The monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held on **Thursday, April 9, 2020 at 10:30 a.m. via conference call** (conf. call: 844.874.0853; access code: 9653125108). Due to COVID-19, no physical meeting space will be provided for this meeting. The purpose of this meeting is to conduct normal Agency business and to approve the issuance of certain Agency securities. Inquiries should be directed to the Secretary.

If you are a person with a disability and wish to participate in this meeting and require an auxiliary aid, service or other accommodation to participate, please contact the Secretary by Tuesday, April 7, 2020 to discuss how the Pennsylvania Housing Finance Agency may best accommodate your needs.

Anyone wishing to be recognized by the Chair to address the Members of the Board at this meeting must contact the Secretary no later than Tuesday, April 7, 2020 in writing by emailing phfaboard@phfa.org and detail the nature of their presentation.

Margaret Strawser
Secretary
Phone: 717.780.3845
phfaboard@phfa.org
TTY (in Pennsylvania): 711
BOARD MEETING AGENDA
THURSDAY, APRIL 9, 2020
10:30 A.M.

AGENDA

1. CALL TO ORDER AND ROLL CALL

2. APPROVAL OF THE MINUTES FROM THE MARCH 12, 2020 BOARD MEETING

3. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT
   A. Home4Good Funding Recommendations
   B. Approval of ReCLAIM Loan Request
   C. Other Business

4. FORBEARANCE UPDATE

5. OTHER BUSINESS

6. PUBLIC COMMENTS

7. ADJOURNMENT
Pennsylvania Housing Finance Agency
Meeting of the Board
March 12, 2020

Members Present:
*Richard Vague, Acting Chair
  Mark Schwartz, Vice Chair
  *Maria F. Coutts
  *Ronald F. Croushore
  *Kathy Possinger (serving in the stead of Dennis Davin, Secretary, Department of Community and Economic Development)
  *Mark Dombrowski
  *Jennifer Koppel
  Gary E. Lenker
  *Robert Loughery
  *Ross Nese
  *John P. O’Neill
  *John Paone
  *Keith Welks (serving in the stead of Joseph Torsella, State Treasurer)

*On Telephone conference call

Members Absent:
Beth Ellis (serving in the stead of Teresa Miller, Secretary, Department of Human Services)

Others Present:
  Robin L. Wiessmann, Executive Director & CEO
  Leonidas Pandelidis, Deputy Executive Director and Chief Counsel
  Holly Glauser, Director of Development
  Jordan Laird, Director of Finance
  Bryce Maretzki, Director of Strategic Planning & Policy
  Scott Elliott, Director of Communications
  Kathryn Newton, Director of Loan Servicing
  Melissa Grover, Director of Government Affairs
  Coleen Baumert, Director of Homeownership Programs
  *Ali Tomich, Director of Western Region
  Jay Hausher, Director of Eastern Region
  Carl Dudeck, Director of Housing Management
  Terri Redmond, Director of Counseling
  Lori Toia, Director of HEMAP
  Susan Delgado, Director of Human Resources
  Kimberly Boal, Director of Information Technology
  David Doray, Manager of Multifamily Underwriting
  Lisa Case, Manager of Project Operations
  Chris Anderson, Communications Officer
  Steve O'Neil, Assistant Counsel
  Aaron Son, Special Assistant of Policy and Finance
  Shelby Rexrode, Policy Officer
  Clay Lambert, Business Policy Officer
A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency was held on Thursday, March 12, 2020 at 10:30 a.m. at the offices of the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, Pennsylvania.
In compliance with the provisions of the Sunshine Act, notification of this meeting appeared in the Legal Notices Sections of The Patriot News in Harrisburg, Dauphin County on March 8, 2020.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Acting Chair Vague at 10:44 a.m. The roll was called and a quorum was present.

Since Acting Chair Vague was participating via conference call, he asked Vice Chair Schwartz to chair the meeting.

2. APPROVAL OF THE MINUTES FROM THE FEBRUARY 13, 2020 BOARD MEETING

There were no additions or corrections to the minutes as presented.

Mr. Lenker made the motion to approve the minutes from the February 13, 2020 Board meeting. This motion was seconded and was unanimously approved.

3. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT

Mr. Welks, as Chair of the Program and Development Review Committee, reported that the Committee met prior to the Board meeting to discuss and review the following items.

A. Community Revitalization Fund (CRF) Program Presentation

Mr. Maretzki was asked to provide a summary to the Board of the CRF Program applications. A RFP for CRF Program applications was issued in August 2019 with submission deadline of October 2019. This application round encouraged smaller communities to apply. Funds are made available through the sale of state tax credits ($3 million allocation of credits). Of the fifteen applications received, staff recommends funding for six applications ($2.8 million). Representatives from each recommended application are participating via conference call. A resolution encompassing the six recommended applications is provided. Mr. Welks made a motion that the Board approve the resolution of funding of CRF Projects as submitted. This motion was seconded. Mr. Schwartz abstained. Motion carried with abstention. (See Appendix 1 of these Minutes.)

B. Portfolio Preservation Refinancing – Munroe Tower

Mr. Dudeck reported that the managing general partner of Munroe Tower has requested permission to prepay the mortgage. In order to accommodate the request, the Agency must be assured the development will extend the use agreement (in the form of a regulatory agreement) to ensure that the units remain as affordable housing stock in Pennsylvania for at least 30 years. The Agency must not incur any economic losses due to the refinancing and no economic hardship will
be incurred by the development. The original interest rate of the mortgage was 7.41%. The development has already received a 20-year HAP contract and the regulatory agreement will be amended. **Mr. Welks indicated the Committee has considered this request and made a motion that the Board approve the resolution authorizing portfolio preservation refinancing for Munroe Tower. This motion was seconded by Mr. Lenker and was unanimously approved. (See Appendix 2 of these Minutes.)**

**C. Request for Tax-Exempt Financing**

i. **Rowan Judson Diamond**

Mr. Gregorits presented the tax-exempt financing request submitted by Rowan Judson Diamond. He provided a general overview which included the unit composition, rental estimates, development costs and funding sources. Ms. Janet Stern from Rowan Judson Diamond is participating via conference call.

Mr. Welks asked Ms. Stern if she had any comments. Ms. Stern offered her thanks to the Board for their consideration of the financing.

**Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $8,500,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for Rowan Judson Diamond. This motion was seconded. Mr. Schwartz abstained. Motion carried with abstention. (See Appendix 3 of these Minutes.)**

ii. **Keystone Communities**

Ms. Wilson presented the tax-exempt financing request submitted by Keystone Communities. The proposal submitted is for the acquisition and rehabilitation of nine apartment complexes, 248 cumulative units, located in five counties in northern and central Pennsylvania. She also reviewed the unit composition, rental estimates and development costs. All sites are near local amenities. Mr. Nathan Yoder from Keystone Communities is participating via conference call.

Mr. Welks asked Mr. Yoder if he had any comments for the Board. Mr. Yoder offered his appreciation for the funding opportunity of this particular development as well as previous funding opportunities.

**Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $21,000,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for Keystone Communities. This**
motion was seconded. Mr. Lenker abstained. Motion carried with abstention. (See Appendix 4 of these Minutes.)

iii. Monarch Portfolio

Ms. Wilson also presented the tax-exempt financing request submitted by Monarch Preservation. The proposal is for the acquisition and rehabilitation of sixteen apartment complexes which have been condensed into thirteen newly-formed projects, containing a total of 487 units, located in eight counties in northern and central Pennsylvania. Ms. Wilson reviewed the construction and permanent financing plans, including PHARE funding from Realty Transfer Tax funds and PHFA Capital Magnet funds. All sites are near local amenities and supportive services will continue during and after the rehabilitation. Mr. Mike Kearney from Monarch Portfolio is participating via conference call.

Mr. Welks asked Mr. Kearney if he had any comments for the Board. Mr. Kearney offered his appreciation for the funding opportunity and to Agency staff specifically to Holly Glauser and Kelly Wilson.

Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $27,250,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for Monarch Portfolio. This motion was seconded. Mr. Lenker abstained. Motion carried with abstention. (See Appendix 5 of these Minutes.)

iv. Kinder Park Redevelopment Phase IV

Ms. Mermelstein presented the tax-exempt financing proposal for Kinder Park Redevelopment Phase IV. The Agency will be the conduit issuer of the tax-exempt loan and will offer a first mortgage loan with an interest rate of 4.25% (not the interest rate identified in the information provided). Ms. Mermelstein also reviewed the unit disposition, supportive services coordination and neighborhood amenities. Mr. Ryan Bailey from Kinder Park Redevelopment Phase IV is participating via conference call.

