

**Pennsylvania Housing Finance Agency
Meeting of the Board
February 13, 2020**

Members Present:

Richard Vague, Acting Chair
Mark Schwartz, Vice Chair
*Maria F. Coutts
*Ronald F. Croushore
Dennis Davin, Secretary, Department
of Community and Economic Development
*Mark Dombrowski
Jennifer Koppel
Gary E. Lenker
Beth Ellis (serving in the stead of Teresa Miller,
Secretary, Department of Human Services)
*Ross Nese
John Paone
Keith Welks (serving in the stead of
Joseph Torsella, State Treasurer)

Members Absent:

John P. O'Neill
Robert Loughery

*On Telephone conference call

Others Present:

Robin Wiessmann, Executive Director & CEO
Leonidas Pandeladis, Deputy Executive Director and Chief Counsel
Holly Glauser, Director of Development
Jordan Laird, Director of Finance
Bryce Maretzki, Director of Strategic Planning & Policy
Scott Elliott, Director of Communications
Adrienne Trumpy, Director of Accounting
Kathryn Newton, Director of Loan Servicing
Melissa Grover, Director of Governmental Affairs
Ali Tomich, Director of Western Region
Jay Hausher, Director of Eastern Region
Wendy Gessner, Director of Commonwealth Cornerstone Group
Tom Brzana, Director of Business Analytics
Carl Dudeck, Director of Housing Management
Terri Redmond, Director of Counseling
Lori Toia, Director of HEMAP
Susan Delgado, Director of Human Resources
Kimberly Boal, Director of Information Technology
David Doray, Manager of Multifamily Underwriting
Lisa Case, Manager of Project Operations
Chris Anderson, Communications Officer
Jada Greenhowe, Assistant Counsel
Steve O'Neill, Assistant Counsel
Lauren Starlings, Assistant Counsel

Aaron Son, Special Assistant of Policy and Finance
Stan Salwocki, Manager of Architecture and Engineering
Shelby Rexrode, Policy Officer
Clay Lambert, Business Policy Officer
Raymond Carey, Policy Officer
Demier Casteel, Development Officer
Leighton Stiffler, Internal Audit Officer
Ann Mermelstein, Senior Development Officer
Kathy Possinger, DCED
Brandyn Hamilton, Representative John T. Galloway's Office
Paul Haley, Barclays
Peter Weiss, JP Morgan Securities
Mitch Gallo, RBC Capital Markets
Robert Foggio, Jefferies LLC
Gloria Boyd, JP Morgan Securities
Greg Brunner, M & T Securities
Valerie Allen, Ballard Spahr
Jere Thompson, Ballard Spahr
Barry Gottfried, Stifel
Nick Fluehr, Wells Fargo
Alan Jaffe, Jefferies LLC
Sam Caldwell, Jefferies LLC
Alan Flannigan, Department of Banking and Securities
Cindy Daley, Regional Housing Legal Services
Joe Monitto, Bank of America
David Notkin, Bank of America
George Werner, Piper Sandler & Co.
Jennifer Shockley, Pennsylvania Developer's Council
Allison Hutchings, Assistant Secretary
Jeannie Galloway, Assistant Secretary
Margaret Strawser, Secretary

A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency was held on Thursday, February 13, 2020 at 10:30 a.m. at the offices of the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, Pennsylvania

In compliance with the provisions of the Sunshine Act, notification of this meeting appeared in the Legal Notices Sections of *The Patriot News* in Harrisburg, Dauphin County on February 6, 2020.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Acting Chair Vague at 10:57 a.m. The roll was called and a quorum was present.

2. ELECTION OF VICE CHAIR OF THE BOARD

Mr. Paone nominated Mr. Schwartz as Vice Chair of the Board. This motion was seconded. Acting Chair Vague asked if there were any additional nominations. Hearing none, he declared the nominations closed. Acting Chair Vague called for a vote on the motion that Mr. Schwartz be re-elected as Vice Chair of PHFA's Board. The motion passed unanimously. Acting Chair Vague congratulated Mr. Schwartz on this election. Mr. Schwartz thanked Acting Chair Vague and his fellow Board members.

3. APPROVAL OF THE MINUTES FROM THE DECEMBER 12, 2019 BOARD MEETING

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

Mr. Lenker made the motion to approve the minutes from the December 12, 2019 Board meeting. This motion was seconded and was unanimously approved.

