

**PHILADELPHIA PERFORMING ARTS: A STRING THEORY**  
**CHARTER SCHOOL**

1600 Vine Street, Philadelphia, PA 19102

August 17, 2020

6:00 PM

**LOCATION:**

Zoom Conference

**MINUTES**

**SECTION I: CALL TO ORDER AT 6:45 PM**

**A. Roll Call**

<b><u>Board Members:</u></b>	<b><u>By Invitation: Non-Board Members:</u></b>
Javier Kuehnle – Chairman (“JK”) William Bradley Leach – Vice Chairman (“WL”) Kristin Kubach – Secretary (“KK”) Ronald Pigliacelli- Treasurer (“RP”) Evelt Vertil (“EV”)	Angela Puleio Angela Ciccante Rachel Ravior  Angela Corosanite Thayne Dibble Joseph McBride
<b><u>Board Members Absent:</u></b>	Michael Thomson Michael Danyo
Krista Alexander (“KA”)	Daniel H. Saidel, Esq. David Annecharico, Esq. Abigail Lipow, Esq.  January Teti Julia Viola Keri Gleason Melissa Quarracino Adrienne Capone

**B. DISCLOSURE: EXECUTIVE SESSION BY DANIEL H. SAIDEL**

2. I'd like to state, for purposes of the Minutes of this meeting that on August 17, 2020, the Board of Trustees met in Executive Session for the following purposes under 65 P.S. § 708:

*(X) Consultation with Professional Advisor or Attorney. To consult with its attorney or other professional advisor regarding information or strategy in connection with litigation or with issues on which identifiable complaints are expected to be filed.*

*(X) Discuss Confidential Matters. To review and discuss agency business which, if conducted in public, would violate a lawful privilege or lead to the disclosure of information or confidentiality protected by law, including matters related to the initiation and conduct of investigations of possible or certain violations of the law and quasi-judicial deliberations.*

Additional Notes for Minutes of Meeting:

### C. Approval of Agenda

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#### **R200817.01 Approval: August 17, 2020 Agenda**

RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School approves of the **August 17, 2020** Agenda of Philadelphia Performing Arts: A String Theory Charter School.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

### D. Approval of Minutes

MOTION  
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#### **R200817.02 Approval: June 15, 2020 Minutes**

RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School approves of Philadelphia Performing Arts: A String Theory Charter School Board of Trustees Board minutes for **June 15, 2020.**

VOTE:  
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**Notes of Discussion / Advance Regulatory and Financial Comment:**

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

**SECTION II: REPORTS**

**A. COMMUNITY COMMENT**

*Community Comment Colloquy (General Counsel)*

Good Evening, my name is David Annecharico. I serve as General Counsel to the Charter School Board of Trustees. Will you please state your name for our records?

You will have three minutes to address the Board of Trustees. Any documents or communications that you might supplement your comment with should be submitted to me. I will keep the time and notify the board when three minutes have elapsed.

This Board may choose not to comment, question or respond in any way to your public comment. I will begin the time now.

<i>Who</i>	<i>What</i>
<i>None</i>	<i>None</i>

**B. Report of Philadelphia Performing Arts: A String Theory Charter School**

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**R200817.03 Report of Philadelphia Performing Arts: A String Theory Charter School**

RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School accepts Philadelphia Performing Arts: A String Theory Charter School report and hereby incorporates into these minutes by reference the written reports of Philadelphia Performing Arts: A String Theory Charter School presented to the board.

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<i>Who</i>	<i>What</i>
<i>Angela Puleio</i>	<i>Philadelphia Performing Arts' report has been previously disseminated.</i>  <i>All campuses have been very busy preparing for the new year. PPA has created and finished a virtual learning plan. The plans for K-4 and the Vine Street Campus have been attached to PPA's report. The plan includes more face time for students with teachers, more flexibility in scheduling, and more supports for student. This plan is the</i>

	<p><i>best way of supporting student while doing virtual instruction.</i></p> <p><i>PPA teachers have already had two group meetings with teachers to discuss the upcoming school year and everyone is prepared to move forward September 14, 2020 for the first day of school.</i></p> <p><i>The school is also in the process of getting the buildings ready under the CDC guidelines in order to start with hybrid learning.</i></p>
Angela Ciccante	<p><i>Vine Street Campus had parent focus group to review the health and safety plan. The administration also met with teachers from each grade level and received feedback, which was incorporated into the plan. There are still concerns regarding the SPED and EL populations, for which the plan has included times for interventions, counseling, etc. for those students. The administration is trying to provide structure and flexibility for all students.</i></p>

### C. Report of String Theory Schools

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#### R200817.04 Report of String Theory Schools

RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School accepts the String Theory Schools report and hereby incorporates into these minutes by reference the written reports of String Theory Schools presented to the board.

