



**Commonwealth Financing Authority**  
Harrisburg PA, 17120

**Board Meeting Minutes**

**May 5, 2011**

The Commonwealth Financing Authority (CFA) board meeting was held on May 5, 2011. Proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"). The meeting was held in Conference Room A/B, Administration Building, Dixon University Center, 2986 North Second Street, Harrisburg, Pennsylvania.

In addition to Chairman Walker the following Board members were present: Austin Burke, Barbara McNees, The Honorable Glenn Moyer and Peter Tartline, designee of The Honorable Charles Zogby. The following Board members participated via telephone: Jerry Pappert, and Michael Karp.

DCED staff members present were: Scott Dunkelberger, Mandy Book, Brian Eckert, Ryan Emerson, Laurie Henry, Matthew Karnell, Steven Kratz, Chuck Leonard, Michael O'Rourke, and Chief Counsel Steven Fishman.

Members of the public in attendance were: Randy Albright, David Atkinson, Vanessa Brubaker, Roulette Blowers, Nora Carreras, Colleen DeFrank, Chelsea Guzowski, Greg Mahon, David Mittner, Peggy Montgomery, Jim Rienhardt, Phillip Sanchez, II, Representative Mario Scavello, Steven Sheptak, Allison Swindell, Lisa Taglang, Cathy Washburn and David Witmer.

Chairman Walker called the meeting to order at 10:37 a.m.

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

On a motion by Mr. Pappert and seconded by Mr. Karp, the Board unanimously approved the April 7, 2011 minutes with the addition of the following language to be inserted after the discussion on submission of USDA funding application: "The Board will have to approve any contract with the USDA should the application be approved."

On a motion by Mr. Karp and seconded by Ms. McNees, the Board unanimously approved payment of CFA expenses in the amount of \$233,453.65. This amount was edited to include DEP expenses in the amount of \$22,223.08.

On a motion by Mr. Pappert and seconded by Mr. Moyer, the Board unanimously approved the Memorandum of Understanding between the Department of Community and Economic Development and the Authority.

On a motion by Mr. Moyer and seconded by Mr. Tartline, the Board unanimously approved the Memorandum of Understanding between Department of Environmental Protection and the Authority.

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

**H2O PA Program:**

**Project Recommendation**

Ms. McNees recused herself but voted in the affirmative on the H2O PA Program awards as provided for in the By-Laws.

On a motion by Mr. Pappert and seconded by Mr. Burke, the following projects were unanimously approved:

<u>Applicant</u>	<u>Project</u>	<u>Grant Amount</u>
Hamiltonban Township Sewer Authority	Wastewater Treatment Facility Expansion	\$496,500
East Franklin Township	EF 2010 Sanitary Sewer System Expansion	\$878,700
Parks Township Municipal Authority	PTMA Ridge Road & Eagles Nest Road Water Line Extension	\$291,000
Borough of Ambridge	Sanitary Sewer System Improvements	\$4,000,000
Rochester Borough Sewer and Maintenance Authority	2011 Sewer Improvements Project	\$1,000,000
North Sewickley Township Sewer Authority	Phase III Sewer Improvements	\$500,000
Bedford Township Municipal Authority	BTMA Camp Sunshine/Sweet Root CFA H2O 2010	\$374,615
Chestnut Ridge Area Joint Municipal Authority	Pumping and Treatment Facility Improvements	\$383,500
New Morgan Borough Utilities Authority	NMBUA Water Supply and Sanitary Sewer System Interconnect	\$656,750
Geigertown Area Joint Authority	Geigertown Area Sanitary Sewer Project	\$267,198
Township of Spring	Spring Township WWTP Expansion	\$900,000
Perry Township Municipal Authority	Mohrsville Road Corridor Low Pressure Sewer System	\$154,012
Lyons Borough Municipal Authority	Lyons Borough Municipal Authority WWTP Upgrade and Expansion	\$1,715,000
City of Reading	Fritz Island WWTP Emergency Upgrade Project	\$1,000,000
Township of Richmond	Sanitary Sewer System	\$500,000
Ruscombmanor Township	Breezy Corners Sewer System	\$500,000
Williamsburg Municipal Authority	Williamsburg WWTP Upgrade Project	\$4,000,000
Altoona Water Authority	AWA Easterly WWTF BNR Upgrades and Expansions	\$2,688,758
Plumstead Township	Water Supply Upgrades	\$417,340
Township of Falls Authority	Old Bristol Pike Public Sewer	\$168,652
Warminster Municipal Authority	Sewage Pumping No. 3 Force Main Replacement	\$75,152
Warwick Township Water & Sewer Authority	Eddowes Road - Warminster Municipal Authority Interconnect	\$349,791
Dublin Borough	Maple Avenue Utility Installations	\$252,000
Lower Makefield Township	Edgewood Village Sewer and Water Extension Project	\$850,000
Cranberry Township	Pump Station, 24" Transmission Line and Sewer Interceptor	\$105,000
Patton Municipal Authority	Hastings/Patton Water Supply Development Project	\$4,000,000
Greater Johnstown Water Authority	GJWA/MAWC Ligonier Interconnection	\$654,383
Nanty Glo Water Authority	Nanty Glo Water Transmission Main Replacement Project	\$716,808

