

**Pennsylvania Housing Finance Agency  
Meeting of the Board  
December 13, 2018**

**Members Present:**

\*Robin Wiessmann, Chair  
\*Mark Schwartz, Vice Chair  
Maria F. Coutts  
Ronald F. Croushore  
Mark Dombrowski  
Jennifer Koppel  
Kathy Possinger (serving in the stead of  
Dennis Davin, Secretary of Department  
of Community and Economic Development)  
Gary E. Lenker  
Robert Loughery  
Ben Laudermilch (serving in the stead of  
Teresa Miller, Secretary, Human Services)  
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:**

**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  
Carl Dudeck, Director of Housing Management  
Kathryn Newton, Director of Loan Servicing  
Coleen Baumert, Director of Homeownership  
Charlotte Folmer, Executive Director, Commonwealth Cornerstone Group  
Ali Tomich, Director of Western Region  
Jordan Laird, Director of Finance  
John Zapotocky, Director of Accounting  
Melissa Grover, Director of Government Affairs  
Steven O'Neill, Assistant Counsel  
Lauren Starlings, Assistant Counsel  
Jada Greenhowe, Assistant Counsel  
David Doray, Manager of Multifamily Underwriting  
Clay Lambert, Business Policy Officer  
Stanley Salwocki, Manager of Architecture & Engineering  
Diane Hoffman, Manager of Accounting, HEMAP  
Lisa Case, Manager of Project Operations  
JoLynn Stoy, Associate Counsel

Ralph Jones, U.S. Bank National Association  
David Safer, U.S. Bank National Association  
David Notkin, Bank of America Merrill Lynch  
Matt Engler, Wells Fargo Securities  
Nick Fluehr, Wells Fargo Securities  
Michael Baumrin, RBC Capital Markets  
Bob Foggio, Jefferies LLC  
Alan Jaffe, Jefferies LLC  
Jim Stretz, George K. Baum & Company  
Melody Santor, Programs Coordinator  
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 13, 2018 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 December 4, 2018.

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

The meeting was called to order by Chair Weissmann at 9:35 a.m. The roll was called and a quorum was present.

**2. APPROVAL OF THE MINUTES FROM THE NOVEMBER 8, 2018 BOARD MEETING**

There were no additions or corrections to the minutes.

**Mr. Schwartz made a motion that the minutes from the November 8, 2018 Board meeting be approved. This motion was seconded by Mr. Lenker 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 a number of items.

**A. Home4Good Funding Recommendations**

Mr. Maretzki thanked Mr. Lambert for all of his efforts in getting the program up and running. This is a new initiative between the Federal Home Loan Bank of Pittsburgh (FHLB) and the Agency to provide grants to address gaps in support and services to combat homelessness in the Commonwealth.

The FHLB approached the Agency about being their partner in this initiative. The FHLB will commit \$3,000,000 each year and the Agency will commit \$1,500,000 each year for the next three years for this program. Mr. Marezki discussed the program and its goals. He reported that the primary need to be addressed is that of serving homeless individuals and families as determined by the relevant Continuum of Care (CoC) entity in a specific area or county.

Mr. Marezki noted that there are 16 Continuum of Care entities within the Commonwealth. Proposals were received from all across the Commonwealth with 15 of the 16 Continuum of Care entities agreeing to act as administrators for the program.

There were a total of 131 applications received requesting \$17,500,000 in funding under this program. A review team consisting of staff from the FHLB, PHFA Department of Human Services and the Department of Community and Economic Development reviewed all applications submitted based on the priorities established for the program and the local Continuum of Care entities. A total of 49 proposals are being recommended for approval totaling \$4,500,000. Included in this total amount is an administrative fee which will be paid to each CoC who prioritized and reviewed all of the proposals in their particular area.

Staff recommends approval of the funding of the individual proposals as submitted to the Board.