#### *Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
Angela Corosanite	<p><i>String Theory Schools' report was previously disseminated.</i></p> <p><i>STS staff has worked diligently all summer to make sure virtual learning for all students is rigorous and robust and will engage students. The Board will begin to see more mental health contracts in order to provide support to students during this time. STS is confident that the virtual learning plan is comprehensive and inclusive of all students.</i></p>

### D. Report of General Counsel

#### R200817.05 Report of General Counsel

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RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School accepts the General Counsel’s report and hereby incorporates into these minutes by reference the written reports of Sand & Saidel P.C. as presented to the board.

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<b>Who</b>	<b>What</b>
Daniel H. Saidel	<p>Mr. Saidel explained a general concern for students in the Philadelphia area.</p> <p>Mr. Saidel reviewed resolutions 16 through 20 with the Board. These resolutions have to do with the purchase of 2632 S. Broad and bond financing or bank financing. These resolutions publicize to Board and public what DeMedici Corporation and DeMedici Corporation II have agreed to.</p> <p>Resolution 16 – If PPA uses any funds to pay expenses associated with a bridge loan, bond issuance, or other items in the project (refunding of existing bonds, payment of construction, acquisition of facilities at 2632 S. Broad Street and its expansion of operation), PPA will be able to be reimbursed for anything it spent having anything to do with the bond issue, 2632 S. Broad Street, or 2600 S. Broad Street construction.</p> <p>Resolution 17 – DM and DM II are applying for a loan not to exceed \$70M, and purchasing a property. The project is all capital expenditures, which will be used to buy 2632 S. Broad Street and improve 2630 S. Broad Street. This resolution allow bonds to be used for those purposes. It also allows PPA’s officers to approve the terms of the bond issue and execute the bond documents and obligations of the school. PPA also agrees that there will be a preliminary offering document for these bonds. PPA used this format in 2013 for the purchase of 1600 Vine Street, and has entered into these contracts previously.</p> <p>Resolution 18 – project documents, professionals, consultants; DM and DM II are entering into certain contracts with SSPC, S&amp;T, Truist Securities (underwriter), Ballard Spahr (bond counsel), US Bank (trustee), and Frank Fortino (architect) for this project. This resolution puts everyone on notice about who these entities are and that DM/DM II are entering into these contracts, and that PPA is in agreement with those contracts.</p> <p>Resolution 19 – Provides notice that DM and DM II have already put forward its obligatory notices that need to be handled at the foundation level in order for the bond issue to become valid under the law. PPA is merely approving those notices.</p>

	<p><i>Resolution 20 – project supplement agreement. This resolution has to do with bridge financing for 2632 S. Broad Street if for some reason bond issue is not ready in time to do refinancing for purchase of 2632 S. Broad Street. The purchase could be individually financed or through bond financing, if a favorable interest rate and favorable terms and conditions are found in a timely manner. The bond issue would buy out the loan to bank with no prepayment penalty if a bridge loan has been done first.</i></p> <p><i>The Agreement of Sale to purchase 2632 S. Broad Street has been amended to have due diligence extended to September 30, 2020, due to circumstances beyond seller’s and buyer’s control. Those documents were executed and approved by seller, and will be part of DM and DM II’s Board meetings.</i></p>
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**E. Report of Business Controller**

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**R200817.06 Report of Business Controller**

RESOLVED that the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School reviews and accepts the Financial Report of Santilli & Thomson and hereby incorporates into these minutes by reference the financial statements and the documents presented by Santilli & Thomson to the board.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Michael Danyo</i>	<i>Santill &amp; Thompson’s financial report has been previously disseminated to the Board. PPA will most likely finish the year with a projected surplus.</i>

**SECTION IV: NEW BUSINESS**

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**R200817.07 Professional Services Contracts**

RESOLVED, the Professional Services Contracts, proposals and associated reports listed below are hereby accepted and ratified;

FURTHER RESOLVED, the CEO, in consultation with the general counsel and business controller are hereby authorized and directed to negotiate the terms and conditions of any agreement between

[ ] FAIL

Philadelphia Performing Arts: A String Theory Charter School and the Contractors listed below for the enumerated professional services; and

FURTHER RESOLVED, any officer of this Board is directed and authorized to execute any document necessary to effect this resolution.