Northern Cambria Municipal Authority	Water System Improvements Project	\$813,940
Downingtown Municipal Water Authority	Water System Improvements	\$66,670
East Vincent Municipal Authority	Veterans Center Plant Improvements	\$815,660
Borough of Kennett Square	Yeatman Well Rehab and Expansion	\$900,000
West Brandywine Township Municipal Authority	Regional Acquisition of Sewage Plant Capacity	\$900,000
Hawthorn Redbank Redbank Municipal Authority	Hawthorn Area Sanitary Sewer and Treatment Plant Project	\$4,000,000
Toby Township	Toby Twp. Route 68 North Wastewater Collection Extension	\$1,398,336
Clearfield Municipal Authority	WWTF Upgrades and Collection System Improvements Project	\$4,000,000
Curwensville Municipal Authority	Wastewater Treatment and Sanitary Sewer Improvements	\$4,000,000
Suburban Lock Haven Water Authority	Whiskey Run Water System Interconnection	\$1,200,000
City of Lock Haven	Lock Haven STP	\$4,000,000
Woodward Township Authority	Woodward Heights Sanitary Sewer Lines Rehab Project	\$463,623
Western Clinton County Municipal Authority	Pump Station No. 4 Replacement	\$502,794
Pine Township Supervisors	Legion Road Sewer Design	\$782,000
Northwest Crawford County Sewer Authority	Wastewater Treatment Plant Upgrade	\$746,666
Cochranon Borough	Sewage Facilities Project	\$350,000
Borough of Mechanicsburg	Mechanicsburg Regional Wastewater Treatment Plant Upgrade	\$1,000,000
Silver Spring Township Authority	Silver Spring Township Authority Sewer Facilities Project	\$1,000,000
Monroe Township	Southern Sewer District Upgrades	\$408,259
City of Harrisburg	Northern Gateway Sewer Improvement	\$141,760
Steelton Borough	Borough of Steelton East End Sewer Separation Project	\$1,250,000
Williamstown Borough Authority	Wastewater Treatment Plant and Collection System Extensions	\$600,000
Borough Of Colwyn	Sewer Main Rehabilitation	\$381,355
Nether Providence Township	Nether Providence Sanitary Sewer System Improvements	\$500,000
Radnor Haverford Marple Sewer Authority	WWTP and Sewer System Improvements	\$500,000
Chadds Ford Township Sewer Authority	The Ridings STP Improvements	\$400,000
Township of Springfield	Sewer Rehabilitation Project	\$464,000
Erie City Water Authority	Jordan-Koehler Water Main Project	\$1,000,000
Municipal Authority of the Borough of Waterford	Waterford Well Water Treatment System	\$500,000
Summit Township Sewer Authority	Sanitary Sewer Extension Project - 2010	\$500,000
Harborcreek Township Sewer Authority	Sewerage Collection System Improvements	\$205,000
City of Uniontown	Redstone Interceptor Improvements	\$1,000,000
Masontown Municipal Authority	Masontown Waste Water Treatment Process	\$107,500
North Fayette County Municipal Authority	Water Improvement Projects	\$750,000
Dunbar Borough - Township Sanitary Authority	Phase 3 Sanitary Sewer Extension Project	\$1,500,000
Jenks Township	South District Sewer Project	\$500,000
Borough of Chambersburg	Borough of Chambersburg Interceptor and Plant Project	\$1,000,000
Waynesboro Borough Authority	Upgrades to the Waynesboro Wastewater Treatment Plant	\$570,350
Mercersburg Borough Water Authority	Mercersburg Water Authority Infrastructure Improvements	\$184,340
Hustontown Joint Sewage Authority	Hustontown Wastewater Treatment Plant Repairs	\$1,533,208
Lower Ten Mile Joint Sewer Authority	Phase II WW Capital Improvements Project	\$4,000,000
Municipal Authority of the Borough of Carmichaels	Carmichaels Borough Municipal Authority Waste Water Process	\$250,000
Cromwell Township	Cromwell Township Sanitary Sewer Project	\$1,833,333
Alexandria Borough - Porter Township Joint Sewer Authority	Alexandria Borough - Porter Twp JSA Collection System Extension	\$2,733,133
Central Indiana County Water Authority	Water System Improvements	\$135,333

