

**Pennsylvania Housing Finance Agency
Meeting of the Board
February 9, 2017**

Members Present:

- *Robin Wiessmann, Chair
 - *Thomas B. Hagen, Vice Chair
 - *Craig H. Alexander
 - *Maria F. Coutts
 - *Ronald F. Croushore
 - *Kathy Possinger (serving in the stead of
Dennis Davin, DCED)
 - *Ben Laudermilch (serving in the stead of
Ted Dallas, Secretary, Department of Human Services)
 - *Noel E. Eisenstat
 - *Robert Loughery
 - *Ross Nese
 - *John Paone
 - *Mark Schwartz
 - *Keith Welks (serving in the stead of
Joseph Torsella, State Treasurer)
- *On telephone conference call

Others Present:

- *Brian A. Hudson, Executive Director
- *Rebecca L. Peace, Deputy Executive Director/Chief Counsel
- *Carl Dudeck, Director of Housing Management
- *Holly Glauser, Director of Development
- *Bryce Maretzki, Director of Strategic Policy & Planning
- *Bill Fogarty, Director of Government Affairs
- *Barbara Stephens, Public Affairs Officer
- *Carla Falkenstein, Director of Western Region
- *Coleen Baumert, Director of Homeownership Programs
- *Kim Boal, Director of Information Technology
- *Scott Elliott, Director of Communications
- *Kelly Wilson, Development Office II
- *Barbara Stephens, Public Affairs Officer
- *Joseph Knopic, Director of Finance
- *Chris Anderson, Communications Officer
- *M. Steven O'Neill, Assistant Counsel
- *Yuliya An Litvak, Millennia Housing Development
- *Deana Prinson, Legislative Assistant to Senator Thomas McGarrigle
- *Beth Horne-Beachy, Executive Director, House Commerce
Committee, Rep. W. Curtis Thomas
- *Melissa Grover, Government Affairs Associate
- *Linda Stewart, Manager of Tax Credit Program

*Charlotte L. Nelson, Assistant Secretary

*Maggie Strawser, Assistant Secretary

A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency was held on Thursday, February 9, 2017 at 10:30 a.m. via conference call because of extreme weather conditions.

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 January 24, 2017.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Wiessmann at 10:34 a.m. The roll was called and a quorum was present.

2. ELECTION OF THE VICE CHAIR OF THE BOARD

Mr. Schwartz made a motion that Thomas B. Hagen be nominated and reappointed Vice Chairman of the Board for the coming year. This motion was seconded. There were no additional nominations and the motion was unanimously approved.

Mr. Hagen stated that he is happy to accept this role on the Board.

3. APPROVAL OF THE MINUTES FROM THE DECEMBER 8, 2016 BOARD MEETING

There were no additions or corrections to the minutes.

Chair Wiessmann made a motion that the minutes from the December 8, 2016 Board meeting be approved as submitted. Mr. Loughery abstained from the motion due to his recent appointment to the Agency's Board. The motion was seconded and was unanimously approved.

4. PROGRAM DEVELOPMENT AND REVIEW COMMITTEE REPORT

Chair Wiessmann recognized the long-term service of outgoing Board Member, Lisa Gaffney. Mr. Schwartz provided his concurrence as well.

Ms. Possinger chaired the Program and Development Review Committee and reported that the Committee met prior to the Board meeting regarding the following items:

A. Tax Exempt Volume Cap Request – Hershey Plaza

Ms. Wilson reviewed the project and its financing plan. She reported that the owner is seeking tax exempt bond financing through PHFA in an amount not to exceed \$29,500,000. The proposal includes the acquisition and moderate rehabilitation of a 10-story residential building with 216 units. Red Stone will be purchaser of the bonds. Staff recommends approval of this funding request.

Ms. Possinger reported that the Program and Development Review Committee concurs with staff's recommendation.

Ms. Possinger made the motion that the Board approve the resolution approving the tax exempt volume cap request for Hershey Plaza. This motion was seconded by Mr. Schwartz and unanimously approved. (See Appendix 1 of these Minutes.)

B. Transfer of General Partnership Interest – Valley View Gardens

Mr. Dudeck reviewed the request for transfer of general partnership interest for Valley View Gardens. He indicated all relevant documentation has been reviewed.