4. POLICY COMMITTEE REPORT

Before providing the Policy Committee report, Mr. Schwartz recognized and offered congratulations to Robin Wiessmann as the Agency's Executive Director and CEO. Director Wiessmann replaces Brian Hudson, who retired on February 7, 2020 after 45 years with the Agency.

A. 2020 PHARE Plan Approval

Mr. Schwartz, as Chair of the Policy Committee, reported that the Committee met prior to the Board meeting to discuss and review the 2020 PHARE Plan. Mr. Maretzki was asked to provide a summary to the Board. He reported that at the December 2019 meeting, the Board authorized the draft 2020 PHARE Plan to be presented for a 45 day public comment via notice in *The Pennsylvania Bulletin*. No comments were received during the public comment period.

Mr. Maretzki indicated the 2020 PHARE Plan includes seven categories which will be outlined in the Request for Proposals when issued in the Fall. Applications for the 2020 PHARE funding are due mid-November and awards will be announced in the Summer of 2021. He anticipates \$40 million from realty transfer tax funds with a base of \$5 million for Marcellus Shale fund. Potential revenue surpluses in the Marcellus Shale fund are unknown at this time. Mr. Schwartz asked if the maximum funding of \$40 million was removed, would the funding have been higher and if so, what amount. Mr. Maretzki answered that it was anticipated the PHARE fund would have received approximately \$50 million if the funding cap was removed.

Mr. Schwartz made a motion that the Board approve the 2020 PHARE Plan as submitted. This motion was seconded by Mr. Lenker and was unanimously approved. (See Appendix 1 of these Minutes.)

B. Other Business

Mr. Schwartz reported that the Policy Committee also discussed Senate Bill 30 regarding a proposed State Housing Tax Credit. Ms. Grover provided an overview to the Board. Also discussed was an Agency student loan mortgage program. The Agency submitted an application for the Student Loan Homeownership Pilot Program to the Heinz Endowments on February 6, 2020. No Board action is required on these two issues.

5. APPROVAL OF SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 133 AND SERIES 134

Director Wiessmann reported that Series 2019-130 Single Family Mortgage Revenue Bonds closed in September 2019 with mortgage interest rates between 3.375% and 4.5%. Proceeds of the bond issuance refunded three prior bond series. In December 2019, Series 2019-131 Single Family Mortgage Revenue Bonds closed. Series 131 provided mortgage interest rates between 3.5% and 4.5%.

Staff is requesting Board approval for the issuance of Series 133 and Series 134 and to delegate the approval of the final terms and conditions of each of the transactions to the Finance Committee.

A motion was made that the Board approve the resolutions authorizing the issuance of Single Family Mortgage Revenue Bonds, Series 133 and Series 134. This motion was seconded and unanimously approved. (See Appendices 2 and 3, respectively, of these Minutes.)

6. INVESTMENT BANKER REPORT

Mr. Baumrin, of RBC Capital Markets, presented an economic and market update. He briefly discussed Brexit, the increased escalation of tensions in Iran and the United States mortgage rates being the second lowest level since after the crash. Despite market volatility, the Dow and the S&P 500 hit a record earlier this month.

The number of coronavirus cases has surpassed the number of SARS cases. The impact on market place is uncertain. The Federal Reserve Chairman is closely watching the impact of the virus but does not feel it is necessary to change the policy outlook at this time.

Mr. Baumrin indicated inflation is just shy of 2% target and anticipates the Federal Reserve will keep interest rates the same. He discussed the labor market and the employment rate is at

83%, which is an all-time high. He indicated rental costs will continue to increase as the costs have increased roughly 3% each year.

Even though there is approximately 7% of children living at home, the housing market is strong. Mr. Baumrin indicated the municipal bond market is at its lowest level. Tax Cuts and Job Act eliminated advance refundings bonds which are now taxable bonds. Mr. Baumrin indicated that it is a good time to sell bonds due to the taxable bonds being at a historically low interest rate. He feels the economy is strong.

7. PHFA INVESTMENT REPORT

Acting Chair Vague asked if there were any questions about the PHFA Investment Report which was provided in the meeting materials. There were no comments or questions on this report.

8. OTHER BUSINESS

A. MESSAGE FROM DIRECTOR WIESSMANN

Director Wiessmann is delighted to be the Executive Director of PHFA and fulfill the expectations as Executive Director. She recognized Acting Chair Vague, her successor from the Department of Banking and Securities; Leo Pandeladis, Deputy Executive Director and Chief Counsel, and Jeannie Galloway, Executive Assistant to Director Wiessmann.