**Mr. Welks made the motion that the Board approve the funding of the Home4Good program and projects. This motion was seconded by Ms. Possinger. Ms. Koppel, Messrs. Loughery, Schwartz and Paone abstained due to potential conflicts of interest. The motion carried. (See Appendix 1 of these Minutes.)**

**B. Commitment of Mortgage Funds –  
White Deer Commons, New Columbia, Union County**

Ms. Glauser reported that the owner of this project has requested approval for the transfer of ownership to the Housing Authority of Union County. The Housing Authority will assume the existing mortgage and will continue to operate the development as affordable housing. In addition to the transfer of ownership approval, there is also a request for an additional mortgage loan in the amount of \$500,000 to

make needed capital improvements to the project and to replenish the reserve for replacement funding.

Staff recommends approval of these requests.

Mr. Welks stated that the Program and Development Review Committee concurs with staff's recommendation.

**Mr. Loughery made the motion that the Board approve the resolution authorizing the commitment of mortgage funds for White Deer Commons. This motion was seconded by Mr. Paone and was unanimously approved. (See Appendix 2 of these Minutes.)**

**C. Project Refinancings – Coal Township Elderly and Hazlewood Apartments**

Mr. Laird reported that the Agency has been requested to restructure the existing debt and provide new project loan financing for Coal Township Elderly located in Coal Township, Northumberland County and Hazlewood Apartments, located in Hazle Township, Luzerne County. He reviewed the specifics regarding each of the restructurings noting that both low income projects will remain in the Section 8 program providing affordable rents. Both projects have been well maintained by the owner.

Staff recommends approval of the restructuring for both projects. Mr. Laird noted that this restructuring will result in a new first lien mortgage for both projects, each with a 30 year amortization schedule.

Mr. Welks reported that the Program and Development Review Committee concurs with staff's recommendation.

**Mr. Schwartz made a motion that the Board approve the resolution authorizing the mortgage restructuring and additional financing for Coal Township Elderly and Hazlewood Apartments. This motion was seconded and unanimously approved. (See Appendix 3 and 4 respectively of these Minutes.)**

**D. Other Business**

**Mr. Welks reported that the Program and Development Review Committee approved the reallocation of tax credits to Mulberry Apartments located in Harrisburg, Dauphin County. (See Appendix 5 of these Minutes.)**

He noted that the Program and Development Review Committee has received prior Board approval to take action on this type of request.

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

**4. POLICY COMMITTEE REPORT**

Mr. Schwartz thanked staff for their preparation and presentations at the Board's all-day policy meeting which occurred yesterday. All aspects of the Agency were reported on and staff responded to inquiries by Board members.

As a result of the policy meeting, the Board has requested staff to investigate ways to increase the number of applications being received by the HEMAP as well as providing additional information on various aspects of the closing cost assistance program, the MCC program and REO properties.

Mr. Schwartz believes it was a most informative session and he felt it was very beneficial for Board members, especially the newer members.

Chair Wiessmann added her thanks to staff stating that the presentations were done.

**5. INVESTMENT BANKER REPORT**

Mr. Baumrin distributed an investment banker booklet prepared by RBC Capital Markets.

He reported that the United States economy appears to be maintaining its constant growth, consumer spending is very strong and household savings and wages are increasing. The United States is experiencing a strong job market and near-record confidence in consumer spending.

RBC economists expect interest rates to continue to rise until 2020 and then in 2021 they expect a decline.

Mr. Baumrin stated that the stock market has been performing very well, the unemployment rates are at historic lows and there are many workers to fill the job openings.

Regarding the housing market, Mr. Baumrin noted that even with the mortgage rates increasing, the average payment as a share of household income remains low.

There were no comments or questions from the Board.

**6. DEVELOPMENT STATUS REPORT**

There were no comments or questions on this report.

**7. PHFA INVESTMENT REPORT**

There were no comments or questions from the Board.