Ms. Possinger reported that the Program and Development Review Committee concurs with staff's recommendation.

Ms. Possinger made the motion that the Board approve the resolution approving the transfer of general partnership interest for Valley View Gardens. This motion was seconded by Mr. Schwartz and unanimously approved. (See Appendix 2 of these Minutes.)

5. POLICY COMMITTEE REPORT

Mr. Schwartz, Chair of the Policy Committee, reported that the Committee met prior to the Board meeting regarding the following items:

A. Preliminary Approval of the 2017/2018 Tax Credit Allocation Plan

Ms. Glauser outlined the 2017/2018 Tax Credit Allocation Plan, which is required in order to administer the tax credit program. Ms. Glauser addressed questions and other changes from this year's allocation plan. Among other items, changes proposed include providing incentive for Section 811 participation, requiring prior allocatees to close their financings by August 18, 2017 before the Agency will entertain a 2017/2018 application and possibly adjusting energy building standards. A focus group meeting will be held on February 15, 2017. A public hearing is scheduled for

March 7, 2017. The Plan will also be posted on the Agency's website for public comment.

Mr. Schwartz made a motion for preliminary approval of the 2017/2018 Tax Credit Allocation Plan and that this draft be released to the public for review and comment. The motion was seconded by Mr. Laudermilch and unanimously approved.

B. ReCLAIM Program - Erie

Mr. Hudson indicated the former Mixed Use Facility Financing program has been retooled as ReCLAIM (Revised Community Leveraging Assistance Initiative Mortgage). Previously, the Agency had set aside funds (in the aggregate amount of \$3.0M) to leverage funding from foundations in the Pittsburgh and Philadelphia areas.

The Agency would like to partner with Erie Community Foundation to assist them to revitalize and rehabilitate the Erie downtown area. The Foundation has begun a funding initiative with a goal of \$2,000,000. The organization's efforts coincide with our ReCLAIM program objectives. Mr. Hudson is asking for Board approval of \$1 million to assist the Foundation in its quest to redevelop the area. Mr. Hagen indicated this would be a great opportunity for the Erie area and will abstain from the vote due to being a trustee to the Foundation. He also asked that the record reflect that the correct name of the Foundation is Erie Community Foundation.

Mr. Schwartz made the motion that the Board approve the resolution regarding the ReCLAIM funding in Erie. This motion was seconded by Mr. Nese and unanimously approved with one abstention. (See Appendix 3 of these Minutes.)

C. Preliminary Approval of the 2017 PHARE Plan

Mr. Maretzki summarized the 2017 PHARE Plan. Changes for the 2017 Plan combine different funding streams provided through the state housing trust fund, the Marcellus Shale Impact Fee, the Realty Transfer Tax (RTT) and the National Housing Trust Fund. The 2017 Plan will be a coordinated and synchronized plan for these funding streams with enhanced coordination with the tax credit allocation plan. Mr. Schwartz asked for a brief overview of the applications received for RTT and Mr. Maretzki reported that 139 applications are currently being reviewed and staff

recommendations will be presented to the Board in April. Mr. Laudermilch asked about the expected levels of PHARE funds in the upcoming year and Mr. Maretzki reported that RTT receipts are just a bit lower as compared to this time last year.

With preliminary approval of the Board, the plan would be available for public comment for 45 days and any feedback would be provided to the Board at the April meeting at which time final approval will be requested.

Mr. Schwartz made a motion that the Board approve the preliminary draft of the 2017 PHARE Plan. The motion was seconded by Mr. Eisenstat and unanimously approved.

6. APPROVAL OF SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2017-123

Mr. Hudson indicated the Agency is ready to start its next series of Single Family Mortgage Revenue Bonds, Series 2017-123. Series 122 was sold in January and closed earlier this month in the offering amount of \$239,645,000, which included approximately \$74 million in new money with interest rates ranging from 3.75% to 4.25%. Series 122 refunded the remaining bonds from the New Issue Bond Program. While interest rates have risen about 15 basis points since the beginning of the month, the Agency still has some attractive candidates to refund and intends to provide new money through the issuance of Series 123.