She briefly summarized her first week as Executive Director which included an all Agency staff meeting whereby she shared her management style and asked for input and suggestions from Agency staff and later in the week held a meeting with senior staff.

B. RECOGNITION OF RETIREES

Director Wiessmann announced that with the retirement of Charlotte Folmer, Director of Commonwealth Cornerstone Group in January, Wendy Gessner is now the Director of Commonwealth Cornerstone Group.

She also acknowledged the following individuals will be retiring from the Agency at the end of March 2020. Jennifer Smallwood, Manager of REO/FHA, with 30 years of service; Ben Housman, Purchasing Officer, with 29 years of service and James Galia, Senior Technical Services Representative from the Agency's Norristown Office, with 28 years of service. The longevity within the Agency is impressive. Congratulations to all.

C. CUT-BACK IN FUNDING

Director Wiessmann reported on the federal budget and is dismayed by the decreased funding for affordable housing funding across HUD and other agencies. Mr. Marezki and Ms. Grover reported on the proposed cuts to CDBG and HOME funding; zero funding for NHT (including Capital Magnet Fund) and CDFI. If the federal budget is enacted as proposed, there is approximately a 15% budget cut for all affordable housing programs. Ms. Possinger indicated there are proposed funding cuts for homelessness programs as well.

Director Wiessmann and Ms. Grover will be meeting with the members of the Pennsylvania delegation in Washington in March at NCSHA's Legislative Conference and will certainly bring up these issues and express the Agency's position.

9. ADJOURNMENT

Acting Chair Vague extended a thank you to Mr. Pandeladis and to Director Wiessmann for their knowledge and assistance during his transition as Acting Secretary of Department of Banking and Securities.

There being no further business to present to the Board, a motion was made and seconded that the Board meeting be adjourned. The motion was unanimously approved. The meeting adjourned at 11:36 a.m.

The next monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held at the Agency's offices at 211 North Front Street, in Harrisburg, Pennsylvania 17101 on Thursday, March 12, 2020 at 10:30 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Margaret Strawser".

Margaret Strawser
Secretary

2020 Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund Plan - Final

Background

Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE)

The PHARE Fund was established by Act 105 of 2010 (the "PHARE Act") to provide the mechanism by which certain allocated state or federal funds, as well as funds from other outside sources, would be used to assist with the creation, rehabilitation and support of affordable housing throughout the Commonwealth.

The PHARE Act outlines specific requirements that include preferences, considerations, match funding options and obligations to utilize a percentage of the funds to assist households below 50% of the median area income. The PHARE Act provides a fairly broad canvas regarding the types of programs and the specific uses of any funding to allow flexibility in working with other state and federal acts and programs.

For Program Year 2020/21, the PHARE Fund includes funds available through Marcellus Shale (Act 13 of 2012), the Realty Transfer Tax ("RTT") Funds (Act 58 of 2015) and the National Housing Trust Fund ("HTF"), authorized by the Housing and Economic Recovery Act of 2008 ("HERA").

In the event that additional funds become available at any time, PHFA will administer them in accordance with this Plan, and without the need for additional notices or amendments.

This Plan includes the following general sections: principles of PHARE, Elements of the Plan, Application requirements and timeline. Thereafter, the Plan includes specific information and program requirements relating to each of the Marcellus Shale (Act 13) funds, the RTT funds and the HTF funds.

Principles of PHARE

In accordance with the PHARE Act, the monies will be used to address significant and persistent housing needs in communities with the following additional criteria:

- 1) Maximize resource leveraging** – to the greatest extent possible, the resources allocated will be used as leverage for other public and private resources. Additionally, local non-financial assets should be identified and leveraged where possible – including transportation, schools, recreation, employment, health, community and economic development support and other amenities.