8. **OTHER BUSINESS**

A. **2019 Set-Aside of Funds**

Mr. Hudson reported that staff is recommending to the Board that the Agency set aside \$6,500,000 from its reserves in 2019 for four programs/initiatives as follows: Homebuyer/Owner Counseling Programs (\$1,500,000); Downpayment/Closing Cost Assistance Program (\$1,500,000); the Federal Home Loan Bank Homeless Initiative (\$1,500,000); RECLAIM Program (\$1,500,000); and the Reentry Program Initiative (\$500,000).

**Mr. Loughery made the motion that the Board approve the set-aside and reservation of available funds for Agency programs and initiatives in 2019. This motion was seconded by Ms. Possinger and was unanimously approved. (See Appendix 6 of these Minutes.)**

B. **Staff Retirement**

Mr. Hudson reported that JoLynn Stoy will be retiring at the end of this year. Ms. Stoy has been an Associate Counsel for 33-1/2 years. He thanked her for her service to the Agency and wished her well. Mr. Schwartz stated that it has been a pleasure to work with Ms. Stoy over the years.

C. **Property Disposition**

Mr. Hudson reported that in 2007, the Agency approved the financing of a proposed development at 1000 Market Street in downtown Harrisburg. The Agency disbursed approximately \$140,000 but the developer abandoned the project and did not repay the loan after numerous demands by the Agency. The Agency foreclosed on the structure but was unable to find a buyer and the property became unsalvageable and had to be demolished.

The Agency has been unable to find a developer to purchase the property and is now requesting the Board's approval to proceed with the sale of the parcel for the appraised value of the site.

**Mr. Loughery made the motion that the Board approve the disposition of the property located at 1000 Market Street in Harrisburg. This motion was seconded by Ms. Possinger and was unanimously approved. (See Appendix 7 of these Minutes.)**

**D. In Closing**

Mr. Hudson thanked the Agency staff for all of their presentations to the Board at yesterday's policy meeting. He hopes that it was a very beneficial meeting for the Board Members. He also thanked the Board members for their attendance and participation. It is his hope that the Board members, especially the newer members, have gotten a better insight into the operation of PHFA and its programs.

Mr. Hudson closed with wishing everyone a Happy Holiday season.

**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. The meeting adjourned at 10:30 a.m.

The next monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held at the Agency on Thursday, February 21, 2019 at 10:30 a.m.

Respectfully submitted,



Carrie M. Barnes  
Secretary

**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, the Agency and FHLBank Pittsburgh issued a Request for Proposals for the submission of applications to the Program; and

WHEREAS, the Agency and FHLBank Pittsburgh, in collaboration with other Commonwealth entities, extensively reviewed the applications received for a determination of which projects best meet the Program criteria and has chosen to reserve funding for the applications set forth below.

NOW, THEREFORE, be it resolved by the members of the Agency on this 13th day of December 2018, as follows:

Section 1. The Agency hereby approves funding in the amounts set forth below from the H4G Program to the following applicants for each of the following programs/projects:

<b>Continuum of Care (by county)</b>	<b>Applicant / Proposal Name</b>	<b>Recommended Funding Amount</b>
<b>Allegheny County</b>	ACTION-Housing / Family Stabilization Program .....	\$300,000
	Trade Institute of Pittsburgh / Workforce Development Housing .....	\$50,000
	Community Human Services / CHS Wood Street Clinic Expansion .....	\$100,000
	Veterans Leadership Program of Western PA / Heroes Matter .....	\$100,000
	Department of Human Services / Housing Navigator .....	\$77,700
	Allegheny Valley Association of Churches / Staying Home .....	\$51,332
	Western Psychiatric Institute and Clinic of UPMC Shadyside / Moving On .....	\$75,000
	<b>CoC Administration / Allegheny County Dept. of Health</b> .....	<b>\$37,702</b>
<b>Beaver County</b>	Beaver County Salvation Army / Harmony House Transitional Housing-Rapid Rehousing Program .....	\$57,000
	<b>CoC Administration / Housing &amp; Homeless Coalition of Beaver County</b> .....	<b>\$2,850</b>

