PUBLIC MEETING NOTICE
Pursuant to Act 84 of 1986 - Sunshine Act

The monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held on Thursday, November 12, 2020 at 10:30 a.m. via conference call. All interested persons should visit the Agency’s website at www.phfa.org no later than Tuesday, November 12, 2020 to register for the meeting. 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, November 10, 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, November 10, 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, NOVEMBER 12, 2020
10:30 A.M.

AGENDA

1. CALL TO ORDER AND ROLL CALL

2. APPROVAL OF THE MINUTES FROM THE OCTOBER 7, 2020 BOARD MEETING

3. POLICY COMMITTEE REPORT
   A. Final Approval of 2021 LIHTC Allocation Plan
   B. Other Business

4. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT
   A. Request for Tax Exempt Financing
   B. Request for Loan Commitment Financing
   C. Conditional Preliminary Approval of Tax Exempt Financings
   D. Other Business

5. JOINT AUDIT/HEMAP COMMITTEE REPORTS

6. ADDITIONAL VOLUME CAP FOR STATEWIDE MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

7. CARES FUNDING UPDATE

8. OTHER BUSINESS

9. PUBLIC COMMENTS

10. ADJOURNMENT
Pennsylvania Housing Finance Agency
Meeting of the Board
October 7, 2020

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

Members Absent:
Ronald F. Croushore
Ross Nese
Beth Ellis (serving in the stead of
Teresa Miller, Secretary,
Department of Human Services)
John P. O’Neill

Others Present:
Robin Wiessmann, Executive Director & CEO
Leonidas Pandeladis, Deputy Executive Director & Chief Counsel
Holly Glauser, Director of Development
Jordan Laird, Director of Finance
Bryce Maretzki, Director of Strategic Planning & Policy
Adrienne Trumpy, Director of Accounting
Kathryn Newton, Director of Loan Servicing
Melissa Grover, Director of Governmental Affairs
Scott Elliott, Director of Communications
Ali Tomich, Director of Western Region
Carl Dudeck, Director of Housing Management
Terri Redmond, Director of Counseling
Lori Toia, Director of HEMAP
Kimberly Boal, Director of Information Technology
Susan Delgado, Director of Human Resources
Coleen Baumert, Director of Homeownership Programs
Linda Stewart, Manager of Tax Credit Program
Kurtis Livering, Manager of Financial Operations
Heather Shull, Manager of Investments
Carmela Swartz, Hearing Examiner
Kelly Wilson, Senior Development Officer
Rob Milne, Development Officer
Nina Lehr, Development Officer
Shana Erdley, Senior Insurance Officer
Chris Anderson, Communications Officer
Yashira Aybar, Development Officer
Demier Casteel, Development Officer
Lynette Davenport, Development Officer
David Doray, Manager of Multifamily Underwriting
Lisa Case, Manager of Project Operations
Jada Greenhowe, Assistant Counsel
Lauren Starlings, Assistant Counsel
Steve O’Neill, Assistant Counsel
Raymond Carey, Policy Officer
A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency, which offices are located at 211 North Front Street, Harrisburg, Pennsylvania, was held on Thursday, October 7, 2020 at 10:30 a.m. via conference call. Due to COVID-19, no physical meeting space was provided for this meeting.

In compliance with the provisions of the Sunshine Act, notification of this meeting appeared in the Legal Notices Section of The Patriot News in Harrisburg, Dauphin County on October 4, 2020.

1. **CALL TO ORDER AND ROLL CALL**

   The meeting was called to order by Acting Chair Vague at 10:45 a.m. The roll was called and a quorum was present.

2. **APPROVAL OF THE MINUTES FROM THE SEPTEMBER 10, 2020 BOARD MEETING**

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

   **A motion was made to approve the minutes from the September 10, 2020 Board Meeting. This motion was seconded and was unanimously approved.**

3. **RECOGNITION OF RETIREE**

   Director Wiessmann recognized and congratulated Ms. Carmella Swartz. Ms. Swartz came to the Agency through a paralegal internship and thereafter offered a position in the HEMAP Division. Ms. Toia, Director of HEMAP, offered her congratulations to Ms. Swartz. Ms. Swartz expressed her appreciation for
the recognition and well wishes and wished the Agency continued growth. Chair Vague echoed the sediments of Director Wiessmann and offered his congratulations.

4. **POLICY COMMITTEE REPORT**

Vice Chair Schwartz, serves as Chair of the Policy Committee, reported that the Committee met earlier to discuss the following items.

**A. Preliminary Approval 2021 LIHTC Allocation Plan**

Ms. Glauser provided an overview of the draft of the Agency’s 2021 LIHTC Allocation Plan. She outlined suggested changes in several areas including zoning, preservation developments and supportive housing preferences. Intents to submit are due by December 4, 2020 with full applications to be submitted by February 5, 2021. In accordance with the guidelines, a public hearing is scheduled for October 22, 2020. After the public hearing, staff will evaluate the comments received and, if necessary, revise the Plan before presenting it to the Board for final approval at the November meeting.