A motion was made by Mr. Schwartz that the Board approve the resolution authorizing the issuance of Single Family Mortgage Revenue Bonds, Series 2017-123 and delegating the negotiations and final approval to the Finance Committee. This motion was seconded by Mr. Laudermilch and unanimously approved. (See Appendices 4 of these Minutes.)

7. OTHER BUSINESS

Mr. Hudson provided an update to the Board regarding the upcoming NCSHA Legislative Conference. Mr. Hudson, Bill Fogarty and Melissa (nee Raffensberger) Grover will be visiting legislators March 6 – 8, 2017. It is anticipated that a summary of the conference will be provided to the Board at the March Board meeting. Chair Wiessmann asked if there are specific issues for discussion. Mr. Hudson indicated that they will be targeting members of the Pennsylvania delegation, especially Ways and Means Committee

members, to reinforce the importance of the low income housing tax credit program and the HOME program and other funding and tax exempt bond programs.

Ms. Possinger expressed her thanks to Brian and the Agency for the continued support of and advocacy for the federal HOME Program.

8. ADJOURNMENT

There being no further business to be discussed, a motion was made and seconded that the meeting be adjourned. The motion was unanimously approved. Chair Wiessmann adjourned the meeting of the Board at 11:06 a.m.

The next regularly scheduled meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held on Thursday, March 9, 2017 at 10:30 a.m. at the offices of the Agency, 211 North Front Street, Harrisburg, Pennsylvania.

Respectfully submitted,

Maggie Strawser
Assistant Secretary

PENNSYLVANIA HOUSING FINANCE AGENCY

RESOLUTION

**Authorizing the Issuance of \$29,500,000
Maximum Aggregate Principal Amount of
Special Limited Obligation Multifamily Housing Development Bonds
(Hershey Plaza)**

Adopted: February 9, 2017

A RESOLUTION AUTHORIZING THE ISSUANCE OF
\$29,500,000 MAXIMUM AGGREGATE PRINCIPAL AMOUNT
SPECIAL LIMITED OBLIGATION
MULTIFAMILY HOUSING DEVELOPMENT BONDS
(Hershey Plaza)

WHEREAS, the Housing Finance Agency Law, Act of December 3, 1959, P.L. 1688, as amended (35 P.S. Section 1680.101 *et seq.*) (the "**Act**"), determines and declares that the welfare of the Commonwealth of Pennsylvania (the "**Commonwealth**") is threatened by an inadequate supply of housing for persons and families of low and moderate income and the elderly; that the housing need for persons and families of low and moderate income and the elderly has not had economic expression in a market demand sufficient to encourage greater production of such housing by private industry due to high construction costs, a scarcity of financing and increased interest rates; that necessary governmental activities in urban renewal programs and under regulatory laws protecting health and safety face serious curtailment or interruption unless it becomes economically feasible for persons and families to acquire housing in place of the dwellings being eliminated by such activities; that the Commonwealth has a strong moral responsibility to assist in providing opportunity for the rental of relocation housing by persons and families displaced by necessary governmental activities and a general responsibility to eliminate conditions which prevent private industry from supplying housing to relieve the general shortage of housing; that private industry alone is unable to provide financing necessary for housing for persons and families of low and moderate income at a cost which such persons and families can afford; that the financing provided for in the Act will encourage greater expenditure of private capital for housing; and that there is a clear relationship between the provision of adequate, safe and sanitary housing and the advancement of public health and morals and the prevention of fire, accident and crime; and

WHEREAS, the Act empowers the Pennsylvania Housing Finance Agency (the "**Agency**") to make loans to eligible borrowers to provide for the construction, rehabilitation or permanent financing of such residential housing developments as in the judgment of the Agency have promise of supplying well planned, well designed apartment units which will provide housing for low and moderate income persons or families or the elderly and others in locations where there is a need for such housing and to purchase, service and sell such loans and to accept grants and subsidies from and to enter into agreements or other transactions with any federal agency or agency of the Commonwealth or other entity and to do all things necessary or convenient to carry out the powers granted by the Act; and