Central Indiana County Joint Sanitary Authority	STP and PS Upgrades and Jacksonville Road Sewerline Extension	\$450,772
Brockway Borough Municipal Authority	Water System Improvements	\$1,000,000
Borough of Punxsutawney	Combined Sewers Separation Project	\$400,000
Abington Regional Wastewater Authority	CSSAJSA Wastewater System Improvement Projects	\$1,000,000
Scott Township Water & Sewer Authority	Scott Township Sewer Project	\$1,000,000
Abington Township	WWTF Replacement	\$1,000,000
Elmhurst Township	Wastewater Treatment Plant Improvements	\$350,000
Northern Lancaster County Authority	Beam Road WWTP BNR Upgrade & Expansion	\$326,320
Quarryville Borough Authority	Quarryville Borough Authority WWTP Upgrade	\$3,778,577
Ephrata Borough Authority	Ephrata WWTP-BNR Upgrade	\$591,026
City of Lancaster	Green Infrastructure Project	\$768,333
New Castle Sanitation Authority	Flow Equalization Tank	\$1,000,000
North Lebanon Township Municipal Authority	Rockwood Sanitary Sewers	\$912,000
Northern Lebanon County Authority	Mountville Low Pressure Sewers	\$836,951
City of Lebanon Authority	Lebanon Waste Water Treatment Plant BNR Upgrade	\$4,000,000
Fredericksburg Sewer and Water Authority	South Fredericksburg Sewer Project	\$500,000
South Londonderry Township Municipal Authority	Campbelltown Sanitary Sewer Collection System	\$500,000
Bethlehem Authority	12 MG Supply Water Reservoir Cover and Liner Replacement	\$1,626,000
Borough Of Alburts	Alburts Sanitary Sewer Rehabilitation	\$156,000
Slatington Borough Authority	Sanitary Sewer Improvements	\$386,442
Upper Macungie Township Authority	Upper Macungie Sanitary Sewer Rehabilitation	\$200,000
Lower Macungie Township	Lower Macungie Sanitary Sewer Rehabilitation	\$66,000
Lehigh County Authority	Vera Cruz Area Sewer System	\$1,000,000
Butler Township	WWTP Expansion Project	\$4,000,000
Foster Township Board of Supervisors - Luzerne County	East End Sewer Project	\$2,145,970
Borough of Freeland Municipal Authority	Sewer Collection and Treatment Facilities Upgrades	\$889,000
Shickshinny Sanitary Sewer Authority	Upgrade Existing Treatment Plant with New SBR Process	\$1,519,648
City of Pittston	City of Pittston Sewer System Improvements, Phase 2	\$526,032
Plymouth Township	Plymouth Township Sewer Project	\$1,000,000
Wyoming Borough	Sanitary Sewer Project	\$1,000,000
Plains Township	Storm Drainage Boulevard Manor	\$500,000
West Branch Regional Authority	WBRA Regional WWTP	\$4,000,000
Tiadaghton Valley Municipal Authority	Tiadaghton Regional WWTP	\$4,000,000
Loyalsock Township Board of Supervisors	Sewer Rehabilitation Project	\$3,141,000
Williamsport Sanitary Authority	Regional Wet Weather Imp for CD Compliance at Central Plant	\$4,000,000
Williamsport Sanitary Authority	Regional Chesapeake Bay NPDES Compliance at West Plant	\$346,666
Pine-Harrisville Authority	Kimberly Estates Sewage Project	\$882,671
Upper Gwynedd Township	Upper Gwynedd Consolidation Project	\$2,000,000
East Norriton Township	Germantown Pump Station Force Main Rehabilitation	\$82,646
Lower Pottsgrove Township Authority	Lower Pottsgrove Sanitary Sewer Project	\$455,333
Berks-Montgomery Municipal Authority	Sanitary Sewer Project - Corrective Action Plan	\$622,000
Lower Merion Township	Belmont Force Main Replacement	\$363,022
West Norriton Township	West Norriton Township-Pump Station and I&I Repairs	\$650,016
Jenkintown Borough	Jenkintown Borough Sewer Rehabilitation	\$800,000
Township of Cheltenham	Sanitary Sewer Infiltration & Inflow Remediation	\$52,405
Upper Merion Township	Matsunk WPCC Trickling Filter Renovations	\$332,605
Green Lane Marlborough Joint Sewer Authority	GLMJA Sewer Plant Repairs	\$300,000
Lower Salford Township Authority	Infiltration - Inflow Reduction Project	\$500,000
Municipality of Norristown	Sterigere Street Storm Sewer Rehabilitation	\$300,000
Whitemarsh Township	McCarthy Park Stormwater Improvements	\$100,000
Lower Providence Township Sewer Authority	Sanitary Sewer Rehabilitation	\$826,215