<b>Continuum of Care (by county)</b>	<b>Applicant / Proposal Name</b>	<b>Recommended Funding Amount</b>
<b>Berks County</b>	YMCA of Reading and Berks County / Childcare and Transportation Assistance .....	\$25,000
	Opportunity House / Success Through Employment Program .....	\$95,000
	<b>CoC Administration / Berks Coalition to End Homelessness</b> .....	\$6,000
<b>Bucks County</b>	YWCA Bucks County / Rapid Re-Housing for Women and Children .....	\$30,000
	Family Service Association of Bucks County / Rapid Exit .....	\$20,000
	<b>CoC Administration / Bucks County Housing Services Department</b> .....	\$2,500
<b>Chester County</b>	Legal Aid of Southeastern Pennsylvania / Legal Services to End Homelessness .....	\$30,000
	Friend Association for Care & Protection of Children / Homeless Prevention Program Expansion .....	\$40,000
	<b>CoC Administration / Chester County Department of Community Development</b> .....	\$3,500
<b>Delaware County</b>	Delaware Department of Human Services / SOAR .....	\$149,000
	Community Action Agency of Delaware County / Utility Assistance Program .....	\$61,000
	<b>CoC Administration / Delaware Department of Human Services – Office of Behavioral Health</b> .....	\$10,500
<b>Eastern Pennsylvania</b>	United Way of Monroe County / Pocono RHAB Homeless Prevention and Diversion Program .....	\$100,000
	Tableland Services, Inc. / DIVERT .....	\$35,722
	Valley Youth House / The Synergy Project .....	\$66,814
	Lehigh Conferences of Churches / Housing Navigator .....	\$53,000
	Center for Community Action / Comprehensive Housing Support and Landlord Capacity Services .....	\$163,500
	Servants to All / Servants to All .....	\$33,848
	Waynesboro Community & Human Services / Homelessness Prevention and Diversion Fund .....	\$36,819
	<b>CoC Administration / United Way of PA</b> .....	\$24,485
<b>Erie County</b>	St. Martin Center / Stable Home Pathway Program .....	\$96,600
<b>Dauphin County</b>	Christian Churches United of the Tri-County Area / HELP Ministries .....	\$50,000
	Brethren Housing Association / Transitions .....	\$22,000
	<b>CoC Administration / Capital Area Coalition On Homelessness</b> .....	\$3,600
<b>Lancaster County</b>	Lancaster Housing Opportunity Partnership / Eviction Prevention Network ....	\$97,000
	The Factory Ministries / Lancaster County Voices of Youth Count .....	\$3,000
	<b>CoC Administration / Lancaster County Coalition to End Homelessness</b> ....	\$5,000
<b>Montgomery County</b>	Access Service / Homeless Street Outreach .....	\$75,000
	Pottstown Cluster of Religious Communities / PCRC EPIC Prevention Program .....	\$50,000
	<b>CoC Administration / Montgomery County Office of Housing &amp; Community Development</b> .....	\$6,250