Mr. Welks asked Mr. Bailey if he had any comments for the Board. Mr. Bailey offered his appreciation for the funding opportunity.

Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $10,000,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for Kinder Park Redevelopment Phase
IV. Mr. Schwartz seconded and was unanimously approved. Motion carried. (See Appendix 6 of these Minutes.)

D. Commitment of First Mortgage Financing – Kinder Park Redevelopment Phase IV

In conjunction with the tax-exempt financing request, Kinder Park Redevelopment Phase IV is seeking first mortgage loan financing from the Agency. Ms. Aybar was asked to present the first mortgage financing request. She indicated the development is part of a building that will contain a commercial component, a 4% tax credit portion (for which the Agency is providing tax-exempt financing) and a 9% tax credit portion for which the Agency will offer permanent funding with an interest rate of 4.25% (not the interest rate identified in the information provided). Mr. Ryan Bailey is available via conference call.

Mr. Welks made a motion that the Board approve the resolution authorizing the mortgage financing for Kinder Park Redevelopment Phase IV. Ms. Possinger seconded and motion was unanimously approved. Motion carried. (See Appendix 7 of these Minutes.)

E. Restructuring and New Financing – Mahanoy Elderly

Mr. Laird presented the restructuring and new financing for Mahanoy Elderly, which has been in the Agency’s portfolio for more than 35 years. The Michaels Organization has owned, operated and maintained the development since it was originally constructed in 1978. The Agency held a first mortgage loan which was paid off in 2019 and a deferred payment support note which is now due and payable. The debt restructuring would allow for a new first lien mortgage with a 30-year amortization in an amount not to exceed $3.1 million at an interest rate not to exceed 4.5%.

Mr. Welks made a motion that the Board approve the resolution for mortgage restructuring and additional financing for Mahanoy Elderly. Mr. Schwartz seconded and the motion was unanimously approved. Motion carried. (See Appendix 8 of these Minutes.)

F. Other Business

Mr. Welks reported that the Committee also considered the reallocation of tax credits for 6th Ward Flats. He noted that the Committee received prior authorization from the Board to approve the reallocation of tax credits.

There was no other Committee business to be brought before the Board.
4. **OTHER BUSINESS**

Vice Chair Schwartz asked Mr. Pandeladis to address the nature of a guest’s request to speak to the Board. Mr. Pandeladis reported that even though the agenda did not have a public comment agenda item docketed, Ms. Joanne Burkholder may have five minutes to address the Board. Ms. Burkholder is a tenant at the Cottages at Shippensburg. She submitted a request to the Board Secretary for materials to be provided to the members. Due to logistics and a change in Agency leadership, the materials were not able to be provided to the Board Members in time for their assessment at today’s meeting. Both Vice Chair Schwartz and Director Wiessmann asked Ms. Burkholder for procedural details of her discontentment with Cottages at Shippensburg. Ms. Burkholder indicated the details were outlined in her 20 page document. Vice Chair Schwartz suggested that she seek the assistance of her local legal services office or the local bar association. Ms. Burkholder indicated that neither was an option for her due to income limit restrictions.

Director Wiessmann advised the members that staff is commencing with the next Single Family Mortgage Revenue Bond transaction, Series 132. At this point in time, the municipal markets are good. Vice Chair Schwartz asked if the change in the stock market impacted our variable rate financing. It was indicated the investment bankers are pleased that rates are so low and there are numerous refundings in the market. Mr. Laird added that the Agency is fortunately in a better position now than it was during the 2008 down turn.