<b>Contractor</b>	<b>Amount</b>	<b>Comment: Terms and Conditions</b>
Miller Brothers	\$3,822.00	Electrical testing for PPA West
New Hope Academy	\$38,400	Tuition for APS 2020-2021 SY – Student B.N.C.
Laredo Mechanical, LLC	\$20,319	HVAC Maintenance at 1600 Vine Street
AIM Academy	\$33,071.40	Tuition for APS 2020-2021 SY – Student C.L.
The Lincoln Center	\$158,000	Provision of Masters’ Level Mental Health Counselors for 2020-2021 SY
Charles Ames Fischer	\$800/day \$70/virtual hour	Provision of Professional Development, Training Workshops, Professional Learning Communities, and Coaching & Modeling
Kristle Small, LPC	\$18,000	Provision of group therapy sessions (virtual or in-person)
Anti-Violence Partnership of Philadelphia	\$2000 for up to 10 sessions Total costs not to exceed \$16,000	Implementation of Youth Violence Outreach Program
O’Donnell & Naccarato	\$7,800	Façade inspection at 1600 Vine Street
Wyncote Academy	\$71,250.00	2020-2021 Tuition and related services for Student A.D.
Wyncote Academy	\$37,437.50	2020-2021 Tuition and related services for Student M.M.

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<b>Who</b>	<b>What</b>
Board	General Discussion

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**R200817.08 Purchases Contracts**

RESOLVED, the Purchases Contracts and associated reports listed below are hereby accepted and ratified;

FURTHER RESOLVED, the CEO, in consultation with the general counsel and business controller are hereby authorized and directed to negotiate the terms and conditions of any agreement between Philadelphia Performing Arts: A String Theory Charter School and the Contractors listed below for the enumerated purchase services; and

FURTHER RESOLVED, any officer of this Board is directed and authorized to execute any document necessary to effect this resolution.

<b>Contractor</b>	<b>Amount</b>	<b>Comment: Terms and Conditions</b>
Micro Technology Group Inc	\$67,824.17	Security Cameras
Office Basics	\$73,920.00	Desk wall barriers
Apple Inc.	\$415,344.39	Instructional Technology
Apple Inc.	\$51,620.00	Instructional Technology – ESSER
Apple Inc.	\$56,808.50	Instructional Technology - ESSER
Lexia Learning Systems, LLC	\$11,900.00	Instructional Software
Micro Technology Group Inc.	\$10,914.63	Cloud Storage
Nearpod Inc.	\$13,700.00	Instructional Software
Norwthwest Evaluation Association	\$11,875.00	MAP Growth Software
Office Basics, Inc.	\$73,920.00	Desk Barriers – Security Grant

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<b>Who</b>	<b>What</b>
Angela Ciccante Angela Puleio	Some of the contracts have been funded through the CARES Act grants for virtual learning.

MOOT

**R200817.09 Human Resources**

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School accepts the human resources changes, modifications and additions as presented below:

<b>HIRES</b>		
<b>NAME</b>	<b>TITLE</b>	<b>SALARY</b>

<b>TERMINATIONS / RESIGNATIONS</b>		
<b>NAME</b>	<b>TITLE</b>	<b>EFFECTIVE DATE</b>

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<b>Who</b>	<b>What</b>

MOTION

**R200817.10 2020-2021 Student Handbook**

KK

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School hereby approves of the 2020-2021 Student Handbook, as presented.

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VOTE:

**Notes of Discussion / Advance Regulatory and Financial Comment:**

<b>Who</b>	<b>What</b>

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<i>Board</i>	<i>General Discussion</i>
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MOTION

### **R200817.11 2020-2021 Employee Handbook**

RP

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School hereby approves of the 2020-2021 Employee Handbook, as presented.

