



Commonwealth Financing Authority
Harrisburg PA, 17120

Board Meeting Minutes

May 25, 2017

The Commonwealth Financing Authority (CFA) board meeting was held on May 25, 2017. 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, on the second floor of the Commonwealth Keystone Building located at 400 North Street in Harrisburg, Pennsylvania.

The following Board members were present: Paul Wentzel for the Honorable Robin L. Wiessmann. The Honorable Dennis Davin, the Honorable Randy Albright, Austin Burke, Marc Little, John Verbanac and Michael Karp participated via teleconference.

CFA staff in attendance: Scott Dunkelberger, Executive Director and Tim Anstine, Deputy Chief Counsel.

Members of the public in attendance: Stephen Bruder, Brian Eckert, Morgan Eckert, Ryan Emerson, Danielle Guyer, Chelsea Guzowski, Alisa Harris, Mark Hartney, Chad Helmer, Laurie Henry, Amy Kauffman, John Kingsley, Greg Mahon, Kevin Rowland, Peggy Schaeffer-Montgomery, Mike Shorr, Caleb Sisak, Gary Smith, Chris Stets, Lisa Taglang, Colleen Terry and Barry Wickes.

Chairman Davin called the meeting to order at 12:31 P.M. after acknowledging a quorum of the Board.

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

On a motion by Mr. Burke and seconded by Mr. Verbanac, the Board unanimously approved the March 29, 2017 CFA Board meeting minutes.

On a motion by Mr. Verbanac and seconded by Mr. Little, the Board unanimously approved payment of CFA expenses in the amount of \$680,817.11

On a motion by Mr. Verbanac and seconded by Mr. Little, the Board unanimously approved the following Memorandums of Understanding for the period of July 1, 2017 through June 30, 2018:

<u>Agency</u>	<u>Agency</u>	<u>Not to Exceed:</u>
Commonwealth Financing Authority	Department of Community and Economic Development	\$3,589,306.06
Commonwealth Financing Authority	Department of Environmental Protection	\$500,000.00
Commonwealth Financing Authority	Department of Conservation and Natural Resources	\$100,000.00
Commonwealth Financing Authority	Office of the Budget	\$125,000.00

Pipeline Investment Program Project Recommendation

Mr. Dunkelberger briefly outlined a grant request in the amount of \$442,274 from Leatherstocking Gas Company, LLC for the SR 0029 South Montrose project which involves the installation of a natural gas line in Bridgewater Township, Susquehanna County.

On a motion by Mr. Little and seconded by Mr. Verbanac, the Board unanimously approved the \$442,274 grant request from Leatherstocking Gas Company, LLC for the SR 0029 South Montrose project.

Business in Our Sites Program Project Recommendations

Mr. Dunkelberger briefly outlined six Business in Our Sites grant and loan requests from various applicants and stated that they would be approved as a block vote if the Board was agreeable. Upon motion by Mr. Wentzel and seconded by Mr. Albright, the Board unanimously approved the following six Business in Our Sites grants and loans:

Applicant	Project	County	Loan	Grant
Green Knight Economic Development Corp.	Green Knight Industrial Park II	Northampton	\$2,366,572	\$1,577,712
Clarion County Economic Development Corp.	Glass Works Development Project	Clarion	\$4,256,952	\$1,033,214
Chester County Industrial Development Authority 2221 Noll Drive, LLC	Coatesville Gateway Redevelopment Project Lime Spring Square	Chester	\$3,230,357	\$2,153,570
Martinsburg Borough	Penn Street Redevelopment	Lancaster	\$2,516,239	\$0
Blakely Ridge, LLC	NEPA Wellness Center	Blair	\$143,097	\$81,045
		Lackawanna	\$2,918,510	\$0

First Industries Loan Recommendations

Mr. Dunkelberger briefly outlined the five First Industries Agriculture Small Business First projects for consideration. He stated they could be approved by a block vote if the Board was agreeable. Upon motion by Mr. Little and seconded by Mr. Verbanac, the Board unanimously approved the following five First Industries Small Business First Agriculture projects:

Applicant	Project	County	Loan Amount
Lebanon Valley Economic Development Corporation	Matthew D. and Louise H. Holt	Lebanon	\$400,000
Cumberland Area Economic Development Corporation	Eleven Oaks Farms, LLC	Cumberland	\$227,500
Northern Tier Regional Planning & Development	Drew E. and Lisa A. Remley	Tioga	\$400,000
EDC Finance Corporation	Brad J. and Shanna M. Byers	Lancaster	\$400,000
EDC Finance Corporation	Jeffrey R. and Debra S. Landis	Lancaster	\$400,000

Special Requests

Mr. Dunkelberger briefly outlined four special requests for consideration by the Board. He stated they could be approved as a block vote if the Board was agreeable. Upon motion by Mr. Wentzel

and seconded by Mr. Burke, the Board unanimously approved approval of the following four special requests (details attached):

<u>Applicant</u>	<u>Type</u>	<u>Reason</u>
Borough of Shickshinny	LSA Luzerne County	Request to expand scope of work
Monroe County IDA	LSA Monroe County	Request to modify scope of work
Manbel Devco I LP	Multimodal Transportation	Request to modify scope of work
Greene Diamond Services, LLC	Business in Our Sites	Request to release guarantor

First Industries Loan Guarantee Payment Request

Mr. Dunkelberger outlined the Allegany Valley Management, LLC First Industries Guarantee project and the events that brought the payment request before the Board. Upon motion by Mr. Wentzel and seconded by Mr. Verbanac, the Board unanimously approved a First Industries Loan Guarantee payment in the amount of \$41,518.32 to The Progress Fund for the Allegany Valley Management, LLC project located in Bradford Township, McKean County.

Chairman Davin thanked the Board for their participation and attendance. There being no further business to come before the Board, upon motion by Mr. Karp and seconded by Mr. Albright, the meeting was adjourned at 12:41 P.M.

DATE: April 25, 2017
SUBJECT: Special Request – CFA Board
TO: Scott Dunkelberger
Executive Director, Commonwealth Financing Authority
FROM: Mandy Book
Director, Center for Community Enhancement

SPECIAL REQUEST – BOARD ACTION REQUIRED

**Borough of Shickshinny
LED Lighting Conversion
(Luzerne County)**

**Approved: 09/09/2014
\$220,957 (Grant)**

Requested Change: On September 9, 2014, the CFA Board approved a \$220,957 LSA – Luzerne County grant for the Borough of Shickshinny to convert street lights to LED lights. LSA funds were to be used in conjunction with Community Development Block Grant – Disaster Relief (CDBG-DR) funds to replace street lights across the borough both in and out of the areas damaged in 2011 by Hurricane Irene and Tropical Storm Lee. The borough expects a total of 143 lights to be upgraded to LED lights using these two grants. The borough has almost completed all infrastructure restoration and improvements associated with the noted storms with the exception of removing old, obsolete pavement markings and replacing with new markings. The estimated cost of this task is \$12,640.

The Borough of Shickshinny is requesting an expansion in the scope of work to include infrastructure costs associated with the pavement marking work. Approval of this expansion will complete the borough's recover campaign and allow the borough to fully exhaust the LSA grant funds.

Recommendation: Approval.

DATE: May 5, 2017
SUBJECT: Special Request – CFA Board
TO: Scott Dunkelberger
Executive Director, Commonwealth Financing Authority
FROM: Mandy Book
Director, Center for Community Enhancement

SPECIAL REQUEST – BOARD ACTION REQUIRED

MCIDA
PMMA – Snow Removal Building
(Monroe County)

Approved: 03/29/2017
\$400,000 (Grant)

Requested Change: On March 29, 2017, the CFA Board approved a \$400,000 LSA – Monroe County grant for Monroe County Industrial Development Authority (MCIDA), on behalf of the Pocono Mountain Municipal Airport Authority (PMMAA), to construct a 6,000 s.f. building to store snow removal equipment. Funds were approved for infrastructure, construction, and administrative costs to build the five-bay structure.