Director Wiessmann congratulated Ms. Grover on her outstanding coordination of meeting with the majority of Pennsylvania’s delegation members at NCSHA’s annual Legislative Conference which was held in Washington, D.C. from March 9 through March 11, 2020. She asked Ms. Grover to provide an overview of the meetings. Ms. Grover reported that she and Director Wiessmann were able to meet for approximately 45 minutes with 19 of the 20 of Pennsylvania’s delegation members. Discussions focused on more support for 4% tax credit deals, COVID-19, and tracking of HR3077 (Affordable Housing Credit Improvement Act of 2019). While HR3077 is a new proposal, it is one the Agency has discussed for years. NCSHA is in support of this bill. Also discussed was HR1680 (New Markets Tax Credit Extension Act of 2019). Vice Chair Schwartz asked if Ms. Grover and Director Wiessmann were able to meet with Senator Toomey. Ms. Grover indicated they were able to meet with Senator Toomey’s chief counsel.

Director Wiessmann spoke about the Coronavirus (COVID-19). The Agency is monitoring the situation very carefully and, fortunately, Pennsylvania is not the epicenter of the virus. She went on to indicate the Agency will follow protocol provided by the Governor’s Office.
At this point, it is unknown if the April Board meeting will in person or via conference call.

5. **EXECUTIVE SESSION**

At this point in the meeting, Vice Chair Schwartz and Mr. Pandeladis called for a temporary adjournment of the Board meeting so that an Executive Session could be convened to discuss Agency matters.

The meeting was temporarily adjourned at 11:45 a.m.

The Executive Session was called to order at 11:48 a.m.

Following Executive Session, the Board meeting reconvened at 12:04 p.m.

6. **ADJOURNMENT**

There being no further business to present to the Board, a motion was made and seconded that the Board meeting be adjourned. The motion was unanimously approved. The meeting adjourned at 12:05 p.m.

The next monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held at the Agency’s offices at 211 North Front Street, in Harrisburg, Pennsylvania 17101 on Thursday, April 9, 2020 at 10:30 a.m.

Respectfully submitted,

[Signature]

Margaret Strawser
Secretary
Date: April 9, 2020

To: Members of the Board
Pennsylvania Housing Finance Agency

From: Robin L. Wiessmann
Executive Director and CEO

Re: Home4Good Program Awards

Background:

Home4Good (the "Program") is a three-year initiative between the Federal Home Loan Bank of Pittsburgh ("FHLBank Pittsburgh" or "FHLB") and the Pennsylvania Housing Finance Agency ("PHFA") to provide grants to address systemic gaps in support and services that minimize homelessness in the Commonwealth. Each year, FHLBank Pittsburgh will contribute $3 million and PHFA will commit $1.5 million towards the Program.

In anticipation of this 3rd round of funding in 2020, PHFA and FHLBank (with insight from the West Virginia and Delaware HFAs) have determined that, in light of these unprecedented circumstances and increased needs (medical and economic), H4G funds could best be utilized if deployed as an expedited and flexible “block grant” to each of the Commonwealth’s Continuums of Care ("CoCs"). The lead agency for each CoC would then quickly distribute funds to the areas in most need of urgent support.

Each of the 16 CoCs will provide the Agency with its 2-3 highest priorities for the use of the funds and these grants would be used to address those critical needs. The greatest challenge for these organizations is accessing very flexible resources, such as H4G funding, that are not constrained by the requirements imposed by federal and state dollars, to address homelessness. We anticipate these funds will be used to support already identified emergency needs that could include expanded outreach, increased rental assistance subsidies, deploying technological solutions and addressing crucial systemic enhancements to address needs more efficiently and effectively.

As with previous rounds, CoC entities serving the homeless throughout the Commonwealth will be included in the Program and invited to work with their member service organizations to address homelessness as it relates to COVID-19 demands on housing/services.

Based on recently completed strategic plans for each CoC, PHFA and FHLB have deemed the following activities to be eligible and of significant priority:

- Homeless outreach;
- Eviction prevention and homeless diversion programs (providing security deposits, rent/utility assistance, employment/transportation assistance, gift cards for groceries, etc.);
- Landlord engagement and outreach to increase availability and access to affordable rental units;
- Non-time-limited supportive housing;
- Support Services for homeless households (screening and intake done through the Coordinated Entry process, employment assistance, skill development, job training, etc., and recovery support);
- Coordinated entry support/capacity building;
- Transitional housing to facilitate the movement of individuals and families to permanent housing;
- Rapid re-housing that provides housing coupled with supportive services;
- Flexible funding to strengthen the CoC community’s ability to end homelessness (system changes, partnerships, specific intervention or targeting a particular sub-population).