SECOND

JK

VOTE:

#### ***Notes of Discussion / Advance Regulatory and Financial Comment:***

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<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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### **R200817.12 Health and Safety Plan**

KK

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School hereby ratifies and approves of the Health and Safety Plan, any addendums thereby, and the Emergency Instructional Time Template, as presented.

SECOND

JK

VOTE:

#### ***Notes of Discussion / Advance Regulatory and Financial Comment:***

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<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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### **R200817.13 Continuing Conflict Waivers**

RP

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School hereby ratifies and approves of the continuing conflict waivers as presented.

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#### ***Notes of Discussion / Advance Regulatory and Financial Comment:***

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<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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### **R200817.14 Lease Reimbursement**

RP

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School approves the application for reimbursement of a charter school lease for 2019-20, as presented.

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#### ***Notes of Discussion / Advance Regulatory and Financial Comment:***

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<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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**R200817.15 Safe Schools MOU**

RESOLVED, the Board of Trustees of Philadelphia Performing Arts: A String Theory Charter School hereby approves of the Safe Schools MOU between it and the Philadelphia Police Department, as presented.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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**R200817.16 Resolution Declaring Official Intent to Use Bond Financing**

WHEREAS, Philadelphia Performing Arts: A String Theory Charter School (the “Borrower”), is a tax-exempt organization described in section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, the Borrower expects, pursuant to a common plan of finance, to use financing provided by governmental obligations the interest on which is exempt from Federal income tax (“tax-exempt bonds”) to pay all or a portion of the costs of a project (the “Project”) consisting of (i) the refunding of the outstanding Philadelphia Authority for Industrial Development Revenue Bonds (Philadelphia Performing Arts Charter School Project), Series of 2013, issued in the original aggregate principal amount of \$55,500,000, (ii) the payment of, or reimbursement to the Borrower for, and/or refinancing of a bridge loan that financed, the acquisition, construction, renovation and equipping of school facilities and other buildings located at 2632 South Broad Street, Philadelphia, PA 19145 to expand capacity for the operations of the Borrower, (iii) the payment of, or reimbursement to the Borrower for, the construction, renovation, and equipping of school facilities and other buildings located at its existing campus at 2630 South Broad Street, Philadelphia, PA 19145, (iv) the funding of any required reserves and interest payable during construction, and (v) the payment of costs of issuance of the tax-exempt bonds;

NOW, THEREFORE, the Borrower hereby resolves and declares its intent under Treasury Regulation § 1.150-2 to use tax-exempt bonds to finance the capital costs of the Project, together with costs of issuance and reasonably required reserves, subject to the following conditions:

1. The maximum principal amount of tax-exempt bonds

expected to be issued to finance the Project is \$10,000,000.

2. Pending issuance of the tax-exempt bonds, the Borrower may finance the Project with other funds which will be reimbursed with the proceeds of the tax-exempt bonds, provided that (a) the tax-exempt bonds shall not be used to reimburse any expenditure paid more than 60 days prior to the present date; (b) the tax-exempt bonds shall not be issued more than 18 months after the later of (i) the date of the first expenditure to be reimbursed with the proceeds of the tax-exempt bonds, or (ii) the date the Project is placed in service; and (c) in no event may the tax-exempt bonds be issued more than three years after the date of the first expenditure to be reimbursed with the proceeds of the tax-exempt bonds; and provided further that the limitations of this paragraph 2 shall not apply to qualified “preliminary expenditures” as permitted by Treasury Regulation § 1.150-2(f).
3. Issuance of the tax-exempt bonds shall be subject to documentation acceptable to the Borrower providing for the tax-exempt bonds to be payable from the payments by the Borrower.
4. This resolution shall take effect immediately.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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**R200817.17 Bond Financing**

WHEREAS, to finance the Project, as described in RESOLUTION DECLARING OFFICIAL INTENT TO USE BOND FINANCING R200817.16, DeMedici Corporation and DeMedici Corporation II (collectively, the “Borrowers”) have determined to apply for one or more series of taxable or tax-exempt financings (the “Application”) by and through the Philadelphia Authority for Industrial Development (the “Authority”) in an aggregate par amount not to exceed \$70,000,000 and, in connection therewith, the Authority will issue its bonds (the “Authority Bonds”) and sell them to Truist Securities, Inc. (or any successor thereto) (the “Underwriter”) pursuant to one or more Bond Purchase Agreements (collectively, the “Purchase Contract”) among the Authority, the Borrowers, Philadelphia Performing Arts: A String Theory Charter School (the “School”) and the Underwriter and

loan the proceeds of the Authority Bonds to the Borrowers (the “Loan”) to finance all or a portion of a project (the “Project”), which constitutes capital expenditures, refunding a prior series of bonds issued for the benefit of the Borrowers, paying capitalized interest, if necessary, funding any required reserves and paying issuance costs of the Authority Bonds;