Valley Township Municipal Authority	Valley Township Conveyance System	\$992,698
Borough of Portland	Wastewater Collection and Treatment Facilities	\$4,000,000
Delaware Township Municipal Authority	Northern Neighbors Wastewater Regionalization	\$4,000,000
Municipal Authority of Ralpho Township	Ralpho Township WWTP Improvements Project	\$87,466
Marysville Borough	Sewer System and Storm Water Separation Project	\$500,000
The Municipal Authority of The Township of Westfall	Wastewater System Improvements Project	\$500,000
Pine Grove Township Authority	Pine Grove Township Water System Acquisition and Upgrade	\$500,000
Schuylkill County Municipal Authority	Deer Lake Sanitary Sewer System Project	\$4,000,000
Schuylkill Haven Borough	Schuylkill Haven Flood Control Project	\$1,033,198
Pine Grove Borough	Pine Grove Water System Improvements	\$500,000
Mahanoy Township Authority	Lofty Reservoir Dam Rehabilitation	\$1,666,667
Middleburg Municipal Authority	Middleburg Sanitary Sewer Rehab/Treatment Plant BNR Upgrade	\$700,000
Central City Water Authority	Rockingham and Bunkerhill Water Systems	\$1,005,396
Jefferson Township Water and Sewer Authority	Bakersville Water System Improvements - Jefferson Township	\$1,181,000
Somerset Township Municipal Authority	Stoystown Water Project	\$303,424
Meyersdale Borough	Sewage Treatment Plant Replacement/CSO Elimination	\$1,100,000
Liberty Area Municipal Authority	WWTF and Collection System	\$1,000,000
Borough of Rouseville	Sanitary Sewer System Improvements	\$60,000
Cornplanter Township	Sewerage and Potable Waterline Improvements Project	\$800,000
Sugarcreek Borough	Sugarcreek Borough Sewer Rehabilitation	\$1,000,000
Cranberry-Venango County General Authority	Hays Hollow Interceptor Sewer Improvements	\$392,946
Borough of Donora	Donora Place Plan Sewer Extension Project	\$750,000
Canonsburg Houston Joint Authority	Chartiers Parallel Interceptor Project	\$355,641
Carroll Township Authority	Dry Run Area Sewer Rehabilitation	\$383,779
Amwell Township	Waynesburg Road Sewer Extension	\$750,000
Peters Township Sanitary Authority	Valley View Drive Sanitary Sewer Extension	\$225,000
City of Washington	South Main Street-Strawberry Alley Storm Sewer	\$150,000
Central Wayne Regional Authority	Wastewater Treatment Plant Upgrade	\$4,000,000
Municipal Sanitation Authority of the City of New Kensington	Headworks and Blower Building Project	\$1,000,000
City of Jeannette Municipal Authority	COJMA WWTP Expansion Project	\$591,266
Derry Township Municipal Authority	Derbytown Sanitary Sewer Construction	\$1,000,000
Vandergrift Borough	LaBelle Vue Rd Sanitary Sewer & Pump Station	\$55,024
West Newton Borough	Sewer System Improvements	\$687,290
Glen Rock Sewer Authority	GRSA Wastewater Treatment Plant Upgrade	\$178,000
West Manchester Township	Shiloh Interceptor Sewer System	\$1,000,000
York City Sewer Authority	YCSA Poorhouse Run Siphon and Interceptor Improvements	\$1,000,000

**Local Share Account Program:**

**Monroe County Projects**

On a motion by Ms. McNees and seconded by Mr. Burke, the Board unanimously approved the following projects:

<u>Applicant</u>	<u>Project</u>	<u>Grant Amount</u>
Monroe County Industrial Development Authority	Buck Hill Inn Redevelopment	\$89,998
Monroe County Industrial Development Authority	Eldred Township Historical Society	\$47,972

Barrett Township	Renovation of Old Library	\$200,000
Monroe County Industrial Development Authority	CFRED Center for Innovation and Entrepreneurship	\$459,550
Monroe County Industrial Development Authority	Sherman Theater	\$124,283
Monroe County Industrial Development Authority	BCRA Regional WWTP Upgrade & Expansion	\$1,047,275
Chestnuthill Township	Bush Lane Realignment	\$63,225
Monroe County Industrial Development Authority	PNRRA-Acquisition of 10.6 mile Rail Line	\$454,500
Coolbaugh Township	Hemlock Drive / SR 611 Intersection Improvements	\$65,000
Hamilton Township	Bridge Repair #5	\$555,555
Jackson Township	Twin Pine Road Widening	\$311,760
Jackson Township	Cays Road Widening	\$311,759

**Counties Contiguous to Monroe Projects**

Mr. Burke recused himself and voted in the affirmative on the Monroe County Projects in accordance with the By-Laws.

On a motion by Mr. Pappert and seconded by Mr. Moyer, the Board unanimously approved the following projects:

<u>Applicant</u>	<u>Project</u>	<u>Loan Amount</u>
Packer Township	Packer Township Community Park	\$40,000
Scranton City	EOTC 7th Avenue Center	\$165,791
Pike County	Pike County Park	\$248,110
Dreher Township	Dreher Township - Park Concession	\$200,000
Freemansburg Borough	Municipal Park Recreation Improvements	\$52,000
Salem Township	Salem Township Municipal Park Reinvestment Project	\$104,600
Redevelopment Authority of Easton	3rd and Ferry Restaurant/ Lipkin's Building	\$250,000
Jessup Borough	Technology Incubator Facility	\$518,000
Carbondale Ctr for Small Business Tech. Transfer Inc. dba Carbondale Tech. Transfer Center	CTTC Multi-Tenant Flex Building Project	\$536,759
Wayne County Industrial Development Authority	Sterling Business Park - Relocate S.R. 3004 (Moon Road)	\$469,000
Taylor Borough	West Taylor Street Storm Sewer Project	\$350,000
Wayne County Industrial Development Authority	Wayne/Pike Technology Training Lab	\$100,000
Preston Township	Preston Township Bridge Replacement Project	\$94,300
Hanover Township	Village View Park	\$444,870
Lackawaxen Township	Alternative Energy Project	\$234,400
Nesquehoning Borough	Water Storage Tank Replacement	\$608,000
Carbon County Redevelopment Authority	Blue Mountain Health System HIT Project	\$700,184
Tatamy Borough	Tatamy Borough Roads and Park Entrance Project	\$102,820
Lehman Township	Well System	\$225,600
Moscow Borough	Moscow Borough Main Street Project	\$139,000
Palmyra Township	Palmyra Township "An Infrastructure Development Initiative"	\$225,000
Scranton City	Cedar Avenue Neighborhood Housing Revitalization Initiative	\$225,000

**Luzerne County Projects**

On a motion by Mr. Burke and seconded by Ms. McNees, the Board unanimously approved the following projects:

<u>Applicant</u>	<u>Project</u>	<u>Loan Amount</u>
Jenkins Township	Highway Improvements in Jenkins Township & Pittston Township	\$2,400,000
Plains Township	East Side Landfill Development	\$1,000,000
Borough of Duryea	Resurface Streets	\$500,000
Wilkes-Barre City	Wilkes University's New Science Building	\$2,055,254
City of Pittston	Main Street Business District Redevelopment	\$1,479,500
City of Wilkes-Barre	First National Bank Building Property Stabilization Phase II	\$706,044
Municipality of Kingston	2011/2012 Kingston Plaza Redevelopment & Capital Acquisition	\$1,000,000
Dupont Borough	Pittston Area Regional Compost Facility Project	\$461,350
Foster Township	Foster Twp., Freeland & Jeddo Recycling Center	\$226,332
Plymouth Borough	Plymouth Downtown Redevelopment Project	\$898,000
Forty Fort Borough	Forty Fort Emergency Services Helicopter Parking Area	\$100,000
Lauren Run Borough	Giant's Despair Heritage Park - Phase 2 Parking Facility	\$100,000

**Alternative and Clean Energy Program:**

On a motion by Ms. McNees and seconded by Mr. Pappert, the Board unanimously approved a loan in the amount of \$27,159 for Mount Oliver Borough's Street Lighting Upgrade project.