WHEREAS, the Agency is further authorized to issue and sell, subject to written approval by the Governor, bonds or notes in such principal amounts as, in the opinion of the Agency, are necessary to provide sufficient funds for achieving its corporate purposes; and

WHEREAS, the Agency has the power to invest any funds held in reserve or sinking funds and any funds not required for immediate disbursement in such investments as may be lawful for fiduciaries under any law of the Commonwealth, and the Agency may pledge reserve funds to the holders of bonds or notes which are issued pursuant to the Act and proceeds of loans created therefor by the Agency, all or any part of the assets acquired by the Agency pursuant to the Act, and any other lawfully available money to secure the payment of such bonds or notes; and

WHEREAS, the Act provides that bonds or notes issued by the Agency may be secured by a trust agreement by and between it and a trustee and that the resolution providing for the issuance of such bonds or notes or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Agency in relation to the custody, safeguarding and application of all moneys, may set forth the rights and remedies of the bondholders or noteholders and of the trustee, and may contain such other provisions as the Agency may deem reasonable and proper for the security of the bondholders or noteholders; and

WHEREAS, the Agency has determined to issue and secure bonds in one or more series or subseries in accordance with, pursuant to and under this Resolution, a loan agreement and/or similar loan or financing agreements (such operative documents shall be referred to hereinafter collectively as the "**Agreement**"); and

WHEREAS, Hershey Plaza PA TC, LP, a Pennsylvania limited partnership (the "**Borrower**") sponsored by Millennia Housing Development, Ltd., has requested financing from the Agency in an amount not to exceed \$29,500,000 (the "**Bonds**") to fund a portion of the costs of acquiring and renovating one ten-story buildings for senior (62 and older) occupancy and one multi-tenant commercial building, known as "Hershey Plaza", comprised of 216 units in the City of Hershey, Dauphin County, Pennsylvania (the "**Project**"); and

WHEREAS, the Agency will lend the proceeds of the Bonds to the Borrower pursuant to the Agreement; and

WHEREAS, the Agency may use a portion of the proceeds of the Bonds to reimburse itself or the Borrower for original expenditures paid prior to the date of issuance of the Bonds; and

WHEREAS, this Resolution is intended, *inter alia*, to constitute a statement of "Official Intent" pursuant to Treasury Regulations §1.150-2, T.D. 8476 (the "**Treasury Regulations**"); and

WHEREAS, Red Stone Tax-Exempt Funding LLC or its affiliate (the "**Purchaser**"), or such successor entity as may be approved by the Agency, will purchase the Bonds from the Agency to provide funding for the Project and there have been prepared certain documents to evidence the transaction, including financing documentation relating to the Project.

NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF THE PENNSYLVANIA HOUSING FINANCE AGENCY AS FOLLOWS:

**ARTICLE I
AUTHORITY AND DEFINITIONS**

Section 101. Authority for Resolution. This Resolution (hereinafter referred to as the "**Resolution**") is adopted pursuant to the authority granted to the Agency in the Act.

Section 102. Definitions. All terms which are used but not defined herein shall have the meanings ascribed to them in the Agreement.

ARTICLE II
AUTHORIZATION OF BONDS

Section 201. Principal Amount and Designation. The Bonds are hereby authorized to be issued in one or more series or subseries, in an aggregate principal amount not to exceed \$29,500,000. The Bonds shall carry the designation set forth in the Agreement. The Bonds shall be issued pursuant in all respects to the terms of this Resolution.

Section 202. Purposes. The Bonds are being issued as special and limited obligations of the Agency, payable solely out of the moneys derived pursuant to the Agreement and the notes evidencing the certain loan or loans to the Borrower. Proceeds of the Bonds shall be used for the payment of qualified costs associated with the acquisition, construction, renovation, equipping and/or improvement of the Project, and may be applied to certain costs of issuance; and which Project is in every respect intended to qualify as a "residential rental facility" under the exempt facility provisions of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "**Code**") with *de minimus* funds provided for related structures associated with the Project.