**Vice Chair Schwartz made a motion for preliminary approval of the 2021 Tax Credit Allocation Plan and to release the draft to the public for review and comment. The motion was seconded by Mr. Loughery and unanimously approved.**

**B. RFP Tax Exempt Volume Cap**

Ms. Glauser provided a summary of the RFP for 2021 Tax Exempt Volume Cap applications. The Agency receives volume cap from the Department of Community and Economic Development. Staff is recommending changes including establishing a minimum property unit count, limiting the number of applications to two applications per developer and requiring that developers holding prior funding allocation close by June 11, 2021 to be considered for the 2021 volume cap award. The Agency will begin accepting Preliminary Applications on January 15, 2021 until April 1, 2021. However, if an applicant is seeking PHARE Realty Transfer Tax funds in addition to an allocation of tax credits, such application must be submitted by February 1, 2021. Ms. Glauser indicated staff is seeking approval to release the RFP for 2021 Tax Exempt Private Activity Bond Allocation.

**Vice Chair Schwartz made the motion that the Board approve the RFP for 2021 Tax Exempt Qualified Residential Rental Facilities Seeking Private Activity Bond Allocations as submitted by staff. This motion was seconded by Mr. Lenker and was unanimously approved.**

Vice Chair Schwartz offered his appreciation to Ms. Glauser for always being available to answer questions regarding the items presented today.

5. **PDR COMMITTEE REPORT**

Mr. Welks reported the PDR Committee had an opportunity to listen to the following proposals in depth. The Committee has examined the proposals carefully, thoughtfully and concurs with staff’s recommendations.
A. Request for Tax Exempt Issuing Authority
   i. Susquehanna Townhouse Apartments

   Ms. Wilson presented the joint venture proposal submitted by Susquehanna Townhouse Apartments. Bonds will be issued by Philadelphia Authority for Industrial Development and will be privately placed. Units will receive rental assistance through HUD’s Rental Assistance Demonstration Program. Neighborhood amenities are located within a half mile of the property. Staff has preliminarily determined that this proposal may qualify for tax exempt financing in an approximate amount of $13,000,000.

   Mr. David Alexander, representing the owner, offered his appreciation to the Board and the development staff for the funding consideration. It has been many months of hard work to get this project to this point.

   Mr. Welks made a motion that the Board approve the resolution authorizing the housing related bond allocation, with conditions, in an amount not to exceed $13,000,000 for Susquehanna Townhouse Apartments. This motion was seconded and was unanimously approved.

   ii. Park Place Apartments

   Ms. Wilson summarized the Park Place Apartments rehabilitation proposal. Funding includes PHARE RTT funds, Capital Magnet funds from the sponsor as well as investor equity. Tenants will be relocated to other units in the complex and will return to their respective unit after renovations. The development team is comprised of experienced tax credit partners. Staff has preliminarily determined that this proposal qualifies for tax exempt financing in an amount not to exceed $3,500,000.

   Ms. Sue McPhedran, representing the owner, offered her thanks and appreciation to the Agency for approval of volume cap funding for this development.

   Mr. Welks made a motion that the Board approve the resolution authorizing the housing related bond allocation, with conditions, in an amount not to exceed $3,500,000 for Park Place Apartments. This motion was seconded by Mr. Lenker. Mr. Paone abstained. Motion carried with abstention.

   iii. Parkside Neighborhood Preservation

   Mr. Buffaloe provided an overview of the Parkside Neighborhood Preservation proposal. The property is a scattered site development, with various zoning designations, and includes the renovation of exiting units. Neighborhood amenities are located within one-half mile of the property. Bonds will be issued by Philadelphia Authority for Industrial Development and will be privately placed. Tenants will be relocated to other units in the complex and will return to their respective unit after renovations. Staff has preliminarily determined that this proposal qualifies for tax exempt financing in an amount not to exceed $9,000,000.

   Ms. Sue McPhedran, representing the owner, offered her appreciation for the funding consideration.
Mr. Welks made a motion that the Board approve the resolution authorizing the housing related bond allocation, with conditions, in an amount not to exceed $9,000,000 for Parkside Neighborhood Preservation. This motion was seconded. Mr. Paone abstained. Motion carried with abstention.

iv. **TC4 LP Portfolio**

Mr. Buffaloe provided an overview of the TC4 LP Portfolio scattered site proposal which includes rehabilitation of existing units. All neighborhood amenities are near each property. Tenants will not be displaced during the renovations. The rehabilitation plan provides for hospitality services for the tenants while the unit is being renovated during the workday. Bonds will be issued by Redevelopment Authority of the County of Lancaster and will be privately placed. Staff has preliminarily determined that this proposal qualifies for tax exempt financing in an amount not to exceed $16,000,000.

Mr. Ian Rawhauser, representing the owner, offered his thanks to the members for entertaining this scattered site proposal.

Mr. Welks made a motion that the Board approve the resolution authorizing the housing related bond allocation, with conditions, in an amount not to exceed $16,000,000 for TC4 LP Portfolio. This motion was seconded and was unanimously approved.

