



**Commonwealth Financing Authority**  
Harrisburg PA, 17120

**Board Meeting Minutes**  
**March 16, 2018**

The Commonwealth Financing Authority (CFA) board meeting was held on March 16, 2018. Proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"). The meeting was held in the PUC Hearing Room #1, the second floor of the Commonwealth Keystone Building located at 400 North Street in Harrisburg, Pennsylvania.

In addition to Chairman Davin, the following Board members were present: the Honorable Randy Albright, Paul Wentzel for the Honorable Robin L. Wiessmann and Austin Burke. D. Raja, Marc Little, and Michael Karp participated via teleconference.

CFA staff in attendance: Scott Dunkelberger, Executive Director and Mike Adams, Chief Counsel.

Members of the public in attendance: Yesenia Bane, Stephen Bruder, Peggy Schaeffer-Montgomery, Greg Mahon, Josh Funk, Danielle Guyer, Lisa Taglang, Laurie Henry, Ryan Emerson, Brian Eckert, Mandy Book, Carol Kilko, Zachary Reber, Kevin Rowland, Harriet Bowser, Crista Staley, Jill Wawzonek, Alan Flannigan, Larry Myers, Barbara Diehl, Rodney Rose, Christopher Flynn, Doug Neidich, Ted Mowatt, Colin Murchie, Barry Dallara, Stephen Russial, Loni Porreca, Samantha Lockhart, Dave Altoff, Charles Fox, Dale Good, Bill Jackburn, W.C. Leibfreid, Jim Depetris, David Geiger, Jeff Straub, Leann Tepsich-Cox, Steve Crimmel, Jay Wells,

Chairman Davin called the meeting to order at 11:02 A.M. after acknowledging a quorum of the Board. He welcomed Chief Counsel, Mike Adams and gave an overview of his background.

On a motion by Mr. Burke and seconded by Mr. Albright, the Board unanimously approved the January 23, 2018 CFA Board meeting minutes.

On a motion by Mr. Burke and seconded by Mr. Wentzel, the Board unanimously approved payment of CFA expenses in the amount of \$368,930.27.

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

**PIPELINE INVESTMENT PROGRAM PROJECT RECOMMENDATION**

Mr. Dunkelberger briefly outlined one Pipeline Investment Program grant request from Monroe County Industrial Development Corporation in the amount of \$980,000 for the Route 611 Gas Corridor Scotrun Extension project located in Pocono Township, Monroe County. Mr. Burke stated his support of the project and recognized Great Wolfe Lodge and Waterpark for their job creation and tourism efforts in the area. Mr. Karp asked questions about tap in fees required, and who covers them. Mr. Dunkelberger stated that the CFA does not require applicants to waive tap in fees to those who are joining the system. Chairman Davin stated that the project has a significant total project cost, and the grant is an appropriate measure to help complete the project, and provide CNG resources to residents and businesses within the area. He added that further policy discussions could be set up for the days following the meeting, if desired.

Upon motion by Mr. Burke and seconded by Mr. Wentzel, the Board unanimously approved a grant in the amount of \$980,00 to Monroe County Industrial Development Corporation for the Route 611 Gas Corridor Scotrun Extension project located in Pocono Township, Monroe County, PA

**FIRST INDUSTRIES LOAN PROJECT RECOMMENDATIONS**

Mr. Dunkelberger briefly outlined eleven First Industries Agriculture and Tourism projects for consideration. He added that these programs have already been underwritten and approved by the Pennsylvania Industrial Development Authority Board. Upon motion by Mr. Wentzel and seconded by Mr. Albright, the Board unanimously approved the following First Industries Agriculture and Tourism projects:

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>Loan</u>
EDC Finance Corporation	Mitchell L. & Heather J.Shellenberger	Lancaster	\$400,000
EDC Finance Corporation	Brubaker Run Farms, LLC	Lancaster	\$362,500
Greater Berks Development Fund	Ricky L. and Miriam A. Manwiller	Berks	\$400,000
Greater Berks Development Fund	Zahncroft Dairy, LLC	Berks	\$400,000
Chester County Economic Development Council	Howard S. and Sandra J. Reyburn	Chester	\$400,000
Altoona-Blair County Development Corporation	P. Kulp, LP	Huntingdon	\$400,000
PIDC Financing Corporation	Triple Bottom Brewing Company	Philadelphia	\$400,000
SEDA-Council of Governments	R & F Family Farms	Northumberland	\$400,000
Southern Alleghenies P&D Commission	Brian E. and Dawn L. Stair	Somerset	\$400,000
Lebanon Valley Economic Development Corp.	Benjamin and Tonya Moyer	Lebanon	\$400,000
North Central PA Regional P&D Comm.	High Road Holdings, LLC	Jefferson	\$318,000