<b>Continuum of Care (by county)</b>	<b>Applicant / Proposal Name</b>	<b>Recommended Funding Amount</b>	
<b>Philadelphia County</b>	Drueding Center / Rental Assistance Program .....	\$59,267	
	Valley Youth House Committee, Inc. / Philadelphia Designated Access Point for Youth .....	\$125,074	
	Turning Points for Children / Youth Villages LifeSet .....	\$100,000	
	Utility Emergency Services Fund / Housing Stabilization Program .....	\$223,470	
	Family Homelessness Prevention/Diversion Program / Philadelphia Interfaith Hospitality Network .....	\$50,000	
	Pathway Home Project / Action Wellness .....	\$140,000	
	Friends Rehabilitation Program / Prevention and Diversion Program .....	\$400,000	
	Urban Affairs Coalition / Homeless and Medically Fragile Home4Good Program .....	\$228,689	
	DePaul USA / Keys to Stability .....	\$40,000	
	Families Forward Philadelphia / Shallow Rent Subsidy Program .....	\$50,000	
	<b>CoC Administration / Philadelphia Office of Homeless Services</b> .....	\$70,825	
	<b>Lackawanna County</b>	United Neighborhood Centers of Northeastern PA / Re-Entry Rapid Re-Housing Program .....	\$75,000
		Valley Youth House Committee, Inc. / Rapid Re-Housing for Homeless Lackawanna Youth .....	\$40,000
		<b>CoC Administration / United Neighborhood Centers of Northeastern Pennsylvania</b> .....	\$5,750
<b>Luzerne County</b>		Commission on Economic Opportunity / Homeless Prevention, Diversion, Supportive Services .....	\$62,500
	Volunteers of America / Give Hope Team .....	\$62,500	
	Domestic Violence Service Center, Inc. / Housing Specialist and Critical Needs Program .....	\$48,000	
	<b>CoC Administration / Commission on Economic Opportunity</b> .....	\$8,650	
	<b>Western Pennsylvania</b>	Lawrence County Social Services, Inc. / Western CoC Coordinated Entry Capacity Funds .....	\$184,475
Fayette County Community Action Agency / CoC Staff Position .....		\$26,544	
Valley Youth House Committee, Inc. / Western CoC Host Home Program ....		\$175,460	
<b>CoC Administration / Fayette County Community Action</b> .....		\$19,324	
<b>York County</b>		York County Human Services Department / Specialized Housing and Supportive Services Program .....	\$55,000
	<b>CoC Administration / York County Planning Commission</b> .....	\$2,750	
	<b>Total Funding</b> .....	<b>\$4,500,000</b>	

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

**RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
AUTHORIZING COMMITMENT OF MORTGAGE FUNDS FOR  
WHITE DEER COMMONS, PHFA NO. O-518**

WHEREAS, White Deer Commons Associates, a Pennsylvania limited partnership ("Owner"), is the owner of a 24 unit residential rental development known as White Deer Commons located in New Columbia, Union County, Pennsylvania (the "Development"); and

WHEREAS, in October 1996, the Agency provided \$1,068,422 PennHOMES mortgage financing to Owner for the Development; and

WHEREAS, Owner has requested Agency approval of the transfer of the Development to the Housing Authority of Union County ("Housing Authority"); 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 Housing Authority will assume the existing mortgage and will continue to operate the Development and shall be responsible for the fiscal and physical condition of the Development; and

WHEREAS, the Development needs certain capital improvements and funds for the reserve for replacement to continue to maintain the Development as safe, sanitary and decent affordable housing and Housing Authority has requested that the Agency provide financing in the amount of \$500,000; and

WHEREAS, the Agency has reviewed the Development, the proposed capital improvements and its financial operations and has determined that the capital improvements and reserve for replacement funding are needed to continue to operate the Development and staff recommends approval of the transfer of the Development to Housing Authority and additional Agency financing in the amount of \$500,000 for the Development as set forth below.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 13th day of December, 2018, as follows:

Section 1. The Agency approves the transfer of the Development to the Housing Authority of Union County.

Section 2. Staff is authorized and directed to take all actions necessary to effectuate the transfer of the Development; subject to review and approval of the appropriate documents for the transaction.

Section 3. The Executive Director, Deputy Executive Director and Agency staff are authorized to provide additional financing in the approximate amount of \$500,000 to the Housing Authority of Union County for the purpose of providing much needed capital improvements and for funding the Development's reserve for replacement and to take all actions necessary to accomplish the same.

Section 4. This resolution shall take effect immediately.