Section 203. Conditions. This financing is subject to the fulfillment of all of the following conditions to the satisfaction of the Agency: (a) submission, review, and approval of all documentation necessary to secure construction and permanent loan financing; (b) satisfactory evidence that all conditions and qualifications relating to Section 42 of the Code and all applicable requirements of the Tax Credit Program have been met; (c) satisfactory evidence and Agency Counsel approval that all qualifications relating to Sections 103 and 142 (and related sections) of the Code have been met; (d) compliance with all timeframes and deadlines established by the Agency; (e) evidence of the commitment of construction and permanent financing in amounts sufficient to ensure financial feasibility of the Project; (f) evidence of the commitment to serve low income tenants for a period of not less than thirty (30) years, which will be included in the Restrictive Covenant Agreement; (g) evidence of the satisfaction of accessibility requirements; (h) contribution of equity in an amount sufficient to ensure the financial feasibility of the development; (i) final underwriting of the application for tax-exempt financing and low income housing tax credits; (j) evidence of all requisite HUD approvals, including the project rents, ownership transfer and extension of the HAP contract for at least 20 years; and (k) submission of two sets of complete full size architectural plans and specifications at least 60 days prior to the commencement of construction to allow sufficient time for Agency review and approval. Civil engineering, architectural, structural, HVAC, plumbing, and electrical drawings and specifications shall be submitted, as applicable. Agency comments and recommendations made during its review must be addressed and approved prior to the commencement of the loan closing.

Section 204. Date, Principal Amount, Maturity and Interest Rate. The Bonds shall be dated the date of issuance, except as may be otherwise provided in the Agreement or the Bonds. The maturity date, interest rate or rates (which may be fixed or variable), interest payment dates, place of payment and other terms of the Bonds shall be as provided in the Agreement as finally executed; provided, however, that the maximum aggregate principal amount of the Bonds shall not exceed \$29,500,000; the initial interest rate on the Bonds shall not exceed the lesser of eight percent (8%) per annum or such rate supported by the final underwriting; and the final maturity of the Bonds shall be no later than 45 years after issuance, or such date supported by the final underwriting (whichever is shorter).

Section 205. Payments. The Bonds shall bear interest from their dated date and shall be payable as set forth in the Bonds and the Agreement, until the date of maturity of the Bonds or redemption prior to maturity, as provided in the Agreement. All principal shall be due at maturity or redemption prior to maturity, as provided in the Agreement.

Section 206. Denominations, Numbers, Letters and Forms. The Bonds shall be issued as registered Bonds in \$5,000 minimum denominations and any multiple of \$1.00 in excess thereof, provided that for purposes of redeeming Bonds, the authorized denomination shall mean \$1.00. The Bonds shall be numbered consecutively, as appropriate. The Bonds shall be in substantially the form and tenor prescribed in the Agreement.

Section 207. Execution of Bonds. The Bonds shall be executed by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance and the seal of the Agency or a facsimile thereof shall be imprinted, impressed or otherwise reproduced on the Bonds and attested by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel, Director of Finance or Secretary of the Agency. The Bonds shall be delivered to or on behalf of the Purchaser.

Section 208. Place of Payment. The principal payments, including payments upon redemption, of the Bonds shall be payable to the Purchaser, as bondholder, as provided in the Agreement.

Section 209. Redemption. The Bonds shall be subject to optional redemption, extraordinary optional redemption and mandatory redemption as provided in the Agreement.

Section 210. Execution of Requisite Agreements. Any of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance of the Agency is hereby authorized to execute, for and on behalf of and in the name of the Agency, the Bonds and the Agreement, including a trust agreement if deemed appropriate, with such final terms and provisions as their counsel may deem advisable, provided that the Bonds shall contain such substantive terms and provisions materially consistent with this Resolution.

ARTICLE III BOND PROCEEDS AND PAYMENTS OF COSTS

Section 301. Bond Proceeds. Pursuant to the Agreement, upon receipt of the proceeds of the sale of the Bonds, such proceeds shall be advanced to the Borrower.

Section 302. Payments of Costs. At closing, the Borrower shall pay the costs, expenses and professional fees associated with the issuance of the Bonds.

ARTICLE IV SECURITY FOR THE BONDS

Section 401. Limited Obligation. The Bonds shall be special and limited obligations of the Agency, and shall be payable only from funds paid by or on behalf of Borrower for such purposes. The Bonds shall be secured by the collateral described in the Agreement as security for the Purchaser. The Bonds shall contain a statement therein to the effect that the obligations of the Agency on the Bonds are expressly limited to and are payable solely from the sources described in the Agreement.