MCIDA, on behalf of PMMAA, also received a 2015 LSA – Monroe County grant in July of 2016 for building improvements on the grounds of the airport to include the construction of a 12 unit “T” hangar to replace an existing 60 year old building in poor condition. MCIDA requested \$1,600,078 and the CFA awarded a grant of \$400,000. The estimated total project cost for the revised “T” hangar project, to include the access road and ramp, is almost \$1 million. PMMAA is currently working through the permitting project and has prioritized this project over the snow removal building.

MCIDA, on behalf of PMMAA, is requesting a change in the scope of work from the snow removal building to completion of the “T” hangar project. LSA funds will be used for infrastructure, construction, and administrative costs associated with the “T” hangar project.

Recommendation: Approval.

DATE: May 5, 2017
SUBJECT: Special Request – CFA Board Meeting May 25, 2017
TO: Scott Dunkelberger
Executive Director
FROM: Lynne Ruby
Director, Grants Division

SPECIAL REQUESTS – BOARD ACTION REQUIRED

**Manbel Devco I LP
Belmont Transportation Improvements
(Lancaster County)**

Approved: 12/6/2016
Approved Amount: \$710,000

Requested Change: On December 6, 2016, the CFA Board approved a \$710,000 Multimodal Transportation Fund (MTF) grant to Manbel Devco I LP to construct an on-site network of roads, sidewalks and pedestrian trails in the development of the Shoppes at Belmont located in Manheim Township, Lancaster County. The total project cost for the proposed project was \$6,128,273.

Due to the need to advance the on-site construction schedule to meet tenant commitments for pad delivery, the on-site work began in fall 2016. As a result, the above scope of work is no longer eligible. The applicant is requesting a change of scope to include required, eligible, offsite transportation improvements, which include Fruitville Pike stone and course paving, milling and overlay work, line striping, signage and traffic signalization. These offsite improvements were initially included with the unfunded 2015 MTF application submitted by Manbel Devco, but were subsequently eliminated in the 2016 MTF application scope submitted for board approval.

The revised total project cost is \$1,025,071, and work is expected to begin in late spring 2017.

Staff Recommendation: Approval

DATE: April 18, 2017
SUBJECT: Special Request – CFA Board
TO: Scott Dunkelberger
Executive Director, Commonwealth Financing Authority
FROM: Brian Eckert
Director, Site Development Division

SPECIAL REQUEST – BOARD ACTION REQUIRED

Greene Diamond Services, LLC
Johnstown Railcar Refurbishment Center
(Cambria County)

Approved: 01/24/2017
\$3,026,352 (Loan)

Requested Change: On January 24, 2017, the CFA Board approved a \$3,026,352 Business in Our Sites (BOS) loan to Green Diamond Services, LLC to assist with the acquisition and redevelopment of former Bethlehem Steel property in the City of Johnstown, Cambria County. Green Diamond has a LOI from a Pennsylvania Company who will be occupying 130,000 sq. ft. to process water and manufacture/assemble water processing systems. It is anticipated that this project will result in the creation of 123 fulltime jobs. The BOS loan was approved with a First Mortgage lien on the 47 acre site and personal guarantees from Paul Castellano, L. Dean Bernard, and Walter Siegordner.

Greene Diamond Services, LLC is requesting L. Dean Bernard be released as a guarantor on the BOS loan. Mr. Bernard is only an investor and not Principal of Green Diamond Services, LLC or member companies. As per the terms of his investment into Green Diamond Services, Mr. Bernard losses cannot exceed his investment. Additionally, the two remaining guarantors have sufficient assets to guarantee the BOS loan.

Staff Recommendation: Approval of the following:

- 1.) Release of L. Dean Bernard as a guarantor.