RESOLVED that School approves the Loan and the financing of the Project in all respects and approves the granting of a lien on and security interest in any real or personal property of the School to secure the Loan, including a mortgage lien on the School Facilities described below in favor of U.S. Bank National Association, as bond trustee (the “Trustee”) and one or more lease agreements and an assignments thereof each between the Borrowers, as Landlord, and the School, as the Tenant, for the properties located at 1600 Vine Street, Philadelphia, 2407 South Broad Street, Philadelphia PA, 1338-42 Ritner Street, Philadelphia PA 2419-37 South Broad Street, Philadelphia, PA, 2600-30 S. Broad Street, Philadelphia, PA and 2632 S. Broad Street, Philadelphia, PA (the “School Facilities”) to the Trustee; and it is further

RESOLVED, that the Chairperson and any other officer of the School are hereby authorized, directed and empowered to approve submission of the Application to the Authority, approve the terms of the Loan and execute and deliver (and to affix and attest the corporate seal of the School) the Leases, the Purchase Contract, a continuing disclosure agreement, a tax certificate and any other Loan Documents and any certificates or other instruments as may be required by the Authority, the Borrowers, the Underwriter, its counsel and/or bond counsel for the Loan, all in form and substance as approved by the officer executing such agreement, certificate or instrument, such approval to be evidenced by such execution; and it is further

RESOLVED, a preliminary offering document and its use and distribution by the Underwriter in connection with the offering by the Underwriter of the Authority Bonds is hereby authorized and approved, in such form as may be approved by the Chairperson or any other officer of the School. An offering document statement in substantially the same form as such preliminary offering document, with such changes, if any, as may approved by the officer executing the same, such approval to be conclusively evidenced by the execution thereof, is hereby authorized and directed to be prepared and upon its preparation, to be executed by the Chairperson or any other officer of the School. The School hereby further approves the distribution and use of the offering

document as so prepared and executed in connection with the sale of the Authority Bonds; and it is further

RESOLVED, that the Chairperson and any other officer of the School, are each hereby authorized and directed to or cause to be done any and all such acts and things and to execute and deliver any and all such further documents and papers as they may deem necessary or appropriate to carry into effect the full intent and purposes of the foregoing resolutions; and it is further

RESOLVED, that all acts of any officer, agent, employee, attorney, or others acting for or on behalf of the School, which are in accord with the intent, purpose and spirit of this Resolution, and whether heretofore or hereafter done or taken shall be, and the same hereby are, ratified, confirmed and adopted in all respects, and any party may rely upon the continuing efficacy of this Resolution and the power of any person to act as aforesaid, until this Resolution shall have been revoked in a further writing executed by the School; and it is further

RESOLVED, that the Secretary of the School is hereby authorized and directed to insert this resolution into the minutes of the meetings of the Board of Trustees.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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**R200817.18 Project Documents, Professionals and Consultants**

NOW, THEREFORE, BE IT RESOLVED that the School hereby authorizes the hiring by DeMedici Corporation and DeMedici Corporation II of Ballard Spahr LLP as bond counsel for the Project, as defined in RESOLUTION DECLARING OFFICIAL INTENT TO USE BOND FINANCING R200817.16, (“Bond Counsel”), Santilli & Thomson, LLC as business controller for the Project (“Business Controller”), Truist Securities, Inc. (or any successor thereto), as Underwriter for the Project, Sand & Saidel, P.C. as Borrower Counsel for the Project (“Borrower Counsel”), U.S. Bank National Association (the “Trustee”), Sand & Saidel, P.C. as Borrower Counsel for the School and Frank Fortino as the architect for the Project (the “Architect”); and it is further

RESOLVED, that: (i) the Chairperson and any other officer of the School are hereby authorized, directed and empowered to approve the final terms of and enter into agreements with Bond Counsel,