**LUZERNE COUNTY LOCAL SHARE ACCOUNT (LSA) PROGRAM RECOMMENDATIONS**

Mr. Dunkelberger stated there were 77 Luzerne County Local Share Account Program applications recommended for approval, totaling \$11,707,408, and that a block vote would be taken if agreeable by the Board. Upon motion by Mr. Wentzel and seconded by Mr. Little, the Board unanimously approved the following 77 Luzerne County LSA projects:

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>Grant</u>
Ashley Borough	Lower South Valley Council of Governments	Luzerne	\$207,444
Bear Creek Township	The Meadow Run Mountain Lake Park Association Erosion Control Project	Luzerne	\$75,000
Black Creek Township	Tower Road Bridge Replacement Project	Luzerne	\$175,000
Courtdale Borough	Courtdale Community Paving	Luzerne	\$60,000
Dallas Borough	Reservoir Road Bridge Culvert Replacement	Luzerne	\$188,300
Dallas Township	Yalick Farms Connection Project	Luzerne	\$500,000
Dorrance Township	Bobcat Skid-Steer Loader with Planer	Luzerne	\$63,540
Dupont Borough	Dupont Borough Building Renovations	Luzerne	\$173,847
Duryea Borough	Excelsior Fire Truck 2018	Luzerne	\$150,000
Exeter Borough	Wyoming Area School District Tennis Court Rehabilitation	Luzerne	\$80,000
Exeter Borough	Wyoming Avenue Storm/Sanitary Sewer Separation/Replacement Project	Luzerne	\$150,000
Exeter Township	Exeter Township Equipment	Luzerne	\$75,000
Fairview Township	Sherwood Freightliner Dump Truck	Luzerne	\$50,000
Forty Fort Borough	Police Department Safety Grant	Luzerne	\$39,000
Forty Fort Borough	Luzerne County Flood Protection Authority levee	Luzerne	\$100,000
Forty Fort Borough	West Side Council of Governments Grant	Luzerne	\$126,216
Franklin Township	Municipal Complex Enhancements / Improvements Phase II-B	Luzerne	\$100,000
Hanover Township	Solomon Creek Interceptor Rehab Phase 2A	Luzerne	\$200,000
Harveys Lake Borough	Public Safety Improvements	Luzerne	\$24,243