The 2020 round of Home4Good funding anticipates awarding 16 block grants, representing each CoC, in the following approximate amounts:

<table>
<thead>
<tr>
<th>2020 Home4Good</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care</td>
</tr>
<tr>
<td>Beaver County</td>
</tr>
<tr>
<td>Bristol, Bensalem/Bucks County</td>
</tr>
<tr>
<td>Chester County</td>
</tr>
<tr>
<td>Eastern Pennsylvania</td>
</tr>
<tr>
<td>Erie City &amp; County</td>
</tr>
<tr>
<td>Harrisburg/Dauphin County</td>
</tr>
<tr>
<td>Lancaster City &amp; County</td>
</tr>
<tr>
<td>Lower Merion, Norristown, Abington/Montgomery County</td>
</tr>
<tr>
<td>Philadelphia</td>
</tr>
<tr>
<td>Pittsburgh, McKeesport, Penn Hills/Allegheny County</td>
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<tr>
<td>Reading/Berks County</td>
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<tr>
<td>Scranton/Lackawanna County</td>
</tr>
<tr>
<td>Upper Darby, Chester, Haverford/Delaware County</td>
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<tr>
<td>Western Pennsylvania</td>
</tr>
<tr>
<td>Wilkes-Barre, Hazleton/Luzerne County</td>
</tr>
<tr>
<td>York City &amp; County</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Staff is recommending approval of these Home4Good awards and a resolution is attached.
RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
AUTHORIZING FUNDING OF HOME4GOOD (H4G) PROGRAMS AND PROJECTS

WHEREAS, the Pennsylvania Housing Finance Agency (the "Agency") exists and operates pursuant to the Housing Finance Agency Law (35 P.S. Section 1680.101 et seq.) for the purposes "... of alleviating hardship which results from insufficient production of private homes and of rental housing for persons and families of low and moderate income, including the elderly... the deleterious effect of inadequate housing upon the general welfare of the Commonwealth... by broadening the market for private homes and for housing for persons and families of low and moderate-income, through the provision of specialized financing secured by mortgages to corporations, individuals, joint ventures, partnerships, limited partnerships, trusts, cooperatives and condominiums..."; and

WHEREAS, the Agency, in conjunction with the Federal Home Loan Bank of Pittsburgh ("FHLBank Pittsburgh") established the Home4Good Program (hereinafter, "H4G" or "the Program") for the purpose of providing grants to eligible programs and projects with the objective of addressing systemic gaps in support and services to aid in the minimization and elimination of homelessness in the Commonwealth; and

WHEREAS, pursuant to H4G, the Agency and FHLBank Pittsburgh may distribute Program funds to eligible projects that meet specific goals including, but not limited to homeless outreach, eviction prevention, as well as homeless diversion support such as providing security deposits, rent/utility assistance and employment/transportation assistance; and

WHEREAS, each Continuum of Care has submitted a strategic plan which, inter alia, identifies programs and projects that meet Program objectives and which assist in the achievement of the priorities and critical needs of their respective communities; and

WHEREAS, the Agency and FHLBank Pittsburgh have determined that in light of current, unprecedented circumstances and the increased need for emergency support and services, Program funds may best serve the Commonwealth if deployed as block grants to Commonwealth Continuums of Care to disburse to such programs and projects; and

WHEREAS, the Board has reviewed the review process and desires to authorize release of Program funding.

NOW, THEREFORE, be it resolved by the members of the Agency on this 9th day of April 2020, as follows:

Section 1. The Agency hereby approves the process undertaken by staff in reviewing the strategic plans for 2020 Home4Good funding.

Section 2. Staff is hereby authorized and directed to take all actions necessary to effectuate the following authorized reservation of funds and to provide appropriate contracts outlining monitoring, reporting, record keeping, and any set aside requirements.