Borrower Counsel, School’s Counsel, the Underwriter and the Architect, and other contracts and professionals, as applicable or deemed necessary to complete the Project (collectively, the “Project Documents”), each in the form approved by the Chairperson and any other officer of the School; (ii) the Chairperson and any other officer of the School are hereby authorized, directed and empowered to approve the final terms of and enter into contracts for the acquisition, construction, renovation, improvement, equipping, furnishing and fixturing of the School Facilities (the “Construction Contracts”) pursuant to a competitive bidding process; (iii) the Chairperson of the School and/or such officers as he or she may designate, are authorized and directed to evidence such approval by executing and delivering the Project Documents and Construction Contracts, (iv) the Chairperson and any other officer of the School are hereby authorized, directed and empowered to approve the final terms of and enter into the Leases with the Borrowers; and (v) the Chairperson and any other officer of the School, are authorized to take all such actions, execute and deliver all such documents and do all other acts and things necessary or desirable in connection with the Project and the consummation of the transactions contemplated by these Resolutions; and it is further

RESOLVED, that all acts of any officer, agent, employee, attorney, or others acting for or on behalf of the School, which are in accord with the intent, purpose and spirit of this Resolution, and whether heretofore or hereafter done or taken shall be, and the same hereby are, ratified, confirmed and adopted in all respects, and any party may rely upon the continuing efficacy of this Resolution and the power of any person to act as aforesaid, until this Resolution shall have been revoked in a further writing executed by the School; and it is further

RESOLVED, that the Secretary of the School is hereby authorized and directed to insert this resolution into the minutes of the meetings of the Board of Trustees.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

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**R200817.19 Project TEFRA NOTICE and Project PAID RESOLUTION**

BE IT RESOLVED that the School hereby approves of DeMedici Corporation and DeMedici Corporation II to authorize the issuance

VOTE:  
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[ ] FAIL

of the TEFRA NOTICE and the PAID RESOLUTION as presented;

RESOLVED, that the Chairperson and any other officer of the School, are each hereby authorized and directed to or cause to be done any and all such acts and things and to execute and deliver any and all such further documents and papers as they may deem necessary or appropriate to carry into effect the full intent and purposes of the foregoing resolutions; and it is further

RESOLVED, that all acts of any officer, agent, employee, attorney, or others acting for or on behalf of the School, which are in accord with the intent, purpose and spirit of this Resolution, and whether heretofore or hereafter done or taken shall be, and the same hereby are, ratified, confirmed and adopted in all respects, and any party may rely upon the continuing efficacy of this Resolution and the power of any person to act as aforesaid, until this Resolution shall have been revoked in a further writing executed by the School; and it is further

RESOLVED, that the Secretary of the School is hereby authorized and directed to insert this resolution into the minutes of the meetings of the Board of Trustees.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

MOTION  
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**R200817.20 Project Supplement Agreement**

On June 28, 2013, the Philadelphia Authority for Industrial Development (the "Authority") issued its Revenue Bonds (Philadelphia Performing Arts Charter School Project) Series of 2013 (the "2013 Bonds") in the original aggregate principal amount of \$55,500,000 pursuant to a Loan and Trust Agreement dated as of June 1, 2013 (the "LTA"), among the Authority, DeMedici Corporation, DeMedici Corporation II (together, the "Borrowers") and U.S. Bank National Association (the "Trustee"). The proceeds of the 2013 Bonds were used to, among other things, (i) acquire, construct and equip a charter school located at 1600 Vine Street, Philadelphia, PA (the "Vine Street Facility") and (ii) refinance debt used to acquire and renovate charter school facilities located at 2407 South Broad Street, Philadelphia PA, 1338-42 Ritner Street, Philadelphia PA, 2419-37 South Broad Street, Philadelphia, PA and 2600-30 S. Broad Street, Philadelphia, PA (together with the Vine Street Facility, (the "School Facilities"). The School Facilities are owned by the

Borrowers and leased to Philadelphia Performing Arts: A String Theory Charter School (the “School”), as tenant, pursuant to two separate Leases dated as of June 1, 2013 (collectively, the “Leases”).

The 2013 Bonds are secured by a lien on (a) the “Pledged Revenues” of the Borrower (consisting primarily of lease payments from the School under the Leases which lease payments consist primarily of charter school payments received by the School from the various school districts on a monthly basis), and (ii) a first priority fee mortgage on the School Facilities (the “2013 Mortgage”) in favor of the Trustee.