Section 402. Credit of Commonwealth Not Pledged. The Bonds shall contain therein a statement to the effect that the Bonds shall be special and limited obligations of the Agency payable only from the sources provided in the Agreement, that neither the Commonwealth nor any political subdivision thereof shall be liable on the Bonds and that neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds. Neither the members of the Board nor the officers of the Agency nor any person

executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

ARTICLE V MISCELLANEOUS

Section 501. Authorization of Officers. The Chairperson, Vice Chairperson, Executive Director, Director of Finance, Deputy Executive Director and Chief Counsel, Secretary and any Assistant Secretary of the Agency, and any other authorized officer of the Agency, are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the Bonds and the Agreement as shall, with the advice of the Agency Counsel and Bond Counsel, be advisable.

Section 502. Covenant to Comply with Federal Tax Requirements. The Agency hereby covenants to comply, and to take appropriate steps to ensure that the Borrower complies, with all applicable requirements of the Code so that interest on the Bonds will be excluded from gross income of the holders thereof for federal income tax purposes, including all applicable requirements of the Code regarding the provision of funds for qualified residential rental properties, investment of proceeds, treatment of fund investment earnings, repayments or unused proceeds, restriction of earnings on reserve funds, and rebate and yield restrictions set forth in Section 148 of the Code. The Agency also covenants to make any required payment imposed by the United States to maintain compliance with said requirements from time to time as required by Section 148 of the Code (or by applicable subsequent Treasury Regulation.) The Agency shall require that Borrower contract for and fund the retention of qualified computation advisers to perform all applicable disclosure and federal tax compliance requirements.

Section 503. Official Intent. In accordance with Treasury Reg. §1.150-2, the Agency hereby confirms its intentions that a portion of the proceeds of the Bonds may be used to reimburse itself or the Borrower for qualifying expenditures paid prior to the date of issuance of the Bonds. All original expenditures to be reimbursed will be capital expenditures (as defined in Treas. Reg. Sec. 1.150-1(b)) and other amounts permitted to be reimbursed pursuant to Treas. Reg. Sec. 1.150-2(d)(3) and (f).

Section 504. Effective Date and Validity. This Resolution shall take effect immediately and shall remain in effect until specifically repealed.

**RESOLUTION OF THE MEMBERS OF THE BOARD
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
APPROVING TRANSFER OF GENERAL PARTNER INTEREST
VALLEY VIEW GARDENS, PHFA NO. R-487**

WHEREAS, Valley View Gardens, located in New Brighton, Beaver County, Pennsylvania (the "Development"), was originally financed in March 1978 in the aggregate amount of \$3,710,000 through funds provided by Agency taxable bond financing; and

WHEREAS, the current ownership entity of the Development, Valley View Gardens Limited Partnership, a Pennsylvania limited partnership, has requested Agency approval of the transfer of the general partner's interest; and

WHEREAS, the Development is subject to Agency approval of any change in the nature or character of the ownership entity throughout the term of the Agency mortgage loan; and

WHEREAS, the new general partner will continue to operate the Development and shall be responsible for the fiscal and physical condition of the Development as the general partner of Valley View Gardens Limited Partnership; and

WHEREAS, staff recommends approval of the proposed transfer of the general partner's interest of Valley View Gardens Limited Partnership from Robert Rosenkranz to Valley View Gardens GP LLC, a Pennsylvania limited liability company, subject to the conditions set forth below.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 9th day of February, 2017, as follows:

Section 1. The Agency approves the transfer from Robert Rosenkranz to Valley View Gardens GP LLC, as general partner of Valley View Gardens Limited Partnership.

Section 2. The Executive Director, Deputy Executive Director and other Agency staff are authorized and directed to take all actions necessary to effectuate the transfer; subject to staff review and approval of the appropriate documents for the transaction.

Section 3. This resolution shall take effect immediately.

**RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
INVITING APPLICATIONS FOR
RECLAIM PROGRAM IN ERIE COUNTY**

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, in order to leverage capital which has been pledged to support a new initiative to fund mixed use project development "RECLAIM" opportunities in certain targeted communities in the Commonwealth, the Agency has authorized the reservation of funds from unrestricted fund balances (specifically unexpended funds recaptured from prior allocations from various Homeownership Choice programs); and

WHEREAS, staff has negotiated with the Erie Community Foundation to partner in providing resources to support RECLAIM projects in the Erie community; and

WHEREAS, the Agency has determined to issue an RFP to solicit applications for the RECLAIM program in accordance with the RECLAIM program guidelines.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 9th day of February, 2017, as follows:

Section 1. Staff is hereby authorized and directed to issue an RFP, to review applications for funding in connection with the RECLAIM program in Erie County, and to present its recommendations for funding for Board consideration.

Section 2. This resolution shall take effect immediately.

RESOLUTION OF THE MEMBERS OF THE PENNSYLVANIA HOUSING
FINANCE AGENCY AUTHORIZING THE ISSUANCE OF
SINGLE FAMILY MORTGAGE REVENUE BONDS,
SERIES 2017-123

WHEREAS, pursuant to the Housing Finance Agency Law, 35 P.S. Section 1680.101 et seq., "the Agency has the power...as authorized from time to time by resolution of the members and subject to the written approval of the Governor to issue its negotiable bonds...and notes in such principal amount as... shall be necessary to provide sufficient funds for achieving its corporate purposes...at such price or prices as the Agency shall determine..."; and

WHEREAS, the Agency has determined to issue its Single Family Mortgage Revenue Bonds, Series 2017-123 in accordance with a Series Resolution to be attached hereto and made a part hereof; and

WHEREAS, pursuant to a resolution of the Agency adopted June 13, 1991 and entitled "RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY DELEGATING TO THE FINANCE COMMITTEE CERTAIN SPECIFIC AUTHORITY RELATING TO AGENCY BOND ISSUES," the Agency has determined to delegate to the Finance Committee of the Board of the Agency, within the perimeters established herein, the authorization to negotiate the final terms of such series of bonds.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 9 day of February, 2017 as follows:

Section 1. Adoption of the Series 2017-123 Resolution. The Series Resolution authorizing the issuance of the Agency's Single Family Mortgage Revenue Bonds, Series 2017-123 (the "Bonds") is hereby incorporated herein by reference and is adopted by the Agency.

Section 2. Delegation of Authorization to Negotiate Final Terms. (a) Subject to the provisions of this Section 2, the Finance Committee is hereby authorized and directed to negotiate, prepare or accept, execute, deliver and distribute, for and on behalf of the Agency and in the name thereof, a contract of purchase and/or agreement and memorandum of understanding, which outlines terms of final pricing, interest rates, tender and redemption provisions, bond maturities, payment of associated costs of issuance appropriate for the financing (including reasonable compensation for applicable structuring and fees related thereto), and such documents as may be necessary for the transaction, including offering and disclosure documents, an indenture and all other documents relating to the issuance of and investment mechanisms relating to the Bonds and related securities, which may include taxable, variable rate or fixed rate notes. At the time such final terms have been negotiated on behalf of the Agency, such final terms shall be incorporated into the Series 2017-123 Resolution, which, with such final terms so incorporated, shall constitute the Series Resolution of the Agency authorizing the issuance of the Bonds.

(b) The final terms of the Series 2017-123 Bonds shall be as negotiated by the Finance Committee, provided, however, as follows: (i) the principal amount of the Series 2017-123 Bonds shall not exceed \$350,000,000, (ii) the final maturity of the Series 2017-123 Bonds shall be no later than 2048, and (iii) the initial interest rate or rates on the Series 2017-123 Bonds shall be a rate or rates resulting in a net interest cost no higher than 8% per annum.

Section 3. The Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance is authorized to enter into one or more guaranteed investment contracts, escrow deposit agreements or other investment instruments relating to the Bonds, to take all necessary actions and to make any necessary and appropriate amendments or adjustments to all or a relevant portion of any bonds issued under the Indenture and to secure substitute facilities and remarketing agreements for any of the Agency's outstanding variable rate demand obligations.

Section 4. This Resolution shall take effect immediately.