

**Pennsylvania Housing Finance Agency  
Meeting of the Board  
December 14, 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, Secretary of Department  
of Community and Economic Development)  
\*Noel Eisenstat  
\*Robert Loughery  
Ben Laudermilch (serving in the stead of  
Ted Dallas, Secretary, Human Services)  
\*John Paone  
Jennifer Langan(serving in the stead of  
Joseph Torsella, State Treasurer)  
\*Mark Schwartz

\*On Telephone conference call

**Members Absent:**

Ross Nese

**Others Present:**

Brian A. Hudson, Executive Director  
Rebecca L. Peace, Deputy Executive Director/Chief Counsel  
Holly Glauser, Director of Development  
Bryce Maretzki, Director of Strategic Policy & Planning  
Kim Boal, Director of Information Technology  
Scott Elliott, Director of Communications  
Thomas Brzana, Director of Business Analytics  
Steve O'Neill, Assistant Counsel  
Chris Anderson, Communications Officer  
Carl Dudeck, Director of Housing Management  
Kathryn Newton, Director of Loan Servicing  
William Fogarty, Director of Government Affairs  
David Doray, Manager of Multifamily Underwriting  
Clay Lambert, Business Policy Officer  
Jordan Laird, Manager of Investments  
Coleen Baumert, Director of Homeownership  
Joseph Knopic, Director of Finance  
John Zapotocky, Director of Accounting  
Stan Salwocki, Manager of Architecture & Engineers  
\*Nancy Twyman, Director of Eastern Region  
\*Ali Tomich, Director of Western Region  
Lisa Case, Manager of Project Operations

Lori Toia, Director of HEMAP  
Jada Greenhowe, Assistant Counsel  
Kelly Wilson, Development Officer II  
Robert Foggio, Jefferies LLC  
Jim Stretz, George K. Baum & Company  
Geoff Proulx, Executive Director, Morgan Stanley  
Bob Yoder, Yoder Builders, Inc.  
Nathan Yoder, Yoder Builders, Inc.  
Alan Flannigan, Department of Banking and Securities  
Nicholas Fluehr, Wells Fargo Bank, N.A.  
Robin Ginsberg, Wells Fargo Bank, N.A.  
Michael Baumrin, RBC Capital Markets, LLC  
Maggie Strawser, Assistant Secretary  
Carrie M. Barnes, Secretary

A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency was held on Thursday, December 14, 2017 at 9:30 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 Section of *The Patriot News* in Harrisburg, Dauphin County on November 30, 2017.

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

The meeting was called to order by Chair Wiessmann at 9:30 a.m. The roll was called and a quorum was present.

**2. APPROVAL OF THE MINUTES FROM THE NOVEMBER 9, 2017 BOARD MEETING**

There were no additions or corrections to the minutes.

**Mr. Schwartz made the motion that the minutes from the November 9, 2017 Board meeting be approved as submitted. This motion was seconded by Mr. Croushore and was unanimously approved.**

**3. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT**

Ms. Possinger, as Acting Chair of the Program and Development Review Committee reported that the Committee met prior to the Board meeting and reviewed the following agenda items.

**A. Tax-Exempt Bond Issuance -  
Central Pennsylvania Development**

Ms. Wilson reviewed the project specifics and the financing plan noting that this proposal is for the acquisition and substantial rehabilitation of 15 existing USDA

Rural Development apartment complexes in northern, central and southwest Pennsylvania. No tenants will be displaced or relocated during the renovations of any of the units. She reported that the Agency will be the conduit issuer of the tax-exempt bonds which will be privately placed with Sterling Bank. Staff recommends approval of this 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 authorizing the issuance of Special Limited Obligation Multifamily Housing Bonds in the maximum aggregate principal amount of \$32,050,000 for the Central Pennsylvania Development project. This motion was seconded by Mr. Croushore and was unanimously approved. (See Appendix 1 of these Minutes.)**

Nathan Yoder thanked the Board for their approval and Agency staff for their hard work and diligence to make this project viable.

**B. Reallocation of Tax Credits -  
Madison Court Apartments**

Ms. Possinger reported that the Program and Development Review Committee approved the potential reallocation of tax credits to Madison Court Apartments located in Shamokin, Northumberland County. The Tax Credit Allocation Plan permits the Agency to reallocate tax credits to a development experiencing delays caused by circumstances beyond its control. The Program and Development Review Committee has been given the authority by the Board to approve these requests. There is no Board action required on this matter.

