agreement shall approve, such approval to be conclusively evidenced by his or her execution thereof.

**Section 16. Escrow Deposit Agreement.** The Board President or any Member of the Board or the Chief Financial Officer of the School District, as appropriate, is authorized and directed to execute, to attest, to seal, to acknowledge and to deliver, as applicable, the Escrow Deposit Agreement, dated November 20, 2019, by and among the Authority, the School District, the Trustee and Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the “Escrow Agent”), in substantially the form annexed hereto as Exhibit “J” and made a part hereof and approved hereby, with such changes therein as counsel may advise and such officers of the School District executing the same may approve, their execution and delivery thereof to constitute conclusive evidence of such approval.

The School District requests the Authority to appoint the Escrow Agent, and further to direct the Escrow Agent to perform the duties required under said Escrow Deposit Agreement.

The School District hereby directs the Authority to call for redemption, the Refunded Bonds, which are then outstanding on the respective dates and in the respective amounts set forth in the Escrow Deposit Agreement. The School District hereby directs and requests the Trustee for the Refunded Bonds to give the respective notices of redemption as provided in the Escrow Deposit Agreement and in accordance with the terms of the Refunded Bonds, respectively, and the Original Indenture, as supplemented, pursuant to which such Refunded Bonds were issued, and to take all other action required to effect the refunding, redemption and payment of the Refunded Bonds.

**Section 17. Covenant Regarding Section 1703-E.4 of the Fiscal Code.** In accordance Section 1703-E.4 of the Act of April 9, 1929 (P.L. 343, No. 176), as amended, including by Act No. 85 of 2016 (P.L. 664, No. 85) (the “Fiscal Code”), the School District covenants to file with the Secretary of the Pennsylvania Department of Education (“PDE”), in such format as PDE may direct, within thirty (30) days of receipt of the proceeds of the 2019 Bonds, a copy of the final Official Statement for the 2019 Bonds, together with schedules of principal and interest, sinking fund deposit dates and debt service payment dates for each series of outstanding obligations of the School District which are subject to an intercept statute or intercept agreement.

**Section 18. Ratification of Prior Action.** All actions heretofore taken and all documents heretofore prepared by or on behalf of the School District by all members of the Board, officers of the School District and counsel and advisors to the School District in connection with the Refunding Project and the other matters contemplated hereby are ratified, confirmed and adopted.

**Section 19. Inconsistent Resolutions Repealed.** All resolutions of the Board or parts of resolutions of the Board to the extent inconsistent herewith shall be and the same hereby are rescinded, canceled and annulled.

**Section 20. Headings and Preambles; Severability; No Personal Recourse.** The table of contents and preambles and headings of this Resolution are inserted for ease of reference only and shall not constitute a part of this Resolution. In case any one or more provisions of this Resolution shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution, and this Resolution shall be construed and enforced as if such invalid, illegal or unenforceable provisions had never been contained herein.

No personal recourse shall be had for any claim based on this Resolution, the Lease, the Sublease, the Intercept Agreement, the Indenture, the 2019 Bonds or any and all papers and documents executed by the Board or the School District with respect to the 2019 Bonds, against any member of the Board or any officer or employee, past, present or future, of the School District or any successor body as such, either directly or through the Board or the School District or any successor body as such, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

**Section 21. Effective Date.** This Resolution shall be effective immediately, this 17th day of October, 2019. This Resolution shall be valid and effective for all purposes on the fifth day following advertisement of final adoption hereof, as provided in Section 8003 of the Debt Act.

THE SCHOOL DISTRICT OF PHILADELPHIA

By: \_\_\_\_\_  
Member, Board of Education

[SEAL]

Attest:

\_\_\_\_\_  
(Assistant) Secretary, Board of  
Education

## EXHIBIT “A”

### REFUNDED BONDS

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2012, 2012:					
SERIAL	04/01/2023	5.000%	13,680,000.00	04/01/2022	100.000
	04/01/2024	5.000%	14,365,000.00	04/01/2022	100.000
	04/01/2025	5.000%	15,080,000.00	04/01/2022	100.000
	04/01/2026	5.000%	15,835,000.00	04/01/2022	100.000
	04/01/2027	5.000%	16,630,000.00	04/01/2022	100.000
	04/01/2028	5.000%	17,460,000.00	04/01/2022	100.000
	04/01/2029	5.000%	18,335,000.00	04/01/2022	100.000
	04/01/2030	5.000%	19,250,000.00	04/01/2022	100.000
	04/01/2031	5.000%	20,210,000.00	04/01/2022	100.000
	04/01/2032	5.000%	21,220,000.00	04/01/2022	100.000
			172,065,000.00		