On a motion made by Ms. McNees and seconded by Mr. Burke, a grant in the amount of \$25,000 for David King, dba Triple Crown Farm's 25kW wind turbine was rejected on a vote of 6 to 1, with Michael Karp casting the lone dissenting vote, and the required supermajority requirement for loan approval having not been met.

**Renewable Energy Program:**

On a motion by Mr. Burke and seconded by Mr. Moyer, the Board unanimously approved a loan in the amount of \$15,625 to Mirosław & Margaret Baranowski for the purchase and installation of a residential geothermal system.

On a motion by Mr. Pappert and seconded by Ms. McNees, the Board unanimously approved a grant in the amount of \$25,000 to Offsite Data Backup Service LLC for the purchase and installation of a 25kW wind turbine.

**Ratifications:**

On a motion by Ms. McNees and seconded by Mr. Moyer, the following special requests and First Industries loans and loan guarantees were ratified:

**First Industries**

**Small Business First Loan**

<u>Applicant</u>	<u>Project</u>	<u>Loan</u>
AgChioce Farm Credit ACA	Kenneth W. and Dorothy M. Martin	\$535,500
Meridian Bank	MinusNine Technologies, Inc.	\$450,000
The Progress Fund	Presque Isle Passage RV Park, Inc.	\$350,000

**Special Requests**

Seven special requests for the following entities (details attached):

<u>Applicant</u>	<u>Program</u>
Center Hardwood, Inc.	FIF / SBF Ag Loan
Clair F. and Jane Martin	FIF / SBF Ag Loan
Cleason and Dawn Sensenig	FIF / SBF Ag Loan
Darrel S. and Kelly A. Martin o/b/o Martin Grandview Farms, LLC	FIF / SBF Ag Loan
Daryl E. & Kimberly A. Stoltzfus	FIF / SBF Ag Loan
Samuel M. and Rebecca Z. Kauffman	FIF / SBF Ag Loan
Sunnyside Dairy Farm	FIF / SBF Ag Loan

Ms. McNees suggested to the Board that staff look at legislation to determine whether Compressed Natural Gas projects could fall under the Alternative and Clean Energy Guidelines.

There being no further business to come before the Board, the meeting was adjourned at 11:10 a.m.

**DATE:** March 8, 2011  
**SUBJECT:** Special Request -- CFA Board Meeting  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS -- BOARD ACTION REQUIRED**

**Center Hardwood, Inc.**  
**Blair County**

Approved: 2/9/2007  
\$108,800 (Loan)

**Requested Change:**

On February 9, 2007, the CFA Board approved a First Industries SBF loan to Center Hardwood, Inc. for the renovation and expansion of their current facility, to purchase new equipment and for working capital needs in Tyrone, Blair County. The company previously requested and was approved a four (4) month principal moratorium on the First Industries SBF loan, starting February 1, 2010 and ending May 31, 2010. Currently, the company is delinquent with loan payments dating back to July 1, 2010 for a total amount of \$13,885.92. Due to continued tight cash flow, Center Hardwood, Inc. is requesting a four (4) month principal moratorium, starting April 1, 2011 and ending July 31, 2011. The deferred principal payments, and the delinquent payment amount, shall be re-amortized over the life of the loan, and the term of the loan shall be extended for four (4) months. Regular principal and interest payments shall resume on August 1, 2011. The company is currently working to secure contracts with "gas operators" in the area which would increase cash flow and allow the company to meet all monthly debt obligations. They are also exploring other avenues with their bank to improve their cash flow position.

**Staff Recommendation:** Approval

**DATE:** March 8, 2011  
**SUBJECT:** Special Request – CFA Board Meeting  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

Clair F. and Jane Martin  
Berks County

Approved: 10/6/2010  
\$200,000 (Loan)

**Requested Change:**

On October 6, 2010, the CFA Board approved a First Industries SBF loan to Clair F. and Jane Martin for the construction of two broiler houses on their farm located in Fleetwood, Berks County. The loan was to be secured by a second mortgage on the farm. In preparation of loan settlement, it was discovered that there is an additional mortgage lien filed against the farm by Fulton Bank in the amount of \$117,250 for a working capital loan. The borrower is requesting that the SBF First Industries Agriculture loan subordinate to the additional debt held by Fulton Bank, as this was an inadvertent oversight. The farm was appraised as-completed with a value of \$1,410,000. The new loan to value will increase from 36% to 44%.