**RESOLUTION OF THE MEMBERS OF THE BOARD  
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING MORTGAGE RESTRUCTURING  
AND ADDITIONAL FINANCING FOR  
COAL TOWNSHIP, PHFA NO. R-360**

WHEREAS, in 1977, the Agency originally provided financing in the amount of \$2,860,000 for the development of 101 residential rental units in Coal Township, Northumberland County, Pennsylvania, known as Coal Township (the "Development") currently owned by Coal Township Limited Partnership ("Owner"); and

WHEREAS, in 1989, the Agency provided a second mortgage loan in the amount of \$1,518,022 that was due and payable upon payment in full of the Agency's first mortgage loan; and

WHEREAS, in 2018, the Agency's first mortgage loan was paid in full and the second mortgage loan in the aggregate amount of \$5,240,487, which includes principal of \$1,518,022 and accrued interest of \$3,722,465, became due and payable; and

WHEREAS, the Agency has agreed to restructure the second mortgage loan and accept \$2,600,000 as payment in full of the second mortgage loan and provide additional financing in an amount not to exceed \$3,200,000 with an interest rate not to exceed 5.5% amortized over 30 years; and

WHEREAS, staff has reviewed the Development's financial and physical condition and has determined that the Development can financially support additional debt and the Development would benefit from restructuring the second mortgage loan; and

WHEREAS, staff recommends to restructure the second mortgage loan and accept \$2,600,000 as payment in full of the second mortgage loan and provide additional financing in an amount not to exceed \$3,200,000 with an interest rate not to exceed 5.5% amortized over 30 years.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 13th day of December, 2018, as follows:

Section 1. Staff is authorized and directed to take all actions necessary to restructure the second mortgage loan and accept \$2,600,000 as payment in full of the second mortgage loan and to provide a first mortgage loan in an amount not to exceed \$3,200,000 with an interest rate not to exceed 5.5% amortized over 30 years and to take all actions necessary to accomplish the same.

Section 2. This resolution shall take effect immediately.

**RESOLUTION OF THE MEMBERS OF THE BOARD  
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING MORTGAGE RESTRUCTURING  
AND ADDITIONAL FINANCING FOR  
HAZLEWOOD APARTMENTS, PHFA NO. R-182**

WHEREAS, in 1976, the Agency originally provided financing in the amount of \$2,520,000 for the development of 100 residential rental units in Hazle Township, Luzerne County, Pennsylvania, known as Hazlewood Apartments (the "Development") currently owned by Hazlewood Limited Partnership ("Owner"); and

WHEREAS, in 1989, the Agency provided a second mortgage loan in the amount of \$1,529,265 that was due and payable upon payment in full of the Agency's first mortgage loan; and

WHEREAS, in 2018, the Agency's first mortgage loan was paid in full and the second mortgage loan in the aggregate amount of \$6,916,630, which includes principal of \$1,529,265 and accrued interest of \$5,387,365, became due and payable; and

WHEREAS, the Agency has agreed to restructure the second mortgage loan and accept \$4,375,000 as payment in full of the second mortgage loan and provide additional financing in an amount not to exceed \$5,000,000 with an interest rate not to exceed 5.5% amortized over 30 years; and

WHEREAS, staff has reviewed the Development's financial and physical condition and has determined that the Development can financially support additional debt and the Development would benefit from restructuring the second mortgage loan; and

WHEREAS, staff recommends to restructure the second mortgage loan and accept \$4,375,000 as payment in full of the second mortgage loan and provide additional financing in an amount not to exceed \$5,000,000 with an interest rate not to exceed 5.5% amortized over 30 years.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 13th day of December, 2018, as follows:

Section 1. Staff is authorized and directed to take all actions necessary to restructure the second mortgage loan and accept \$4,375,000 as payment in full of the second mortgage loan and to provide a first mortgage loan in an amount not to exceed \$5,000,000 with an interest rate not to exceed 5.5% amortized over 30 years and to take all actions necessary to accomplish the same.

