



**Commonwealth Financing Authority**  
Harrisburg PA, 17120

**Board Meeting Minutes**

**May 17, 2012**

The Commonwealth Financing Authority (CFA) board meeting was held on May 17, 2012. Proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"). The meeting was held in PUC Hearing Room 1, Commonwealth Keystone Building, 400 North Street, Fourth Floor, Harrisburg, Pennsylvania.

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

DCED staff members present were: Mandy Book, Jill Busch, Scott Dunkelberger, Brian Eckert, Ryan Emerson, Steven Fishman, Laurie Henry, Rich Hudic, Lisa Hughes, Matthew Karnell, Steven Kratz, Michael O'Rourke, Kevin Rowland, Kara Ruby, Lynne Ruby, Barry Wickes and Chief Counsel Christopher Houston.

Members of the public in attendance were: Randy Albright, Vanessa Brubaker, Kathy Bruder, John Callahan, Colleen DeFrank, Kate Eckhart, Justin Evans, Mark Fennell, Paul Francis, Josh Funk, Bridget Gribbin, Eric Grusel, Chelsea Guzowski, Ev Hertzler, Jason Hess, Tad Imbrie, Robert Kroboth, Michael Lickert, Daniel Lopato, August Memmi, Ricardo Mendez-Saldivia, Peggy Montgomery, John Nikoloff, Robert Philbin, Nichole Purcell, Tim Rodrigo, Chris Stets, Lisa Taglang, Cathy Washburn, Shannon Waterman, Latoya Winfield Bellamy and Ken Zapinski.

Chairman Walker called the meeting to order at 11:40 A.M.

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

Chairman Walker requested a motion and a second to approve the minutes of the March 13, 2012 Commonwealth Financing Authority Board meeting. Mr. Karp stated that he would like to revise the January 25, 2012 Board meeting minutes. He added that he would like to have a discussion on whether the minutes are in compliance with the Pennsylvania Sunshine Act (Act of July 3, 1986). He requested that staff retain a microcassette recording of the meetings for a period of one year.

Upon motion by Ms. McNees and seconded by Mr. Pappert, the Board unanimously voted to table the March 13, 2012 Board meeting minutes until the July 2, 2012 meeting.

On a motion by Mr. Tartline and seconded by Ms. McNees, the Board unanimously approved payment of a portion of the CFA expenses in the amount of \$51,715.00 for Directors and Officers Insurance.

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

**Building PA Program:**

After a brief presentation from Tad Imbrie with Development Capital Investors Inc., upon motion by Ms. McNees and seconded by Mr. Burke, the Board unanimously approved a loan in the amount of \$1,900,000 and an additional allocation in the amount of \$150,000 to Development Capital Investors, Inc. for the Cranberry Crossroads project.

**City of Harrisburg ACE Loan Conversion to ACE Grant Special Request**

Jason Hess, Acting City Solicitor, gave a brief presentation outlining the reasons the city has requested to convert their loan award to a grant. He explained that due to its distressed municipality state, it makes them unable to service the approved \$200,867 Alternative and Clean Energy loan. Mr. Karp questioned if the CFA could reclaim the projected \$53,442 in annual energy savings earned from the grant as a repayment.

Upon motion by Ms. McNees and seconded by Mr. Burke, the request to convert Harrisburg City's loan award to a grant was rejected on a vote of 6 to 1, with Mr. Karp casting the lone dissenting vote, and the required supermajority for approval having not been met.

Mr. Dunkelberger stated the Alternative and Clean Energy, Renewable Energy, Solar Energy, and High Performance Building programs would be closing on May 18, 2012 and will remain closed until modifications of the guidelines were completed. The guidelines are scheduled to be discussed at the July 3, 2012 Commonwealth Financing Authority board meeting.