Harveys Lake Borough	Sanitary Sewer Rehabilitation	Luzerne	\$100,000
Hazle Township	Phase 2 - Humboldt Industrial Park Transportation Improvement	Luzerne	\$625,617
Hazleton City	Downtown Hazleton Business Incubator, Phase Two	Luzerne	\$150,000
Hazleton City	Safe City Initiative - Group Violence Intervention	Luzerne	\$150,000
Hazleton City	City Hall Rehabilitation and Improvements	Luzerne	\$250,000
Hughestown Borough	North East PA Land Bank Continued Progress	Luzerne	\$32,500
Hunlock Township	Case Loader Backhoe	Luzerne	\$83,145
Hunlock Township	Ranger Community Track and Field Project	Luzerne	\$350,000
Jackson Township	Municipal Equipment	Luzerne	\$50,000
Jackson Township	Back Mountain Community Partnership Shared Police Equipment	Luzerne	\$390,001
Jenkins Township	DPW Equipment	Luzerne	\$170,000
Kingston Municipality	Church Street Park Renovation Project	Luzerne	\$425,000
Kingston Township	Police Equipment	Luzerne	\$50,550
Laflin Borough	Laflin Borough Salt Storage Shed Project	Luzerne	\$70,000
Lake Township	Lake Township Recycling Center	Luzerne	\$14,000
Lake Township	Lake Township Fuel Tank Replacement Project	Luzerne	\$36,886
Luzerne Borough	Charles Street Paving Project	Luzerne	\$100,000
Luzerne County RDA	WVSA GIS Stormwater Resource Mapping 2018	Luzerne	\$70,000
Luzerne County RDA	D&L Trail: Oliver Mills to Mountain Top	Luzerne	\$250,000
Nanticoke City	Greater Nanticoke Area School District Stadium Project	Luzerne	\$250,000
Nanticoke City	Market St Acquisition, Demolition & Streetscape Improvements	Luzerne	\$450,000
Nescopeck Borough	Street and Police Equipment	Luzerne	\$40,000
Newport Township	Railroad Street Drainage Project	Luzerne	\$150,000
Nuangola Borough	Nuangola Borough Public Works Truck	Luzerne	\$60,958
Pittston City	Stadium Bleacher Replacement	Luzerne	\$295,000
Pittston City	City Yards	Luzerne	\$400,000
Pittston Township	Community Service Organizations Building Improvements	Luzerne	\$47,500
Pittston Township	Fire Headquarters Station Re-Construction - Continued	Luzerne	\$233,622
Plymouth Borough	WVW HS Roof Project	Luzerne	\$100,000
Plymouth Borough	Downtown Plymouth Redevelopment-Phase II	Luzerne	\$217,208
Plymouth Township	DeHaven Pump Station & Force Main Project	Luzerne	\$150,000
Pringle Borough	Public Works Building	Luzerne	\$100,000
Rice Township	Police Cruiser	Luzerne	\$34,000
Rice Township	Road Paving Project	Luzerne	\$286,530
Ross Township	Road Improvements	Luzerne	\$100,000
Salem Township	East Berwick Road Repaving	Luzerne	\$200,000
Salem Township	Berwick Area School Gateway Building	Luzerne	\$247,500
Shickshinny Borough	Shickshinny Municipal Infrastructure Project	Luzerne	\$75,000
Sugar Notch Borough	Sugar Notch New Truck	Luzerne	\$37,986
Sugarloaf Township	Police Station	Luzerne	\$400,000
Swoyersville Borough	Road Improvement Project	Luzerne	\$150,000
Union Township Supervisors	Single Axle Dump Truck with Plow	Luzerne	\$130,000
West Pittston Borough	Police Vehicle	Luzerne	\$40,000
West Wyoming Borough	Specialized Equipment for Public Safety and Public Works	Luzerne	\$50,000
White Haven Borough	Engine House Project	Luzerne	\$25,000
Wilkes Barre City	FM Kirby Center Improvements	Luzerne	\$103,000
Wilkes Barre City	Information Technology Infrastructure Upgrades	Luzerne	\$109,665
Wilkes-Barre City	Wilkes-Barre Family YMCA Pool Rehabilitation	Luzerne	\$50,000
Wilkes-Barre City	Wyoming Valley Art League (WVAL) Building ADA Improvements	Luzerne	\$60,509
Wilkes-Barre City	Children's Service Center Outpatient Therapy	Luzerne	\$100,000
Wilkes-Barre City	Neighborhood Beautification	Luzerne	\$100,000
Wilkes-Barre City	Wyoming Valley Sanitary Authority Pump Station 9B Upgrades	Luzerne	\$100,000
Wilkes-Barre City	Wilkes-Barre Police Department Gun Firing Range Improvements	Luzerne	\$100,000
Wilkes-Barre City	Little Theatre of Wilkes-Barre HVAC & Electrical Improvement	Luzerne	\$200,000
Wilkes-Barre City	Irem Temple Phase 1 Stabilization Project	Luzerne	\$220,000

Wilkes-Barre Township	Wilkes-Barre Township Recreation Center	Luzerne	\$50,000
Wright Township	Walden Park Paving Project Phase III	Luzerne	\$288,641
Wyoming Borough	Charles Flack Memorial Field Renovation Project	Luzerne	\$50,000

**SPECIAL REQUESTS**

Mr. Dunkelberger briefly outlined twelve 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. Albright and seconded by Mr. Burke, the Board unanimously approved the following twelve special requests (details attached):

<u>Applicant</u>	<u>Project</u>	<u>Program</u>	<u>Reason</u>
Redevelopment Authority of Allegheny County	Project #13 - Voodoo Brewery Courtyard Project	GEDTF	Request to modify scope of work
Redevelopment Authority of Allegheny County	Project #17 - Esplanade Project	GEDTF	Request to modify sub-grantee
Redevelopment Authority of Allegheny County	Project #14 - Palumbo Science Center Project	GEDTF	Request to modify scope of work
City of Pittston	City Services Improvement	Luzerne LSA	Request to modify scope of work
Municipality of Kingston	Kingston/Pringle Infrastructure Improvement	Luzerne LSA	Request to modify scope of work
Leg Up Farmers Market, LLC	Leg Up Farmers Market	FI Ag Loan Guarantee	Request to modify terms of loan
Redevelopment Authority of Allegheny County	Shannon Transit Village	TIF Guarantee	Request to modify guarantors
The Reinvestment Fund	Creekside Cooperative	FI Ag Loan Guarantee	Time Extension Request
RER PPA, LLC	Tuscarora School District 2MW Solar	Solar	Request to modify terms of loan
DEPG Coatesville Associates, LP	Coatesville Gateway Redevelopment Project	BOS	Subordination Request
Norristown Rd, LP	Spring House Innovation Park	BOS	Request to modify terms and guarantor
Groverpete, L.P.	Plaza Allegheny	BOS	Request to modify terms of loan

**LOAN CHARGE-OFFS**

Mr. Dunkelberger briefly outlined the history of the Building PA loan to Keystone T Ventures on behalf of 1401 State Street, LLC for the rehabilitation of the Mercantile Building located in Erie City, Erie County. Due to the weak market in Downtown Erie, the project was not able to generate interest in leasing the remaining 16,000 square feet of commercial space and they fell behind on the debt service payment. He explained that DCED has liquidated the collateral and received proceeds from the sale of the building; there are no further assets to pursue. He explained that staff recommendation was to write-off the balance of \$615,521.42.