**4. ALLOCATION OF VOLUME CAP –  
ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY**

Ms. Peace reported that the Allegheny County Residential Finance Authority has requested an allocation of volume cap in the amount of \$20,000,000 to continue their homeownership program. She noted that they have been operating this program successfully for several years. Staff recommends approval.

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

**Mr. Eisenstat made a motion that the Board approve the allocation of volume cap in the amount of \$20,000,000 to the Allegheny County Residential Finance Authority.**

**This motion was seconded by Chair Wiessmann and was unanimously approved. (See Appendix 2 of these Minutes.)**

Ms. Collinge representing the Allegheny County Residential Financial Authority thanked the Board and staff for their support and approval of this request.

**5. APPROVAL OF SET-ASIDE OF AGENCY FUNDS FOR 2018**

Mr. Hudson thanked the Board members for their participation in the policy meeting which was held yesterday. He specifically recognized Mr. Maretzki and Mr. Lambert for their efforts in coordinating the agenda for that meeting.

Mr. Hudson is recommending to the Board that the Agency set-aside \$4,500,000 from its reserves for three programs and initiatives as follows: Homebuyer/Owner Counseling Programs (\$1,500,000); Closing Cost Assistance Program (\$1,500,000); and the Federal Home Loan Bank Homeless Initiative (\$1,500,000).

**Ms. Possinger made the motion that the Board approve the set-aside and reservation of available funds for Agency programs and initiatives in 2018. This motion was seconded by Mr. Alexander and was unanimously approved. (See Appendix 3 of these Minutes.)**

**6. INVESTMENT BANKER REPORT**

Mr. Baumrin of RBC Capital Markets distributed an Investment Banker Report to the Board.

He began his presentation by discussing the issues of the tax reform package as it is currently understood and how it might impact Private Activity Bonds and other sources of affordable housing funds. The Agency issued its Series 125 bonds in the amount of \$300,205,000 last week made up of \$125,000,000 in new money and also refunded Variable Rate Bonds. This issue was successful in providing a good mortgage rate for Agency mortgages. He reported that 16 investors purchased almost half of the Agency's bonds in this issuance.

Mr. Baumrin reported that the GDP is increasing and it is expected to continue to grow into 2018 and unemployment continues to improve to all-time lows.

With regard to housing, the cost of homeownership is exceptionally low by historic standards, housing starts have jumped to their highest level in a year and home sales have also increased.

Mr. Schwartz asked where short term rates might be headed. Mr. Baumrin was not completely sure but indicated that given the indicators like the economy, housing and declining unemployment, it is expected that short term rates might increase slightly which would be helpful for the Agency's mortgage program.

7. **DEVELOPMENT STATUS REPORT**

There were no comments or questions on this report.

8. **PHFA INVESTMENT REPORT**

There were no comments or questions on this report.

9. **OTHER BUSINESS**

A. **No January 2018 Board Meeting**

Mr. Hudson reported that no January, 2018 Board meeting is scheduled. Should the need arise for a meeting, Board members would be contacted by the Secretary.

B. **Happy Holidays**

Mr. Hudson wished all in attendance a happy holiday. Chair Wiessmann echoed Mr. Hudson's sentiments and wished everyone a peaceful and safe holiday.

10. **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 9:55 a.m.

The next regularly scheduled meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held on Thursday, February 8, 2018 at 10:30 a.m. at the offices of the Agency, 211 North Front Street, Harrisburg, Pennsylvania.

Respectfully submitted,



Carrie M. Barnes  
Secretary

**PENNSYLVANIA HOUSING FINANCE AGENCY**

**RESOLUTION**

**Authorizing the Issuance of \$32,050,000  
Maximum Aggregate Principal Amount of  
Special Limited Obligation Multifamily Housing Development Bonds  
(Central Pennsylvania Development)**

**Adopted: December 14, 2017**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$32,050,000 MAXIMUM AGGREGATE PRINCIPAL AMOUNT  
SPECIAL LIMITED OBLIGATION  
MULTIFAMILY HOUSING DEVELOPMENT BONDS  
(CENTRAL PENNSYLVANIA DEVELOPMENT)**

**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 any 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 or notes in one or more series or subseries in accordance with, pursuant to and under this Resolution, a loan agreement and/or similar loan, trust, financing or purchase agreements (such operative documents shall be referred to hereinafter collectively as the "**Agreement**"); and