**EXHIBIT “B”**

**FORM OF FIFTH SUPPLEMENTAL TRUST INDENTURE**

## EXHIBIT “C”

### DEBT SERVICE SCHEDULE

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2020	1,740,000	2.435%	2,019,992.29	3,759,992.29	-
06/30/2020	-	-	-	-	3,759,992.29
10/01/2020	-	-	2,754,377.43	2,754,377.43	-
04/01/2021	2,210,000	2.485%	2,754,377.43	4,964,377.43	-
06/30/2021	-	-	-	-	7,718,754.86
10/01/2021	-	-	2,726,918.18	2,726,918.18	-
04/01/2022	2,265,000	2.565%	2,726,918.18	4,991,918.18	-
06/30/2022	-	-	-	-	7,718,836.36
10/01/2022	-	-	2,697,869.55	2,697,869.55	-
04/01/2023	16,000,000	2.616%	2,697,869.55	18,697,869.55	-
06/30/2023	-	-	-	-	21,395,739.10
10/01/2023	-	-	2,488,589.55	2,488,589.55	-
04/01/2024	16,420,000	2.716%	2,488,589.55	18,908,589.55	-
06/30/2024	-	-	-	-	21,397,179.10
10/01/2024	-	-	2,265,605.95	2,265,605.95	-
04/01/2025	16,865,000	2.754%	2,265,605.95	19,130,605.95	-
06/30/2025	-	-	-	-	21,396,211.90
10/01/2025	-	-	2,033,374.90	2,033,374.90	-
04/01/2026	17,330,000	2.854%	2,033,374.90	19,363,374.90	-
06/30/2026	-	-	-	-	21,396,749.80
10/01/2026	-	-	1,786,075.80	1,786,075.80	-
04/01/2027	17,825,000	2.966%	1,786,075.80	19,611,075.80	-
06/30/2027	-	-	-	-	21,397,151.60
10/01/2027	-	-	1,521,731.05	1,521,731.05	-
04/01/2028	18,355,000	3.046%	1,521,731.05	19,876,731.05	-
06/30/2028	-	-	-	-	21,398,462.10
10/01/2028	-	-	1,242,184.40	1,242,184.40	-
04/01/2029	18,915,000	3.096%	1,242,184.40	20,157,184.40	-
06/30/2029	-	-	-	-	21,399,368.80
10/01/2029	-	-	949,380.20	949,380.20	-
04/01/2030	19,500,000	3.146%	949,380.20	20,449,380.20	-
06/30/2030	-	-	-	-	21,398,760.40
10/01/2030	-	-	642,645.20	642,645.20	-
04/01/2031	20,110,000	3.196%	642,645.20	20,752,645.20	-
06/30/2031	-	-	-	-	21,395,290.40
10/01/2031	-	-	321,287.40	321,287.40	-
04/01/2032	20,755,000	3.096%	321,287.40	21,076,287.40	-
06/30/2032	-	-	-	-	21,397,574.80
	188,290,000		44,880,071.51	233,170,071.51	233,170,071.51



**EXHIBIT “D”**

**FORM OF BOND PURCHASE AGREEMENT**

**EXHIBIT “E”**  
**FORM OF FIFTH SUPPLEMENTAL LEASE**

**EXHIBIT “F”**

**FORM OF FIFTH SUPPLEMENTAL SUBLEASE**

## EXHIBIT “G”

### 2019 BASE RENTAL PAYMENT SCHEDULE

<u>2019 Base Rental Payment Dates</u>	<u>2019 Base Rental Payments</u>
March 15, 2020	\$3,759,992.29
September 15, 2020	3,859,377.43
March 15, 2021	3,859,377.43
September 15, 2021	3,859,418.18
March 15, 2022	3,859,418.18
September 15, 2022	10,697,869.55
March 15, 2023	10,697,869.55
September 15, 2023	10,698,589.55
March 15, 2024	10,698,589.55
September 15, 2024	10,698,105.95
March 15, 2025	10,698,105.95
September 15, 2025	10,698,374.90
March 15, 2026	10,698,374.90
September 15, 2026	10,698,575.80
March 15, 2027	10,698,575.80
September 15, 2027	10,699,231.05
March 15, 2028	10,699,231.05
September 15, 2028	10,699,684.40
March 15, 2029	10,699,684.40

September 15, 2029	10,699,380.20
March 15, 2030	10,699,380.20
September 15, 2030	10,697,645.20
March 15, 2031	10,697,645.20
September 15, 2031	10,698,787.40
March 15, 2032	<u>10,698,787.40</u>
Total	\$233,170,071.51

**EXHIBIT “H”**

**FORM OF FIFTH AMENDMENT TO INTERCEPT AGREEMENT**

**EXHIBIT “I”**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**EXHIBIT “J”**  
**FORM OF ESCROW DEPOSIT AGREEMENT**