The Borrowers now desire to Incur additional parity long-term indebtedness in the form of a bridge loan (the “Bridge Loan”) from CLI Capital (the “Lender”) in order to acquire and renovate the real property located at 2632 South Broad Street, Philadelphia, PA (“2632 S. Broad Street Facility”). The Lender desires to receive a parity lien on the Pledged Revenues and a first priority fee mortgage on the 2632 S. Broad Street Facility (the “2020 Mortgage”). The obligations of the Borrower under a loan agreement to be entered into by the Lender and the Borrowers (the “Bridge Loan Agreement”) would be secured by a note issued in favor of the Lender (the “Bridge Loan Note”).

Section 3.03 of the LTA permits the issuance of Parity Indebtedness for any lawful corporate purpose of the Borrowers so long as the following requirements are met:

1. The Bridge Loan Note is designated as Parity Indebtedness and is authenticated by the Trustee (Section 3.03(a) of the LTA)
2. Interest payments on the Bridge Loan Note shall be due each June 15 and December 15, unless paid in monthly installments; principal payments on the Bridge Loan Note shall be due annually on June 15 (Section 3.01(c) of the LTA)
3. The Parity Indebtedness must be supported by the payment of rent by the School under one or more leases sufficient to pay debt service on such Parity Indebtedness and the School would also be able to incur the debt as if it was to be incurred directly by the School. (Section 7.13(a) of the LTA)
4. The Borrowers and the Trustee shall enter into a



supplement to the LTA (the “Supplemental Agreement”) whereby each party would (it) acknowledge the issuance of the Parity Indebtedness and that the Bridge Loan Note constitutes the “Parity Indebtedness” under the LTA, (ii) acknowledge that the Bridge Loan Note is secured by a parity lien on the Pledged Revenues, the 2020 Mortgage and the 2013 Mortgage and (iii) state that the terms of the Bridge Loan are set forth in the Bridge Loan Agreement and/or the Bridge Loan Note. (Section 3.03(a)(ii) of the LTA).

- a. Section 12.01(a)(iii) of the LTA permits amendments to the LTA without the consent of the Holders, to provide for the issuance of Obligations and all other matters in connection therewith, and the Authority is not required to be a party to such amendment

NOW, THEREFORE, BE IT RESOLVED that the School approves of the Borrowers to authorize and approve of the Bridge Loan and the terms thereof, the execution of a Supplement Agreement, the Bridge Loan Agreement, the Bridge Loan Note, the 2020 Mortgage, any supplement to the 2013 Mortgage, if applicable, or any Permitted School Financing Lien, if applicable; and it is further

RESOLVED that School approves of the lease agreements and an assignments thereof each between the Borrowers, as Landlord, and the School, as the Tenant, for the property located at 2632 S. Broad Street, Philadelphia, PA (the “School Facilities”) to the Trustee.

RESOLVED, that the Chairperson and any other officer of the School, are each hereby authorized and directed to or cause to be done any and all such acts and things and to execute and deliver any and all such further documents and papers as they may deem necessary or appropriate to carry into effect the full intent and purposes of the foregoing resolutions; and it is further

RESOLVED, that all acts of any officer, agent, employee, attorney, or others acting for or on behalf of the School, which are in accord with the intent, purpose and spirit of this Resolution, and whether heretofore or hereafter done or taken shall be, and the same hereby are, ratified, confirmed and adopted in all respects, and any party may rely upon the continuing efficacy of this Resolution and the power of any person to act as aforesaid, until this Resolution shall have been revoked in a further writing executed by the School; and it is further

RESOLVED, that the Secretary of the School is hereby authorized and directed to insert this resolution into the minutes of the meetings of the Board of Trustees.

*Notes of Discussion / Advance Regulatory and Financial Comment:*

<i>Who</i>	<i>What</i>
<i>Board</i>	<i>General Discussion</i>

B. DISCUSSION AND ANNOUNCEMENTS

- NEXT BOARD MEETING: SEPTEMBER 21, 2020

**ADJOURNMENT AT 7:12 PM**

MOTION

KK

SECOND

JK

VOTE:

X PASS

[ ] FAIL