**WHEREAS**, Central Pennsylvania Development Associates, a Pennsylvania limited partnership or another affiliate of the sponsor, Pennsylvania Development Group, Inc. (the "**Borrower**") has requested financing from the Agency in the form of tax-exempt and/or taxable bonds or notes, in one or more series or subseries, issued at the same or different times, in an aggregate amount not to exceed \$32,050,000 (the "**Bonds**") to fund the acquisition, construction, improvement, rehabilitation and equipping of up to fifteen general and senior occupancy multifamily residential rental housing projects collectively known as "Central Pennsylvania Development," currently anticipated to be located in communities in the counties of Bradford, Cameron, Clinton, Dauphin, Erie, Fayette, Forest, Indiana, McKean, Mifflin and Schuylkill, Pennsylvania, with approximately 485 total units of affordable housing (collectively, 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**, Churchill Stateside Group, 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 \$32,050,000. 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, new 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**").

**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 requirements established by the Agency in the Tax-Exempt Qualified Residential Rental Facilities Seeking Private Activity Bond Allocations Request for Proposals; (e) compliance with all timeframes and deadlines established by the Agency; (f) satisfactory evidence of full compliance with all Commonwealth contracting, integrity and responsibility provisions; (g) evidence of the commitment of construction and permanent financing and contribution of equity in amounts sufficient to ensure financial feasibility of the Project; (h) 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; (i) evidence of the satisfaction of accessibility requirements; (j) final underwriting of the application for tax-exempt financing and low income housing tax credits; (k) satisfactory evidence of all requisite USDA approvals, including, but not limited to, approval of the transfer and extension of the USDA project-based subsidies; and (l) 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 \$32,050,000; 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 forty-three 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 pursuant to the terms of the Agreement.

**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  
PENNSYLVANIA HOUSING FINANCE AGENCY  
AUTHORIZING HOUSING RELATED BOND ALLOCATION  
FOR ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY**

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WHEREAS, the Pennsylvania Housing Finance Agency exists and operates by virtue of and pursuant to the housing finance agency law, (1959, Dec. 3, P.L. 1688, as amended, 35 P.S. 1680.101, et seq.)(hereinafter, "the Act"); and

WHEREAS, an allocation of volume cap for the purpose of issuing private activity housing bonds has been made to the Pennsylvania Housing Finance Agency in accordance with the federal Internal Revenue Code, and the state Tax Exempt Bond Allocation Act and applicable regulations; and

WHEREAS, Pennsylvania Housing Finance Agency has reviewed the request received by Allegheny County Residential Finance Authority seeking authority to finance its single family homeownership programs in 2017; and

WHEREAS, the Pennsylvania Housing Finance Agency has determined to provide a preliminary allocation of volume cap in the amount not to exceed \$20,000,000 for the issuance of qualified mortgage bonds for homeownership programs in Allegheny County subject to certain conditions set forth below.

NOW THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 14th day of December, 2017, as follows:

Section 1. Staff is hereby directed and authorized to take all necessary actions to provide a preliminary allocation of volume cap for the issuance of bonds by Allegheny County Residential Finance Authority for its single family homeownership programs and to take all necessary actions to review the issuer's compliance with filing and reporting requirements of the Internal Revenue Code of 1986, as amended, and to federal tax regulations and rules applicable to the program, subject to recapture and reallocation in the event the Agency determines that the authority will not be available for such purposes by the end of the 2017 calendar year or will not be used in compliance with federal tax requirements.

Section 2. This resolution shall be effective immediately.

**RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
AUTHORIZING THE SET-ASIDE AND RESERVATION OF AVAILABLE FUNDS  
FOR AGENCY PROGRAMS AND INITIATIVES IN 2018**

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 which are unable to obtain such financing in the general market. . . thus improving and stimulating the distribution of investment capital for housing . ." and is authorized by Section 1680.503a to create such funds and accounts as are necessary for its corporate purposes; and

WHEREAS, the Agency has determined that funding for Agency programs and initiatives is necessary and appropriate as follows:

Homebuyer/owner Counseling Programs	\$1,500,000
Closing Cost Assistance Program	\$1,500,000
Federal Home Loan Bank Homeless Initiative	\$1,500,000

WHEREAS, the Agency has determined that the above set-asides may be made available without impairing the economic stability of the Agency and without affecting any existing security of pledged interests through fund balance earnings and unexpended program funds.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 14th day of December 2017, as follows:

Section 1. The Agency hereby approves and authorizes the set-aside of an aggregate amount of \$4,500,000 for program funding in 2018 as described in the preamble above.

Section 2. Staff is hereby authorized and directed to take all actions necessary to effectuate the above authorized set-asides and reservation.

Section 3. This resolution shall take effect immediately.