**Previous Collateral:**

A second mortgage on the real estate located at 354 Oakhaven Road, Fleetwood, Berks County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$300,000.

**Proposed Collateral:**

A third mortgage on the real estate located at 354 Oakhaven Road, Fleetwood, Berks County, Pennsylvania, subject to a first and second mortgage in favor of Fulton Bank in an aggregate amount not to exceed \$417,250.

**Staff Recommendation:** Approval

**DATE:** March 10, 2011  
**SUBJECT:** Special Request – CFA Board Meeting  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Cleason & Dawn Sensenig  
Lancaster County**

Approved: 05/04/2007  
\$200,000 (Loan)

**Requested Change:**

On May 4, 2007, the CFA Board approved a First Industries Agriculture SBF loan to Cleason & Dawn Sensenig to construct a 60' x 500' high-rise breeder building with a 40' x 60' work room on the farm property located at 2441 Noble Road, Kirkwood, Lancaster County. The Sensenigs now wish to purchase the farm they are renting from Cleason's parents. The purchase price will be \$792,580. The 145 acre farm includes the poultry breeder house, a 2,080 head hog finishing barn, a residence and a heifer barn. Because of this farm purchase, the CFA is being requested to subordinate its second mortgage position into a third mortgage position behind the new \$477,000 Next Generation Farmer Loan Program loan (from Fulton Bank) as part of the purchase deal. Based on the current balances of the existing debts, the new purchase and the new loan, the LTV will be 52% instead of the previous 36%. The collateral property is valued at \$2,450,000.

**Previous Collateral:**

A second mortgage on the property located at 2441 Noble Road, Kirkwood, Lancaster County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$730,000.

**Proposed Collateral:**

A third mortgage on the property located at 2441 Noble Road, Kirkwood, Lancaster County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$637,000 and a second mortgage in favor of New Generation Farmer Loan Program (from Fulton Bank) in an amount not to exceed \$477,000.

**Staff Recommendation:**

Approval

**DATE:** March 10, 2011  
**SUBJECT:** Special Request – CFA Board Meeting  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Darrel S. and Kelly A. Martin o/b/o  
Martin Grandview Farms, LLC  
Lancaster County**

Approved: 1/7/2011  
\$200,000 (Loan)

**Requested Change:**

On January 7, 2011, the CFA Board approved a First Industries SBF loan to Darrel S. and Kelly A. Martin o/b/o Martin Grandview Farms, LLC for the purchase of a 112-acre farm in Mount Joy, Lancaster County. The Martins have been approached by a neighbor and have the opportunity to purchase 10 acres of adjoining cropland. The Martins believe that the 10 acres is important for additional crop growing capacity and to secure expansion of the family's farm. Fulton Bank will lend \$105,000 to the Martins for the purchase of the land and is requesting that the SBF First Industries loan subordinate to the new loan. If approved, the loan to value will increase from 21% to 27%.

**Previous Collateral:**

A second mortgage on the real estate located at 106 West Risser Mill Road (Parcel #4616028700000 & #4612797800000), Mount Joy, Lancaster County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$170,000.

**Proposed Collateral:**

A third mortgage on the real estate located at 106 West Risser Mill Road (Parcel #4616028700000 & #4612797800000), Mount Joy, Lancaster County, Pennsylvania, subject to a first and second mortgage in favor of Fulton Bank in an aggregate amount not to exceed \$275,000.

**Staff Recommendation:** Approval

**DATE:** March 17, 2011  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Daryl E. & Kimberly A. Stoltzfus**  
(Lancaster County)

Approved: 10/29/2008  
\$170,000 (Loan)

**Requested Change:**

On October 29, 2008, the CFA Board approved a First Industries SBF Agriculture loan to Daryl E. and Kimberly A. Stoltzfus to construct a new broiler house on Daryl's parent's 95-acre farm located at 574 Spring Garden Road, Gap, Lancaster County. The approved LTV was 55%. Daryl's parents are planning to sell the development rights to their farm property and have been approved for an agricultural easement totaling \$565,042. The easement will be applied to the 94-acre farm where the broiler house is located and a separate 81.5-acre farm. A July 22, 2010 appraisal valued the 94-acre farm at \$1,590,575. The easement proceeds will go to pay down the senior debt at Mid Atlantic Farm Credit. The Stoltzfus family has elected to take two installments on the proceeds, so there will be debt reductions and the LTV after receipt of the first installment will be 68%. It is being requested that the CFA grant approval to allow the ALO, EDC Finance Corporation, to execute the necessary documents for the sale of development rights.

