



Commonwealth Financing Authority
Harrisburg PA, 17120

Board Meeting Minutes

February 17, 2010

The Commonwealth Financing Authority (CFA) board meeting was held on February 17, 2010. Proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"). The meeting was held at the Dixon University Center, 2986 North Second Street Harrisburg, Pennsylvania.

In addition to Chairman Cornelius the following Board members were present: the Honorable Steven Kaplan, Austin Burke, Michael Karp and Jerry Pappert. Barbara McNees participated via telephone.

DCED staff members present were: Scott Dunkelberger, Brian Eckert, Theresa Elliot, Ryan Emerson, Shereé Fagan, Dorothy Kaplan, Matthew Karnell, Lynne Ruby, Tigh Savercool, John Sider and Chief Counsel Steven Fishman.

Members of the public in attendance were: David Washburn, Cathy Washburn, David Atkinson, Tony LePore, Peggy Montgomery, Lisa Taglang, Joe Deklinski Steven Kniley, Mark Mekilo, Rebecca Campbell, Julien Gaudion, Dan Griffiths, Colin Murchie, Doug Neidich, Matt Tunnell, Timothy Wolff, M.R. Hoover, Tom Bell, John Nikoloff, Richard Rosey, S. Mendelsohn and Harry Bower.

Chairman Cornelius called the meeting to order at 10:56 a.m.

Chairman Cornelius acknowledged the presence of a quorum of the Board and welcomed the guests.

Chairman Cornelius announced that at approximately 11:30 a.m. he would be leaving and; therefore, Mr. Kaplan would chair the remainder of the meeting on his behalf.

On a motion by Ms. McNees and seconded by Mr. Kaplan, the January 21, 2010 minutes were unanimously approved.

On a motion by Mr. Burke and seconded by Mr. Kaplan, the Board unanimously approved payment of CFA expenses in the amount of \$193,106.90.

Mr. Dunkelberger presented the following for the Board's consideration:

Ratifications:

On a motion by Mr. Kaplan and seconded by Mr. Pappert, the following special requests and First Industries loan guarantee and loans were ratified.

First Industries

First Industries Loan Guarantee

<u>Applicant</u>	<u>Project</u>	<u>Loan Guarantee</u>
Enterprise Bank	Tydemac Land Company, LLC and Tydemac Hospitality, LLC	\$562,500

Machinery & Equipment Loan Fund

<u>Applicant</u>	<u>Project</u>	<u>Loan</u>
Bream & Bear Operating Company, LLC and Bream & Bear, Ltd.	Bream & Bear Operating Company, LLC and Bream & Bear, Ltd.	\$914,040

Small Business First Loan

<u>Applicant</u>	<u>Project</u>	<u>Loan</u>
EDC Finance Corporation	Ackermann Holdings, LLC o/b/o The Amish Village Corporation	\$200,000

Special Requests

Request of The New A Ville Inn that the CFA approve a six month principal repayment moratorium on the First Industries SBF loan, starting January 1, 2010 and ending June 30, 2010.

Request of Keystone Redevelopment Group, LLC that the CFA approve an increase in the Univest Bank 1st mortgage from \$3,174,630 to \$4,500,000.

Request of Center Hardwood, Inc. that the CFA approve a three month principal repayment moratorium on the First Industries SBF loan, starting February 1, 2010 and ending April 30, 2010.

Request of Moerschbacher Enterprises, Inc. dba Hoag's Catering and Cyril C. Moerschbacher and Jacqueline Casale that the CFA subordinate to an increase in the amount of collateral stated for the first lien held by Northwest Savings Bank due to an error which understated the first lien by \$12,000. Also, Jacqueline Casale is requesting to be removed as a borrower with the requirement of her personal guarantee.

Request of Stoehr Development, Inc. that the CFA subordinate to an increase from \$3,863,717 to \$4,100,000 in the first mortgage lien in favor of Washington Federal Savings Bank.

Request of Apple Valley Creamery, LLC that the CFA approve a nine month principal repayment moratorium on the First Industries SBF loan, starting January 1, 2010 and ending September 30, 2010.

Request of Randall R. and Jodie L. Brubaker that the CFA enter into an easement to allow the sale of the development rights of their 84-acre farm located in Manheim, Lancaster County. If the request is approved, the Borrower will use the entire funds to paydown Ephrata National Bank's first mortgage and the CFA's loan to value will be reduced to 70%.

Request of Roel Enterprises, Inc. d/b/a The Gaslight Inn that the CFA approve interest only payments for a period of three months beginning February 1, 2010 through April 1, 2010.

Colin Murchie from Solar City and Doug Neidich from GreenWorks Development gave informational presentations on the solar industry and discussed how they perceive the CFA's solar energy funds could be utilized most efficiently. A suggestion was made for the CFA to look at grantees paying back some of the "upside" of realized energy savings after a five year period.

Mr. Karp asked the Board to consider how depreciation costs and the sale of depreciation credits could be built into the calculation of funding amounts for CFA Solar Generation Projects. Mr. Karp also requested that specific information, including an economic analysis and detailed financial information be provided at least one month in advance of meetings where Solar Energy Generation Project awards are to be made. After lengthy discussions regarding the project details provided to the Board, Chairman Kaplan announced that staff would be available to provide whatever detail necessary to the Board in advance of the meetings and asked that notice be given if a member of the Board is unable to move forward so that such meetings can be cancelled.

Solar Energy Program:

Solar Energy Generation Projects

On a motion by Mr. Burke and seconded by Ms. McNees, the following Solar Energy Generation Projects were unanimously approved:

<u>Applicant</u>	<u>Project</u>	<u>Grant/Loan</u>	<u>Amount</u>
Orion Energy Systems, Inc.	Solar PV - Preflight Airport Parking	Grant	\$436,800
West Chester Borough	Solar PV - Mosteller Parking Garage	Grant	\$123,941
Allen Distribution, LP	Solar PV - Distribution Facility	Grant	\$580,000
UGI Development Company	Solar PV - Propane Storage Facility	Grant	\$125,000
Sterman Masser	Solar PV - Facility	Grant	\$1,000,000
VS Solar, LP	Solar PV - Shopping Center	Grant	\$1,000,000
Integrays Energy Services	Solar PV - Longwood Gardens	Grant	\$500,000
Montoursville Area SD	Solar PV - School District	Grant	\$35,000
SEC BESD Solar One, LLC	Solar PV - High School/Middle School	Grant	\$995,440
SEC BESD Solar One, LLC	Solar PV - Wingate Elementary	Grant	\$445,280
Positive Energy PA 1, LLC	Solar PV - Williams Township	Grant	\$58,590
Terradime-5637 Forbes, LLC	Solar PV - Apartment Complex	Grant	\$44,000

Solar Research & Development Project

On a motion by Ms. McNees and seconded by Mr. Pappert, the Board unanimously approved a grant in the amount of \$298,605 for Axion Power Manufacturing, Inc.

Ms. McNees proposed that \$2.8 million from Business in Our Sites loan repayments be made available to fund planning grants under the same guidelines previously adopted. The Board agreed to begin accepting BOS planning grant applications for review at the April 14, 2010 Board meeting.

There being no further business to come before the Board, the meeting was adjourned at 1:13 p.m.