- Maintenance of Effort/Resource Coordination - The Agency is seeking to ensure that PHARE applicants, where practical and relevant, are utilizing all other available sources of funding (CDBG, HOME CSBG, AHP, ESG, CoC, HUD, NAP, Keystone Communities, etc.). PHFA will review applications with an emphasis on ensuring maximize leveraging of available resources with PHARE funds not intended to substitute for, or supplant, other currently available sources of program/project funding. This provision is primarily intended to address local municipal or county-based real estate development projects where other federal/non-federal sources of funding may be applicable. Multi-county, regional or statewide proposals addressing critical housing needs are still encouraged to apply.
- 2) **Affordability** - The Agency encourages applicants to address the issue of long term affordability based on the local housing market conditions. To the greatest extent possible, programs and projects should be designed in ways to both maintain the investment made in the housing stock and to continue affordability after initial assistance. This could include revolving loan programs, shared equity homeownership and other strategies for addressing this objective.
 - 3) **Address greatest need** – the monies will be allocated in communities where the greatest housing needs are identified based on housing needs studies and assessments, interviews, real estate price factors, housing stock analysis and market studies. The limited resources available should be used to meet the most significant and pressing housing needs but may also be used to address longer term housing needs. Preference: Projects/programs that: 1.) Assist with the rehabilitation of blighted, abandoned or otherwise at risk housing and the reuse of vacant land where housing was once located; 2.) Provide funding for owner- occupied rehabilitation, first time homebuyers, and rental assistance; or 3.) Address ongoing needs for homeless families and individuals including veterans.
 - 4) **Foster partnerships** – the funds should be used to maximize sustainable partnerships that will be committed to addressing the housing needs in these communities over a significant period of time. While the funds are to be used to directly support housing to meet community needs, the projects should also help establish capacity to address those needs over the long term. Preference: Projects/programs that incorporate social service entities which offer additional services to the residents within the community where the project/program is taking place.
 - 5) **Effective and efficient implementation**– ensure that the resources are used effectively and efficiently to meet the housing needs. Given the expectation that demand for many types of housing will greatly exceed the funds available, it will be critical to maximize the effectiveness and efficiency for housing investments by the PHARE Fund. Preference: Projects/programs that assist the residents with the greatest need in that particular region and can document highly effective strategies to address unmet need.

- 6) **Equitable and transparent** – create a plan and equitable allocation process that provides transparency to all stakeholders. Funding decisions and reporting will be done in accordance with legislative requirements.
- 7) **Emergency Response to Critical Needs** – providing immediate and necessary funding to address an emergent crisis, emergency housing needs or other unanticipated issues that may arise over the course of the year. The PHARE funds could be rapidly deployed to address these significant, unmet and emergency housing needs in the Commonwealth as determined by the Agency.

Elements of the Plan

Analysis of Need – one of the most critical components of the Plan is to continually assess housing need in these communities. From both a quantitative and qualitative perspective the requirement to have accurate, reliable data from which funding decisions can be made is imperative.

It is important to recognize that this data will need to be municipality-specific to capture the unique and likely different housing needs in the various communities. In addition, the housing/real estate markets are diverse across communities and the analysis of need will require an understanding (qualitative and quantitative) of individual markets to make appropriate resource allocation decisions.

Building upon analysis already undertaken by the Agency and the Commonwealth, additional analysis may be performed to assess specific housing issues to identify housing needs (persons with special needs, elderly, larger households, physical disabilities, homeless, etc.) to appropriately target PHARE Fund resources to those in greatest need of housing. In addition to multiple types of housing analysis, PHFA will consider different income levels, nature of housing stock and the housing needs of those across a broad spectrum (homeless, near homeless, very low income, low income, temporary and seasonal workers, and permanent work force, etc.)

Understanding of real estate market dynamics – the plan for the utilization of these resources has been developed to address and continuously reevaluate the specific housing real estate markets in each community. The housing and real estate development “capacity” will also have significant impact on the ability of these funds to be used effectively and efficiently to meet the needs of the communities. There will be need for ongoing analysis of capacity (private, non-profit, public) as part of the plan. Some communities may not have had a significant housing market in decades while in others there may be a robust market addressing a significant portion of housing needs. The plan will help determine where additional housing development may be necessary, or where other strategies may be implemented for meeting the housing needs in those communities.

Allocation and use – The funding vehicle’s allocation process, created by the plan, must also be supportive of and responsive to the needs of the housing and real estate development market and should foster coordinated local housing plans and resources. Funds may be used to support predevelopment, site acquisition and infrastructure development, planning and preconstruction activity in addition to direct support of development and operation of projects and housing programs including

employee assisted housing programs. Funds may be provided in various forms designed to best support the particular activity including grants; market rate, amortizing, balloon, bridge or soft loans; capital contributions; capital financing subsidy support; operating and supportive service reserve funding; rental or homeowner assistance. Funds may be specifically allocated to address timing issues presented in the development of affordable housing projects; i.e., when other financing is available, construction season, local zoning or other approvals. In addition, funding may be directed for administration by the Agency for certain projects approved for low income housing tax credits or other PHFA resources. Preliminary allocations may be made for projects/programs awaiting approval of additional resources.