Section 3. This resolution shall take effect immediately.
## 2020 Home4Good Reservation of Funds

### 2020 Home4Good

<table>
<thead>
<tr>
<th>Continuum of Care (by County)</th>
<th>Recommended Funding Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beaver County</td>
<td>$75,000</td>
</tr>
<tr>
<td>Bristol, Bensalem/Bucks County</td>
<td>$75,000</td>
</tr>
<tr>
<td>Chester County</td>
<td>$100,000</td>
</tr>
<tr>
<td>Eastern Pennsylvania</td>
<td>$525,000</td>
</tr>
<tr>
<td>Erie City &amp; County</td>
<td>$100,000</td>
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<tr>
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<td>Upper Darby, Chester, Haverford/Delaware County</td>
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</tr>
<tr>
<td>Wilkes-Barre, Hazleton/Luzerne County</td>
<td>$75,000</td>
</tr>
<tr>
<td>York City &amp; County</td>
<td>$75,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,500,000</strong></td>
</tr>
</tbody>
</table>
Date: April 9, 2020

To: Members of the Board
Pennsylvania Housing Finance Agency

From: Robin L. Wiessmann
Executive Director and CEO

Re: Revised Community Leveraging Assistance Initiative Mortgage (ReCLAIM) Program

PHFA, in partnership with the City of Philadelphia Department of Commerce, City Planning Department and others have initiated a program modeled on the past success of the mixed use facility financing program ("MUFFI"). This group of partners has identified several critical neighborhoods in the City of Philadelphia to which they have committed to making large and long-term investment and, with PHFA involvement (and commitment of funding), would be able to leverage other resources for creation of the pilot phase with this new program: the Revised Community Leveraging Assistance Initiative Mortgage (ReCLAIM) Program. The ReCLAIM Program is initially being offered in targeted Philadelphia neighborhoods, seeking applications for debt financing for projects that are part of a comprehensive strategy for redevelopment, and which can leverage significant other resources to fully complete the project.

In December 2015, the PHFA Board authorized the set aside of $1.5 million for the program.

The Agency has received a project application for ReCLAIM funding from Frankford Community Development Corporation for a mixed-use (commercial/residential) development in the Frankford neighborhood of the City of Philadelphia. The project would renovate two buildings on Paul Street with new commercial space and affordable rental housing, completing the full transformation of the block at the heart of the Frankford neighborhood. When completed in 2021, the project will help address Frankford’s overall revitalization efforts by providing eight (8) affordable rental units and 2,000 sq. ft. of commercial space in this vital neighborhood corridor.

Frankford Community Development Corporation is requesting $750,000 from the ReCLAIM Program as part of an overall $1.8 million project. An outline of the sources and uses for the project include:

<table>
<thead>
<tr>
<th>SOURCES:</th>
<th>USES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frankford CDC Equity ...................... $173,689</td>
<td>Acquisition/Land ..................... $104,700</td>
</tr>
<tr>
<td>City of Philadelphia Commerce Dept... $900,000</td>
<td>Pre-Development Costs ................ $262,000</td>
</tr>
<tr>
<td>PHFA ReCLAIM Loan ........................ $750,000</td>
<td>Total Construction Costs ............ $1,180,723</td>
</tr>
<tr>
<td>TOTAL SOURCES: ........................ $1,823,689</td>
<td>Operating Reserve .................... $15,000</td>
</tr>
<tr>
<td></td>
<td>Construction Financing Charges ....... $59,666</td>
</tr>
<tr>
<td></td>
<td>Developer Fee .......................... $175,000</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous ........................ $26,600</td>
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<tr>
<td></td>
<td>TOTAL USES: .......................... $1,823,689</td>
</tr>
</tbody>
</table>
The proposed project is located in the Lower Northeast Philadelphia neighborhood of Frankford. This neighborhood can be geographically defined by the 19124 zip code or census tracts 292-294 and 298-302. Frankford is a diverse neighborhood and home to nearly 69,000 residents. Over 35% of people in Frankford live in poverty and over 57% of renters are cost burdened.

The properties are located at 4663-65 Paul Street, which is within a five point intersection near the Frankford Avenue commercial corridor. Both properties sit across the street from SEPTA’s Arrott Transportation Center, which is serviced by SEPTA’s Market-Frankford Elevated Line and seven SEPTA bus and trackless trolley routes. The site is adjacent to the Daral Building which houses the Frankford CDC and the State Representative’s office for the 179th District. This redevelopment project is part of the Frankford CDC’s Reimaging Margaret-Orthodox (RMO) neighborhood revitalization strategy for the Frankford Avenue commercial corridor around SEPTA’s Arrott Transportation Center.