**Ratifications of Loans, Guarantees, Enrollments and Special Requests:**

Upon motion by Mr. Burke and seconded by Mr. Moyer, the following special requests were ratified:

**Special Requests**

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

**Applicant**

Fuesner Dairy Farm  
Meadows Landing Associates, LP  
Malvern Hill Associates, LP  
Bradley M. Gavitt  
Center Hardwood, Inc.  
Marlin and Trisha Sensenig  
Penn Regional Business Center

**Program**

First Industries Ag SBF  
Business in Our Sites  
Business in Our Sites  
First Industries Ag SBF  
First Industries Ag SBF  
First Industries Ag SBF  
Business in Our Sites

**Allegheny County Gaming Economic Development & Tourism Fund:**

On a motion by Mr. Burke and seconded by Mr. Tartline, the following project was unanimously approved:

<u>Applicant</u>	<u>Sub-grantee</u>	<u>Funds</u>
Redevelopment Authority of Allegheny County	Lower Hill Infrastructure Design Project - Phase 2 of 2	\$500,000

**Borough of Mount Pocono Special Request – Monroe County Local Share Account**

Mr. Dunkelberger briefly explained a request from Borough of Mount Pocono to modify the \$228,395 Five-Points Intersection Sidewalk Project and reallocate funds to supplement the Pine Hill Road Improvement Project.

Upon motion by Mr. Karp and seconded by Mr. Moyer, the Board unanimously approved the request to reallocate funds in the amount of \$228,395.

**Venture Capital Investment Program:**

**Due Diligence Recommendation**

On a motion by Mr. Burke and seconded by Mr. Pappert, the Board unanimously approved the request to begin due diligence:

<u>Applicant</u>	<u>Fund Location</u>	<u>Amount</u>
NextStage Capital II, L.P.	Audubon, PA	\$1,500,000

**Compressed Natural Gas Discussion**

Mr. Dunkelberger introduced Ken Zapinski, Senior Vice President for Energy and Infrastructure for the Allegheny Conference on Community Development. Mr. Zapinski gave a presentation regarding encouraging natural gas vehicles in Pennsylvania and the benefits of using natural gas over conventional fuels.

Mr. Dunkelberger then introduced Justin Evans and Michael Lickert, Giant Eagle, Inc. Mr. Evans and Mr. Lickert spoke on their experience converting their fleet from traditional fuel to CNG. Mr. Lickert mentioned the need for additional incentives aimed toward natural gas stations rather than vehicles, as well as additional public and private fleet CNG filling stations.

There being no further business to come before the Board, the meeting was adjourned at 12:50 P.M.

**DATE:** February 21, 2012  
**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**

John & Denise Feusner  
d/b/a Feusner Dairy Farm  
Bradford County

Approved: 10/12/2006  
\$140,000 (Loan)  
\$101,309.79 (Principal Balance)

**Requested Change:**

On October 12, 2006, the CFA Board approved a First Industries Agriculture SBF loan in the amount of \$140,000, at a term of 180 months and a fixed interest rate of 4.00% to John & Denise Feusner d/b/a Feusner Dairy Farm, which is located in Troy, Bradford County. The primary operation of the business is to support and operate a dairy farm and provide custom bailing and harvesting. The First Industries (FIF) loan funds were used to construct a new heifer complex and silos. The business is current with its monthly payments. The current principal balance on the FIF loan is \$101,309.79.

The Feusners are seeking to refinance two existing loans with First Citizen National Bank into one debt consolidation loan and for First Citizen National Bank to retain its first lien position. Currently, First Citizen National Bank has a first lien position on project property located at 900 Porter Road, Troy, Bradford County in an amount not to exceed \$437,000. The second loan through First Citizen National Bank is for a piece of property the Feusners own separate from the FIF loan, hereafter referred to as the McClure Farm. The total current balance between the McClure Farm property and 900 Porter Road property is \$450,000. Through the debt consolidation First Citizen National Bank will remain in its first lien position in an amount not to exceed \$450,000. The original loan to value on this project was 80%. By subordinating to the debt consolidation the loan to value would be 54%. The loan to value after approval reflects a recent appraisal value on the property located at 900 Porter Road which had a significant increase in value due to the Marcellus Shale gas developments in the area. At the time of approval, in 2006, the property was appraised at \$725,000. The most recent appraisal values the property at \$1,086,000.