B. **Request for Tax Exempt Financing**

i. **York Towne House Apartments**

Ms. Wilson summarized the preservation and rehabilitation proposal of York Towne House Apartments, which included unit composition, rental estimates, development costs and funding sources. A HAP contract will provide rental assistance to the units. The Agency will be the conduit issuer of the tax exempt bonds which will be privately placed. Vacant units will be renovated first, tenants will have access to a hospitality area during the day and will return to their units in the evening. Public transportation is within one half block of the property. Staff recommends funding for the York Towne House Apartments proposal.

Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $30,250,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for York Towne House Apartments. This motion was seconded by Mr. Lenker and unanimously approved.

ii. **Carl Mackley Homes**

Mr. Buffaloe presented the tax exempt financing proposal for Carl Mackley Homes, which includes the rehabilitation of five buildings. In addition to ancillary funding, the financing plan also includes PHARE RTT and HTF funds. Rental estimates were provided along with income restrictions for the units. A new 20-year HAP contract will be in place at closing. Tenants will be relocated during rehabilitation of the units as a precautionary measure to mitigate the potential for COVID exposure.
Mr. Welks made a motion that the Board approve the resolution authorizing the issuance of $29,250,000 maximum aggregate principal amount of funding of Special Limited Obligation Multifamily Housing Development Bonds for Carl Mackley Homes. This motion was seconded by Ms. Koppel. Mr. Paone abstained. Motion carried with abstention.

C. **Reallocation of Low Income Housing Tax Credits for 2019 LIHTC Properties**

Ms. Glauser provided an update regarding the 2019/2020 Allocation Plan. Several of the developments which received tax credits in 2019 have experienced delays due to COVID-19. The Agency has been asked to consider an extension to the placed in service deadline for these developments. Many of those same developments have not closed on the financing nor met the tax credit program required 10% expenditure test. The 2019/2020 Allocation Plan required that developments seeking a reallocation of tax credits meet the 10% expenditure to be considered for this relief. Staff is seeking Board approval of the waiver of the 10% expenditure test for the program year 2019 Tax Credit developments seeking a reallocation of Tax Credits and also the delegation to Agency staff to review and approve the reallocation of Tax Credits for these developments.

Mr. Welks thanked Ms. Glauser for her always comprehensive and complete overview of the materials presented today.

A motion was made by Mr. Welks that the Board approve the resolution authorizing the reallocation of certain federal Low Income Rental Housing Tax Credit Allocations. The motion was seconded by Ms. Koppel and unanimously approved.

D. **Award of 2020 Tax Credits, Chapel Drive, Allegheny County**

Ms. Glauser stated a development which received a recent LIHTC award, has returned the tax credits to the Agency. The Agency desires to apply the returned tax credits to a supportive housing property known as Chapel Drive in Allegheny County. The proposal is for new construction of a four-story building with 44 total units. Agency staff is working with Action Housing, Inc. to confirm the financial viability and qualifications under the Allocation Plan and is seeking approval to issue a conditional reservation of Tax Credits in an amount not to exceed $1,250,000.

A motion was made by Mr. Welks that the Board approve the resolution authorizing the Low Income Rental Housing Tax Credits in an amount not to exceed $1,250,000 to the development known as Chapel Drive. The motion was seconded. Vice Chair Schwartz abstained. Motion carried with abstention.

E. **Other Business**

There was no other Committee business to be brought before the Board.

8. **CARES FUNDING UPDATE**

Mr. Maretzki provided an overview of the CARES funding, known as Act 24 of 2020 enacted by Governor Wolf. Application deadline has been extended until November 4, 2020.
Vice Chair Schwartz extended his appreciation to the team at PHFA for their determination to offer this program to the citizens of the Commonwealth. It has been an incredibly difficult process due to the short time frames and structure of the legislation for the funding.

9. OTHER BUSINESS

Chair Vague offered a thank you to Director Wiessmann for her leadership through this turbulent time.

Director Wiessmann asked Ms. Baumert and Ms. Newton to provide updates to the Agency’s mortgage portfolio pipeline and the loan servicing portfolio. Director Wiessmann reminded the members about annual NCSHA conference and to contact Ms. Galloway if they would like to attend. Agency employees are presenting during the virtual conference.

10. PUBLIC COMMENTS

Mr. Pandeladis indicated no public comments were received by the participation deadline. The Agency advertised appropriately under the Sunshine Act. However, there has been correspondence received from an individual who has concerns with the Cares Program. That correspondence will be circulated to the members.

11. EXECUTIVE SESSION

Chair Vague called for a temporary adjournment of the Board Meeting to convene an Executive Session to discuss personnel issues. The meeting was temporarily adjourned at 11:48 a.m. Executive Session was called to order at 11:51 a.m. The Board Meeting reconvened at 12:18 p.m.

12. ADJOURNMENT

There being no further business to present to the Board, a motion was made and seconded by Mr. Loughery that the Board Meeting be adjourned. The motion was unanimously approved. The meeting adjourned at 12:19 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, November 12, 2020 at 10:30 a.m.

Respectfully submitted,

[Signature]
Margaret Strawser
Secretary