Frankford CDC expects that the proposed project will achieve the following outcomes:

- Create 2,000 sq. ft. of prime commercial space and attract up to two new commercial businesses on a fully renovated block in the heart of the neighborhood
  - Frankford CDC is currently in discussions with the proprietor of Quaker City Coffee for a coffee roasting facility/retail outlet as well as a workforce development training facility for returning citizens;
- Generate 15 temporary construction jobs and up to seven new permanent jobs through new commercial tenants;
- Create 8 units of needed affordable rental housing for tenants at 50% AMI;
- Activate the largest remaining vacant properties on the 4600 block of Paul Street, directly reducing some of the blight around the Frankford Avenue Corridor.

The construction timeline is staggered, as the acquisition and pre-development of 4665 Paul Street was underway before 4663 Paul Street was acquired. The construction of 4665 Paul Street will commence in spring 2020 and finalize by December 2020. The construction of 4663 Paul Street is anticipated to be completed by summer 2021.

Staff is recommending that a loan in the amount of $750,000 from the ReCLAIM Program be provided to Frankford Community Development Corporation for this project. A resolution is attached.
RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
AUTHORIZING RESERVATION OF FUNDING FOR PILOT
REVISED COMMUNITY LEVERAGING ASSISTANCE INITIATIVE PROPOSAL
4663-65 PAUL STREET (City of Philadelphia) – Frankford

WHEREAS, the Pennsylvania Housing Finance Agency (the "Agency") exists and operates pursuant to the Housing Finance Agency Law (35 P.S. Section 1680.101 et seq.) for the purposes "... of alleviating hardship which results from insufficient production of private homes and of rental housing for persons and families of low and moderate income, including the elderly ... the deleterious effect of inadequate housing upon the general welfare of the Commonwealth ... by broadening the market for private homes and for housing for persons and families of low and moderate income, through the provision of specialized financing secured by mortgages to corporations, individuals, joint ventures, partnerships, limited partnerships, trusts, cooperatives and condominiums... thus improving and stimulating the distribution of capital for housing and neighborhood revitalization projects ..." and

WHEREAS, the Agency has set aside funds for a pilot program to stimulate the production of housing, to increase economic development in commercial corridors and urban areas and to prevent and eliminate blight in selected parts of the Commonwealth where other sources of funding have been made available and has issued an invitation for applications from qualified entities; and

WHEREAS, Frankford Community Development Corporation, has applied for the financing of the 4663-65 Paul Street project, which is comprised of a mixed use development at this address in the City of Philadelphia, Philadelphia County, seeking a loan in the amount of $750,000 for use in the acquisition, renovation and operation of this project; and

WHEREAS, the Agency has determined that this application may meet the program goals and criteria and has determined to authorize staff to provide a conditional reservation of loan funding for the development, subject to satisfaction of all program funding requirements.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 9th day of April, 2020, as follows:

Section 1. The Agency hereby approves a loan in an amount not to exceed $750,000 to Frankford Community Development Corporation (and associated entities) for the 4663-65 Paul Street project proposal, subject to satisfaction of program funding requirements set forth below.

Section 2. Funding is contingent upon a.) submission and approval of all funding sources and related documents to secure the financial feasibility of the proposed development; b.) submission and approval of all necessary documentation for financially qualified ownership entity (or entities) for the development; c.) documentation establishing title to the real estate, subject only to encumbrances acceptable to the Agency; d.) recording of a mortgage and submission of such other forms of security as acceptable to the Agency to secure the repayment of the Agency's loan; e.) reimbursement of Agency expenses and costs; f.) submission of all necessary plans, construction contracts and local approvals to support the rehabilitation of the properties in accordance with the program proposal; g.) commitment in the form of a restrictive covenant agreement to operate the development in accordance with Agency requirements for the term of the loan; and h.) such satisfaction of such other loan closing requirements as deemed necessary by the Agency.

Section 3. This funding reservation is subject to recapture and withdrawal if substantial progress has not been made towards the finalization of all closing requirements within six months from the date hereof.

Section 4. Staff is hereby authorized and directed to take all actions as deemed necessary and appropriate to effectuate this resolution.

Section 5. This resolution shall take effect immediately.