All funds will have expenditure deadlines and approved programs/projects must be commenced within two years of funding award. Additional requirements for application submission will be outlined in the annual RFP.

High quality design and construction – a vital element of the plan will be the development of housing that is both of good quality design and construction and will be sustainable over a long period of time.

The opportunity to meet the growing housing needs in these communities will necessitate that this housing be available as an asset for the community for many generations. To meet that objective requires that projects funded with these resources meet the highest design and construction quality standards available and that all projects ensure sustainability to the long term (both financial and physical). Funds may be specifically allocated to support green and renewable energy sources and as leverage to consumer programs available through utility companies or other business partners.

PHARE Application Process

The elements of the application and allocation process include;

- Adoption of “plan” for managing the anticipated PHARE funds by PHFA each year.
- PHFA will establish an annual application process that will allow the Agency to address local housing needs.
 - PHFA may amend the plan, application and the allocation process at any time, upon written publication of such amendments.
- Announcement of application and possible training/information session concerning the elements of the application.
- Applications accepted and reviewed by PHFA staff based on the application and plan requirements.
- As part of the RFP process, PHFA will recommend that all applicants target a minimum of 30% of their awarded PHARE funds to support households with incomes below 50% of median area income.
- Project recommendations reviewed by PHFA.
- Announcement of preliminary funding approval.

PHFA may allocate existing funds, or funds that may become available, at any time outside of the application cycle but consistent with the Principles, Goals and Elements of this Plan.

Applicants are expected to satisfy the affordability requirements of the PHARE program and commit to a long term sustainable program to maintain affordability (which may be documented with restrictive covenants or other program documents). Applicants must abide by prevailing wage where applicable.

Timeline

The Agency will align the application and funding timelines of its programs that support multifamily affordable rental housing - Tax Credits, PennHOMES and PHARE (Marcellus Shale, RTT and HTF) - to strategically and efficiently allocate these resources.

The following is the proposed timeline for 2020 program administration:

- Tax Credit Allocation Plan and PHARE Plan – Initial Draft (PHARE – December 2019, QAP – March 2018, Two Year Plan)
- Tax Credit Allocation Plan and PHARE Plan – Final (PHARE – February 2020, QAP – July 2018, Two Year Plan)
- Intent to Submit (Tax Credit) September 2020
- PHARE RFP – Issued September 2020
- Tax Credit Applications Due November 2020
- PHARE Applications Due November 2020
- PHARE Funding Awards July 2021

PHARE/Marcellus Shale Impact Fee (Act 13 of 2012)

Purpose and Priorities for Funding

The Marcellus Shale Impact Fee (Act 13 of 2012) provides the funding mechanism to address the housing needs in impacted counties/communities of the Marcellus Shale region. Fifty percent (50%) of the awarded funds must be spent in 5th through 8th class counties.

The Marcellus Shale Impact Fee legislation (the "Impact Fee Act") specifically allocates certain amounts from the impact fee into the PHARE Fund to address the following needs, including;

1. Support for projects that increase the availability of affordable housing for low and moderate income persons and families, persons with disabilities and elderly persons in counties where unconventional gas wells have been drilled (regardless of production levels),
2. Provide rental assistance, in counties where unconventional gas wells have been drilled, for persons or families whose household income does not exceed the area median income, and
3. Specifies that no less than 50% of the funds are to be used in fifth, sixth, seventh and eighth class counties.

Direct Allocation - PHARE Fund will receive a direct yearly allocation from the portion of funds set aside for local distribution. The direct allocation is as follows: \$5.0 million each fiscal year beginning in 2013 and thereafter.

Windfall/Spillover Funds - Additional funds may become available because the Impact Fee Act limits amounts allocated to qualifying municipalities (as defined in the Impact Fee Act) and provides that any money remaining, after all allocations have been made to qualified municipalities, would also be deposited into the PHARE Fund.

It is likely that the funds in this program will not be sufficient to meet all the housing needs and mitigate every housing impact created by the shale gas development; therefore investment decisions will target the limited funds to projects that meet the principles outlined above and most comprehensively address the elements of the plan.