Section 2. This resolution shall take effect immediately.

**RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING THE REALLOCATION OF CERTAIN FEDERAL LOW INCOME RENTAL  
HOUSING TAX CREDIT ALLOCATIONS**

WHEREAS, the Pennsylvania Housing Finance Agency (the "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, pursuant to Executive Order 87-9, the Agency is designated as the tax credit allocating agency of the Commonwealth of Pennsylvania; and

WHEREAS, pursuant to Section 42(m) of the Internal Revenue Code of 1986, as amended, (the "Code"), the Agency adopted an allocation plan authorizing the Low Income Housing Tax Credit Program (the "Tax Credit Program") sought and received approval by the Governor of the Year 2017/2018 Plan Tax Credit Program Allocation Plan ("Year 2017/2018 Plan"), made Year 2017/2018 Plan and applications available to interested applicants, considered applications and awardee credits to qualified developers; and

WHEREAS, in approving the Year 2017/2018 Plan, the Board of the Agency reserved the right for the Agency, through review and approval of a committee of the Board, to provide a reallocation process for projects which, due to compelling circumstances beyond their control, are not able to meet the Tax Credit Program placed in service deadlines; and

WHEREAS, the Program and Development Review Committee of the Agency ("PDR Committee") has undertaken such reviews on behalf of the Agency; and

WHEREAS, staff has reviewed with the PDR Committee a project which meets these circumstances and recommends approval of a request for a reallocation of Tax Credits;

NOW THEREFORE, be it resolved by the PDR Committee, on behalf of the Board of the Pennsylvania Housing Finance Agency on the 13<sup>th</sup> day of December, 2018, as follows:

Section 1. The PDR Committee has reviewed and approved a project seeking a reallocation of Tax Credits due to compelling circumstances to allow them to meet the placed in service requirements:

Mulberry Street Properties – Harrisburg, Dauphin County (Availability of utilities and weather)

Section 2. Staff is authorized and directed to take all steps to effectuate the reallocation of Tax Credits.

Section 3. This Resolution shall take effect immediately.

**RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
AUTHORIZING THE SET-ASIDE AND RESERVATION OF AVAILABLE FUNDS  
FOR AGENCY PROGRAMS AND INITIATIVES IN 2019**

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
Downpayment/Closing Cost Assistance Program	\$1,500,000
Federal Home Loan Bank Homeless Initiative	\$1,500,000
RECLAIM Program	\$1,500,000
Reentry Program Initiative	\$ 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 13th day of December 2018, as follows:

Section 1. The Agency hereby approves and authorizes the set-aside of an aggregate amount of \$6,500,000 for program funding in 2019 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.

**RESOLUTION OF THE MEMBERS OF THE BOARD  
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING DISPOSITION OF PROPERTY  
LOCATED AT 1000 MARKET STREET**

WHEREAS, in 2007, the Agency provided construction financing in the original principal amount of \$1,310,000 to Moyer & Williams Development Group, Inc. to develop eight residential condominium units on the property located at 1000 Market Street, Harrisburg ("Site"); and

WHEREAS, the Owner failed to construct the Development, to repay the loan to the Agency and the Agency acquired the Site in 2016 pursuant to a foreclosure action; and

WHEREAS, the building on the Site was in disrepair and unsalvageable, so the Agency razed the building; and

WHEREAS, numerous developers have approached the Agency and expressed interest in the Site, but there have been no offers or commitments to acquire the Site; and

WHEREAS, the Agency requests authorization to proceed with the sale of the Site.

NOW, THEREFORE, be it resolved by the Members of the Pennsylvania Housing Finance Agency on this 13<sup>th</sup> day of December, 2018, as follows:

Section 1. Staff is authorized and directed to take all actions necessary to sell the Site in an amount substantially equivalent to the appraised value of the Site.

Section 2. This resolution shall take effect immediately.