**Existing Project Collateral:**

A second mortgage on the real estate located at 900 Porter Road previously known as R.R. #3 Box 86A, Troy, Bradford County, subject to a first mortgage in favor of First Citizens National Bank in an amount not to exceed \$437,000.

(Appraised at \$725,000 in 2006)

Guarantees of John Feusner and Denise Feusner

**Proposed Collateral if Special Request is Approved:**

A second mortgage on the real estate located at 900 Porter Road previously known as R.R. #3 Box 86A, Troy, Bradford County, subject to a first mortgage in favor of First Citizens National Bank in an amount not to exceed \$450,000.

(Appraised at \$1,086,000 on February 19, 2010)

Guarantees of John Feusner and Denise Feusner

**Staff Recommendation:**

Staff recommends that the CFA approve the subordination of the FIF loan to retain a second lien position on project property, subject to a first lien position in favor of First Citizen National Bank in an amount not to exceed \$450,000 for a debt consolidation loan.

**DATE:** February 27, 2012  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Brian Eckert  
Director, Site Development

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

Meadows Landing Associates, LP  
Washington County

Approved: January 25, 2012  
\$2,126,954 (Loan)

**Requested Change:**

On January 25, 2012 the CFA Board approved a \$2,126,954 BOS loan to Meadows Landing Associates, LP (“MLA”) for infrastructure and site preparation. Meadows Landing represents approximately 200 acres, located along the western side of S.R. 19 corridor, one of the most heavily traveled transportation corridors in the region with access to I-79 and I-70. MLA plans on developing the underutilized site into several mixed-use lots including light industrial, distribution warehouses and commercial office buildings. In addition, the project will also support the Marcellus Shale industry in western Pennsylvania. BOS funds will be used for road and street construction, excavation, storm sewer construction, gas and electric lines to support the park.

The BOS loan was approved with the collateral of a first lien on 200 acres. Since that time, interest in the park has increased and the developer had secured additional financing from Huntington Bank to assist with development in order to meet this demand. MLA is requesting the CFA to subordinate to a second lien behind a first lien from Huntington Bank in the amount of \$10,500,000. The total development cost including land is \$18,144,266 or \$90,721 per acre. MLA cash flows assume an average sales price of \$169,560 per acre for total of \$33,912,000 at full sale. These sales assumptions are supported by a market study.

**Collateral:** Second lien on 200 acres of land.

**Collateral Value:** \$13,000,000 “As Is”  
\$37,506,000 “As Completed”

**Staff Recommendation:** Approval

**DATE:** March 23, 2012  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Brian Eckert  
Director, Site Development Division

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

Malvern Hill Associates, LP  
Uptown Worthington  
(Chester County)

Approved: 01/25/06  
\$5,000,000 (Loan)

**Requested Change:** On January 25, 2006, the CFA Board approved a \$5,000,000 BOS loan to Malvern Hill Associates, L.P. and Malvern Hill Associates II, L.P. (Borrowers) for utilities and environmental clean-up for the development of a "mixed-use" town center located at the former Worthington Steel Mill, East Whiteland Township, Chester County. The loan was to be secured by a second mortgage lien on approximately 41 acres owned or to be acquired by Malvern Hill Associates, L.P. The Citizens Bank litigation delayed the project for two years, but the Borrowers have negotiated a settlement with Citizens Bank that could benefit the CFA and enable the Borrowers to move forward with the project. The Borrowers request the CFA to restructure the BOS loan as outlined below:

- The BOS loan will be secured by new collateral, a first mortgage lien which consists of 16 specific Town Center land condominium units totaling 329,516 sq. ft.
- Borrowers request that CFA BOS loan subordinate its first lien to a second lien position to the new construction loan or loans upon vertical construction and remain in a second lien position through maturity of the BOS loan.
- The total debt on each parcel including the first mortgage and the CFA second mortgage lien shall not exceed 80%, and also shall average, in the aggregate, up to 75% of the most recent appraised value of the parcel used by the construction or permanent lender.