Where possible these funds will be targeted and stay focused on mitigating the very specific housing impacts created by the shale development in the impacted and designated communities. This element will likely result in the determination that while there may be worthy housing projects that could be funded with these resources, the focus of development will be on most comprehensively addressing the direct and tangible housing impacts. Priority may be given to target resources in tandem with approved county housing trust fund plans and/or plans for the utilization of local share impact fee funds.

Eligible Applicants

Applicants eligible to receive PHARE/Marcellus Shale funds include counties that have adopted impact fees as well as municipalities who have further contributed to PHARE via windfall/spill over funds from the impact fee. While only eligible applicants may apply, nonprofit and for profit organizations may be part of the application process.

Counties and municipalities may also delegate the role of “applicant” to a nonprofit or for-profit organization for purposes of the application. In the case where a county or municipality has designated another organization, agency or department to apply on their behalf, documentation identifying such must be included in the application.

There are many diverse interests that are concerned about the anticipated housing impact and therefore how these resources will be allocated to address the need. To the greatest extent possible

opportunities should be created for relevant and legitimate stakeholders to comment and advise the plan. This element will need to be managed for practicality and efficiency in order to maximize input. Preference: Applications that 1.) Provide a process where members of the community and other stakeholders may provide input on the application prior to submission; and/or 2.) Include Optional Affordable Housing funds (Act 137 of 1989) and/or local share portions of the impact fee.

PHFA also requests that applicants include information on how the county is using local shares of public resources, including local Act 13 funds and Act 137 (county-based housing trust fund) monies, to address housing needs in the community.

Preliminary approval and funding of applications is contingent upon receipt of funds under Act 13 of 2012.

PHARE/Realty Transfer Tax Fund (Act 58 of 2015)

In November 2015, Governor Wolf signed Act 58 of 2015, which, in part, directs certain Realty Transfer Tax (RTT) receipts to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE, Act 105 of 2010). This revenue source is available in all 67 counties of the Commonwealth.

Under Act 58 of 2015 (RTT), PHFA's PHARE program will receive an allocation of funds based on a formula using 2014 year as a base. (The annual amount available for the PHARE program will be equal to the lesser of forty percent (40%) of the difference between the total dollar amount of the Realty Transfer Tax imposed under section 1102-C of the Tax Reform Code of 1971 collected for the prior fiscal year and the total amount of RTT estimated for the fiscal year beginning July 1, 2014.) The PHARE/RTT fund will be capped at \$40 (increased cap enacted as part of FY19/20 final approved State Budget) million annually. Funding allocations and reporting will be completed in accordance with PHARE requirements.

Purpose and Priorities for Funding

The PHARE/RTT Program will provide funds to projects/programs providing sustainable and comprehensive solutions to address housing and community development needs across the Commonwealth.

These funds will be directed to address clearly articulated needs in communities based on the following priorities;

1. Preservation of the current stock of rental housing or the development/creation of new affordable rental housing to address unmet local need. This includes projects/programs for the elderly in danger of losing their homes and rental assistance to help families remain in their residence.

2. Funding for projects/programs to address ongoing housing needs for reducing homelessness, including specific and targeted vulnerable populations (veterans, persons with disabilities, supportive housing for the elderly, re-entry population, families and youth).
3. Funding for comprehensive housing and redevelopment efforts that address blighted and abandoned properties impacting concerted community revitalization efforts, supported by clearly articulated community plans. This could include a variety of housing/redevelopment strategies such as acquisition, demolition, construction, rehabilitation, site remediation, and other efforts.
4. Creating new opportunities for affordable homeownership. This may include closing cost/ down payment assistance, financial education/counseling or other forms of assistance to potential first-time homebuyers as well as the development/construction of new homes and rehabilitation of existing housing.
5. Other efforts that address unmet housing and community development needs. This could include projects and programs to assist persons living in manufactured communities, homeowners to remain in their homes through renovation/mortgage/utilities or other forms of housing services and assistance, addressing environmental conditions such as lead paint abatement, rapid rehousing efforts and emergency temporary housing needs resulting from disasters.