**Staff Recommendation:**

Based on the acceptable loan to value after the proceeds are applied to principal at settlement, approve the subordination of the existing SBF-FIF loan to an agricultural easement in an approximate amount of \$565,042 on 574 Spring Garden Road, Salisbury Township, Lancaster County by the Lancaster County Agricultural Preserve Board.

**DATE:** March 14, 2011  
**SUBJECT:** Special Request – CFA Board Meeting  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Samuel M. and Rebecca Z. Kauffman**  
Lancaster County

Approved: 7/10/2007  
\$200,000 (Loan)

**Requested Change:**

On July 10, 2007, the CFA Board approved a First Industries SBF loan to Samuel M. and Rebecca Z. Kauffman for the purchase of a 97-acre dairy farm in Peach Bottom, Lancaster County. The Kauffmans were severely impacted by deflated milk prices in 2009 and secured a \$60,000 over-line of credit to help with their cash flow. Now that dairy prices have rebounded, the Kauffmans would like to term out the over line, term out an existing \$20,000 line of credit and refinance a \$27,000 loan balance to extend the term. Fulton Bank will provide a \$110,000 loan to the Kauffmans and is requesting that the SBF First Industries loan subordinate to the new loan. The loan to value remains at 80% when calculated with the current balances.

**Previous Collateral:**

A third mortgage on the real estate located at 1034 Prawls Hollow Road, Peach Bottom, Lancaster County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$400,000 and a second mortgage in favor of Next Generation Farmer in an amount not to exceed \$250,000.

**Proposed Collateral:**

A fourth mortgage on the real estate located at 1034 Prawls Hollow Road, Peach Bottom, Lancaster County, Pennsylvania, subject to a first, second and third mortgage in favor of Fulton Bank in an aggregate amount not to exceed \$697,798 (current balances).

**Staff Recommendation:** Approval

**DATE:** March 17, 2011  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Jared A. Lucas, Director  
Small Business First Division

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Sunnyside Dairy Farm**  
(Berks County)

Approved: 12/26/2006  
\$140,000 (Loan)

**Requested Change:**

On December 26, 2006, the CFA Board approved a First Industries SBF Agriculture loan to Terry and Sue Kunkel d/b/a Sunnyside Dairy Farm to purchase 50 head of dairy cows and a new 5,000 gallon milk storage tank at 156 Kunkel Road, Kempton, Berks County. In addition to the first lien security interest on the machinery, a subordinate collateral third mortgage on the farm in Albany Township, composed of approximately 133 acres, in three purport sections was obtained. The current principal balance on the FIF loan is \$102,486, however the loan is \$12,302 in arrears in principal payment and another \$2,042 in back interest. Due to falling milk prices, starting in March 2009, the borrowers were unable to make eleven of the FIF loan payments. In January 2010, as milk prices rebounded, the borrowers resumed and have continued to make their regular monthly payments. The borrowers are requesting that in order to bring the loan current, the delinquent principal and interest be re-amortized over the remaining term of the SBF loan. Additionally, the Kunkels are seeking to sell the development rights on one of the purport sections of their farm containing 44 acres and will obtain approximately \$110,250 in return for the sale of the development rights. The funds will be used to pay down Fulton Bank's first mortgage. Statutory requirements of the second mortgage lien holder, Farm Service Agency require that all prepayments must be used to pay off mortgages in the order of their lien priority and consequently the funds from the sale of the development rights will be used to pay down Fulton Bank's first mortgage. In order to receive these funds, the Berks County Agricultural Land Preservation Board will require the execution of a Conservation Easement (CE) to be filed against the property and a corresponding Subordination Agreement

that all mortgage lenders will need to sign as well. The ALO, Greater Berks Development Fund, is seeking approval to execute the necessary documents on behalf of the CFA for the sale of the development rights and placement of the easement. An appraisal was completed on October 14, 2010 and valued the farm at \$1,358,046 (value takes into consideration the sale of the development rights). The project loan to value was 72% at the time the loan was originally approved and will remain around 72% as a result of the sale of the development rights and paydown of Fulton Bank's first mortgage.

**Staff Recommendation:** Approve re-amortization of the FIF loan and sale of the development rights.