- BOS loan interest rate is currently 8%. Borrowers request to pay interest-only debt service on BOS loan at a rate of 8% per annum until the earlier of (a) closing of the permanent financing; or (b) four years from the date of the Citizens Settlement. At the occurrence of the earlier (a) or (b) above, Borrowers propose to begin paying principal and interest at a rate of 8% per annum and will begin self amortizing the BOS loan in equal monthly payments over the remaining term not to exceed the original Maturity Date of November 29, 2027.
- Borrowers propose to fund an interest reserve account in the amount of \$300,000 to fund debt service on the BOS loan until construction financing is secured.
- Borrowers request a 1.30x accelerated release pricing for any parcels sold from CFA BOS loan collateral (based on pro rata loan apportionment by square feet FAR).
- Borrowers propose to grant the CFA a lien on the surface parking areas located within the sub-condo units representing the collateral and the right of use of the adjacent outdoor spaces in the PECO ground-leased area which are common elements of the condominium to be used by tenants. Once construction of those buildings within the CFA collateral and the associated parking spaces is complete, the buildings will be released from the sub-condo unit and the associated parking will be converted to general common elements to be used by all tenants.

**Collateral:**

Second lien on 16 condominium units and associated parking areas during construction and after completion until full repayment of the debt. The 16 units will consist of 329,516 sq. ft. of retail space.

**Collateral Value:**

\$151,262,141

**Staff Recommendation:**

Approval

**DATE:** March 29, 2012  
**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**

Bradley M. Gavitt  
Lycoming County

Approved: 04/07/2006  
\$92,800 (Loan)  
\$53,482.73 (Principal Balance)

**Requested Change:**

On April 7, 2006, the CFA Board approved a First Industries Agriculture SBF loan in the amount of \$92,800, at a term of 150 months and a fixed interest rate of 2.25% to Bradley M. Gavitt, whose farm is located in Unityville, Lycoming County. The primary operation of the business is a beef feeder farm where the cattle are sold on the open market. The First Industries (FIF) loan funds were used to purchase a 37-acre farm and to purchase machinery and equipment for the farm. The business is current with its monthly payments.

The borrower would like to consolidate several loans through Susquehanna Bank, which will help decrease his monthly debt obligations. The Susquehanna Bank loan will be in the amount of \$123,000 and it will consolidate an AgChoice Farm Credit loan (\$109,000), a Farm Service Agency loan (\$8,200) and the Intermediary Relending Program loan through SEDA-COG (\$5,100). As a result of the refinance, the First Industries Agriculture SBF loan will move into a first mortgage position on the project property. Susquehanna Bank is requesting that the First Industries Agriculture SBF loan subordinate to a second lien position in the machinery and equipment. The farm was appraised at \$200,000 in October 2005, which if the subordination request is approved, equates to a 27% loan to value on the real estate only. From a more conservative approach, the tax assessed value of the farm is \$90,444, which takes into consideration the property being enrolled in the Clean and Green Program. Based on the tax assessed value, the loan to value, if the subordination request is approved would be 54%.

**Existing Project Collateral:**

A second mortgage on the real estate located at 2725 Clemson Hollow Road, Unityville, Lycoming County, Pennsylvania, shared pro rata with USDA – Intermediary Relending Program in an amount not to exceed \$5,100 (current balance), subject to a first mortgage in favor of AgChoice Farm Credit in an amount not to exceed \$109,000 (current balance). (Appraised at \$200,000 on October 6, 2005)

A first lien security interest in the machinery and equipment located at 2725 Clemson Hollow Road, Unityville, Lycoming County, Pennsylvania, shared pro rata with USDA – Intermediary Relending Program in an amount not to exceed \$5,100 (current balance).