Priorities for Selection

PHARE/RTT awards will be directed to projects and programs based on the following criteria for selection:

- Projects/programs that show significant leveraging of other funds (local, state and federal, public and private) to ensure maximum impact.
- Projects/programs that have all funding committed and can move rapidly to implementation and utilization.
- Projects/programs that embrace, partner with, and/or are incorporated into a larger local, county, or regional housing development plan.
- Projects/programs that satisfy local planning/zoning ordinances.
- Projects/programs that affirmatively further fair housing.
- Funding for rental housing projects (5 or more units) will adhere to PHFA's Development processes.
- Projects/programs that are specifically designed to address a clearly articulated need in a community or specific population.
- Projects/programs that embrace innovative approaches to statewide housing and community development issues, address underserved and unmet housing needs across the Commonwealth and otherwise meet overall Agency goals for tackling community redevelopment.
- Documented capacity or applicant and ability to proceed with the project/program in a timely manner.

Eligible Applicants

Applicants eligible to receive PHARE/RTT funds include units of local government (counties, cities, boroughs, townships, town and home rule municipalities), nonprofit and for-profit entities, and economic, community, and housing developments organizations in all 67 counties of the Commonwealth.

All applicants are expected to satisfy the affordability requirements of the PHARE program and commit to a long term sustainable program to maintain affordability (which may be documented with restrictive covenants or other program documents). Applicants must abide by prevailing wage labor payment standards where applicable.

Preliminary approval and funding of applications is contingent upon receipt of funds under Act 58 of 2015.

PHARE/National Housing Trust Fund (HTF)

The National Housing Trust Fund ("HTF") was enacted as part of the Housing and Economic Recovery Act of 2008 ("HERA") to provide resources to develop, preserve and rehabilitate housing for very low income and extremely low income households. Funding for the HTF is derived from Fannie Mae and Freddie Mac earnings.

HTF funding will be made available to provide additional financial support to Tax Credit properties which increase the number of units set aside for Extremely Low-Income ("ELI") tenants. The Agency received approval from HUD of Pennsylvania's HTF Allocation Plan and is awaiting release of funding from HUD. Upon receipt of HUD program documents and release of funding, the Agency will announce the application process in accordance with the HTF Allocation Plan.

A copy of the approved HUD HTF Allocation Plan can be found at:

<http://www.phfa.org/legislation/act105.aspx>

RESOLUTION OF THE MEMBERS OF THE PENNSYLVANIA HOUSING
FINANCE AGENCY AUTHORIZING THE ISSUANCE OF
SINGLE FAMILY MORTGAGE REVENUE BONDS,
SERIES 133

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 133 in accordance with a resolution to be attached hereto and made a part hereof ("Series Resolution"); 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 13th day of February, 2020 as follows:

Section 1. Adoption of the Series 133 Resolution. The Series Resolution authorizing the issuance of the Agency's Single Family Mortgage Revenue Bonds, Series 133 (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 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 133 Bonds shall be as negotiated by the Finance Committee, provided, however, as follows: (i) the principal amount of the Series 133 Bonds shall not exceed \$350,000,000, (ii) the final maturity of the Series 133 Bonds shall be no later than 2060, and (iii) the initial interest rate or rates on the Series 133 Bonds shall be a rate or rates resulting in a net interest cost no higher than 8% per annum.

Section 3. Additional Authorization. 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. Effective Date and Official Intent. This Resolution shall take effect immediately and shall serve to declare the official intent of the Agency to allow reimbursement of qualified capital expenditures from proceeds of the Bonds in accordance with Treasury Regulations.

RESOLUTION OF THE MEMBERS OF THE PENNSYLVANIA HOUSING
FINANCE AGENCY AUTHORIZING THE ISSUANCE OF
SINGLE FAMILY MORTGAGE REVENUE BONDS,
SERIES 134

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 134 in accordance with a resolution to be attached hereto and made a part hereof ("Series Resolution"); 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 13th day of February, 2020 as follows:

Section 1. Adoption of the Series 134 Resolution. The Series Resolution authorizing the issuance of the Agency's Single Family Mortgage Revenue Bonds, Series 134 (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 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 134 Bonds shall be as negotiated by the Finance Committee, provided, however, as follows: (i) the principal amount of the Series 134 Bonds shall not exceed \$350,000,000, (ii) the final maturity of the Series 134 Bonds shall be no later than 2060, and (iii) the initial interest rate or rates on the Series 134 Bonds shall be a rate or rates resulting in a net interest cost no higher than 8% per annum.

Section 3. Additional Authorization. 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. Effective Date and Official Intent. This Resolution shall take effect immediately and shall serve to declare the official intent of the Agency to allow reimbursement of qualified capital expenditures from proceeds of the Bonds in accordance with Treasury Regulations.