Guarantee of Bradley M. Gavitt

**Proposed Collateral if Special Request is Approved:**

A first mortgage on the real estate located at 2725 Clemson Hollow Road, Unityville, Lycoming County, Pennsylvania. (Appraised at \$200,000 on October 6, 2005)

A second lien security interest in the machinery and equipment located at 2725 Clemson Hollow Road, Unityville, Lycoming County, Pennsylvania, subject to a first lien security interest in favor of Susquehanna Bank in an amount not to exceed \$123,000.

Guarantee of Bradley M. Gavitt

**Staff Recommendation:**

Staff recommends that the CFA approve the subordination request on the machinery and equipment.

DATE: March 27, 2012  
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**

Center Hardwood, Inc.  
Centre County

Approved: 02/09/2007  
\$108,800 (Loan)  
\$77,162.36 (Principal Balance)

**Requested Change:**

On February 9, 2007, the CFA Board approved a First Industries Agriculture SBF loan in the amount of \$108,800, at a term of 84 months and a fixed interest rate of 5.0% to Center Hardwood, Inc., whose main facility is located in Blair County. The primary operation of the business was a lumber mill that manufactured hardwood flooring and newel posts. The First Industries (FIF) loan funds were used to renovate and expand an additional facility in Centre County; to purchase new equipment and for working capital needs in order to grow / diversify the operations of the business through the manufacture of wood pellets for residential stoves.

The hardwood industry has suffered due to the housing decline in recent years. In addition, the pellet manufacturing division of the business has ceased operations. As of August 2011, Center Hardwood shifted its primary operation to a shaving mill and has a three year contract with Bell & Evans to produce wood chips for poultry bedding. The borrower is current up to June 2010 with its monthly payments, and requested and received prior approvals for payment moratoriums for the FIF loan. Due to cash flow issues, the company consulted with Strategic Early Warning Network (SEWN) to find a debt management solution. Taking into consideration the operating expenses of the business, SEWN determined that Center Hardwood, Inc. can afford \$1,500 per month to service the debt on the FIF loan, a SEDA-COG EDA loan and a SEDA-COG ARC loan, which has a combined outstanding balance of approximately \$190,000.

It is being requested that the CFA approve a modified payment plan so the borrower can re-establish a consistent payment schedule, whereas a monthly \$1,500 payment will be applied pro rata between the loans, with the EDA loan receiving \$420 per month and the ARC loan receiving \$480 per month. The FIF loan will receive \$600 per month, starting March 1, 2012 and lasting until the original maturity date of September 1, 2014. Under the proposed plan, the FIF loan will have a balloon payment due on the September 1, 2014 maturity date. If the borrower is unable to make the balloon payment, which is very likely, the company's cash-flow position will be re-evaluated to determine a modified payment plan. In the interim, the borrower has listed the pellet manufacturing equipment that the CFA has a shared first lien on for sale. No offers have been made to date, but any proceeds from the sale would be used to pay-down the FIF and SEDA-COG loans. Additionally, the FIF loan is secured by a shared first mortgage on a 105-acre tract of woodland (project site) that has a shed and metal pole building. The property appraised at \$242,000 in 2006.

**Project Collateral:**

A first mortgage on the real estate, 105-acres, located at RD #3, Box 291, Tyrone, Centre County, shared pro rata with SEDACOG EDA-RLF in an amount not to exceed \$54,214.47 (current balance) and SEDACOG ARC-RLF in an amount not to exceed \$61,454.56 (current balance). (Appraised at \$242,000 on 12/5/2006)

A first lien security interest in the equipment (Hammermill, Pellet Machine, Shaker, Storage Bin, 8-Conveyors, Cooling System and electrical components), wherever located, shared pro rata with SEDACOG EDA-RLF in an amount not to exceed \$54,214.47 (current balance) and SEDACOG ARC-RLF in an amount not to exceed \$61,454.56 (current balance).

Guarantee of Melvin L. Reese, Jr.

**Staff Recommendation:**

Staff recommends that the CFA approve the modified repayment plan.

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**DATE:** March 15, 2012  
**SUBJECT:** Special Request – CFA Board  
**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**

Marlin and Trisha Sensenig  
Lebanon County

Approved: 06/23/2009  
\$200,000 (Loan)  
\$169,822.49 (Principal Balance)

**Requested Change:**

On June 23, 2009, the CFA Board approved a First Industries Agriculture SBF loan in the amount of \$200,000, at a term of 180 months and a fixed interest rate of 2.0% to Marlin and Trisha Sensenig, whose farm is located in Jonestown, Lebanon County. The primary operation of the business is poultry farming. The First Industries (FIF) loan funds were used to construct two broiler houses 44 feet by 360 feet at their 65-acre farm located at 114 Huckleberry Road, Jonestown, Lebanon County. Each broiler house can hold 30,000 birds and all Sensenig raised birds are under contract to be sold to Farmers Pride in Fredericksburg, Pennsylvania. The business is current with its monthly payments. Marlin and Trisha Sensenig are constructing a new 63 foot by 500 foot broiler house to include a compost processing unit on the farm as part of an expansion of the facilities that will be financed through Ephrata National Bank (ENB). ENB's financing will also provide refinancing of the existing Fulton Bank loan and FSA loan that assisted with the 2009 FIF project.

The Sensenigs are requesting the CFA to release its third mortgage on the 65-acre farm. FIF has moved from a second to a first mortgage on a 54.97-acre tract of land along North Chapel Road, Millcreek Township, Lebanon County that is owned by Marlin's parents, Eugene and Esther Sensenig, as a result of the Fulton Bank first mortgage loan being paid in full. The LTV was 50% when the project was approved and the LTV is 22% based solely on the CFA's first mortgage position on the North Chapel Road property.

**Project Collateral When Originally Approved:**

A third mortgage on the real estate located at 114 Huckleberry Road, Jonestown, Lebanon County, Pennsylvania, subject to a first mortgage in favor of the Next Generation (Fulton Bank) loan in an amount not to exceed \$450,000, and a second mortgage in favor of Farm Service Agency in an amount not to exceed \$300,000. (Appraised at \$1,800,000 as completed on June 1, 2012)

A second mortgage on the real estate (54.97 acres) located at North Chapel Road, Millcreek Township, Lebanon County, Pennsylvania, subject to a first mortgage in favor of Fulton Bank in an amount not to exceed \$40,000. (Appraised at \$765,000 on September 18, 2011)

**Proposed Collateral if Special Request is Approved:**

A first mortgage on the real estate (54.97 acres) located at North Chapel Road, Millcreek Township, Lebanon County. (Appraised at \$765,000 on September 19, 2011)

**Staff Recommendation:**

Staff recommends that the CFA approve the release of the third mortgage on the 114 Huckleberry Road property based on holding a first mortgage on the North Chapel Road property.

**DATE:** April 4, 2012  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Brian Eckert  
Director, Site Development Division

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**Penn Regional Business Center III, L.P.**  
**Penn Regional Business Center**  
**(Monroe County)**

Approved: 07/17/06  
\$1,798,265 (Loan)  
\$1,672,568 (Grant)

**Requested Change:** On July 17, 2006, the CFA Board approved a \$1,798,265 BOS loan and a \$1,672,568 BOS grant to Pocono Mountains Industries, Inc. for excavation, grading, construction and engineering associated with the development of the Penn Regional Business Center in Smithfield Township, Monroe County. In 2008, the CFA Board approved a special request to transfer the BOS loan to Penn Regional Business Center III, L.P. Penn Regional Business Center III, L.P. is requesting the CFA Board to subordinate the first mortgage lien to a second mortgage lien position behind Gimla S.P.F. in the amount of \$6,021,000.

**Collateral:** To be constructed 97,694 sq. ft. two story office building situated on 11.01 acres at the project site located in Smithfield Township, Monroe County. Skanska USA Building Inc. is the developer of the project.

**Collateral Value:** As-built \$22,000,000

**Staff Recommendation:** Approval to subordinate the BOS lien position to a second mortgage lien position behind Gimla S.P.F. in the amount of \$6,021,000 contingent upon execution of an intercreditor agreement satisfactory to CFA.