Upon motion by Mr. Burke and seconded by Mr. Wentzel, the Board unanimously approved staff recommendation to charge-off \$615,521.42 from the Building PA Mercantile Building loan.

**SOLAR ENERGY PROGRAM PROJECT RECOMMENDATIONS**

Mr. Dunkelberger stated that \$29,767,999 is available in the Solar Energy Program fund for deployment. He added that staff received 101 applications totaling over \$41,400,000. Staff recommended approval of 87 projects. He stated they could be approved as a block vote if the Board was agreeable. Mr. Dunkelberger added that he could not read all the specific projects, but a list would be available to the public in attendance following the meeting, and that results would also be posted on DCED’s website for review. Upon motion by Mr. Albright and seconded by Mr. Burke, the Board unanimously approved the following 87 Solar Energy Program grants:

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>Grant</u>
David Buch	David Buch	Lancaster	\$35,534
ah W. Kreider & Sons LLP	Kreider Farms Donegal Solar	Lancaster	\$497,000
The Beistle Company	The Beistle Company	Cumberland	\$895,050
Borough of Lansdale	Lansdale Utilities Complex	Montgomery	\$585,602
ATAS International, Inc.	ATAS Grant Way	Lehigh	\$230,958
Weiler Farms	Weiler Farms	Lebanon	\$136,080
Service Tire Truck Center, Inc.	Service Tire Truck Center, Inc.	Lehigh	\$290,036
Westminster Woods Solar LLC	Westminster Woods Solar	Huntingdon	\$850,000
Borough of Lansdale	Borough of Lansdale - Borough Hall	Montgomery	\$130,437
Four Seasons Produce, Inc.	Four Seasons Wabash Road Solar Project	Lancaster	\$503,166
High Hotels, Ltd.	High Hotels, Courtyard Marriott - 918kw PV Solar System	Lancaster	\$504,900
Bucks County Type & Design, Inc.	Bucks County Type & Design Solar Grant Application	Bucks	\$81,457
Steelton-Highspire SD Solar Partners, LLC	Steelton-Highspire School District Ground Mount Solar Array	Dauphin	\$770,000
Bedford 58 Solar, LLC	Bedford 58 Solar, LLC	Bedford	\$900,698
Villa Joseph Marie Solar LLC	Villa Joseph Marie Solar LLC	Bucks	\$404,758
Wacker Chemical Corporation	Wacker Chemical	Lehigh	\$240,327
Coral Reef Energy	Elizabethtown Area School District Solar Project	Lancaster	\$300,333
Sunvestment Energy Group PA 58, LLC	Sunvestment Energy Group PA 58, LLC (Sunbury)	Northumberland	\$999,998
Consolidated Edison Development, Inc.	SEPTA - Fern Rock	Philadelphia	\$422,550
Charles Werner & Co, Inc.	Charles Werner & Co, Inc. - Solar Array	Schuylkill	\$156,004
Sun Spring 2 LLC	Boscov's Erie	Erie	\$461,651
Horning's Supply, Inc.	Horning Supply Warehouse	Schuylkill	\$165,485
Systems, LLC	Solar Energy Program	Northampton	\$2,816,196
Brightsmith, LLC	ATAS Brightsmith	Bucks	\$294,840
RER Albright PPA LLC	RER Albright PPA LLC (Admin)	Berks	\$264,091
Extra Space Management, Inc.	ESS - W Mifflin - 1739	Allegheny	\$94,176
NEE Investments 16, LLC	The Bethlehem Authority	Northampton	\$371,250
NEE Investments 16, LLC	Chester County Solid Waste Authority Solar Project	Chester	\$277,090
Rice Fruit Company	Rice Fruit	Adams	\$140,000
Mr. Wizard of Aston Inc.	Mr Wizard Car Wash	Delaware	\$50,176
Ephrata Re-Uzit Stores	122.5 kW Solar PV System	Lancaster	\$115,762
Air Dynamics Industrial Systems Corporation	Air Dynamics	York	\$40,025
Klinge Corporation	Solar Energy	York	\$950,000
MCS Industries, Inc.	MCS Industries, Inc.	Northampton	\$453,765
Quincy Village Solar LLC	Quincy Village Solar	Franklin	\$700,000
DFT Inc.	DFT Inc.	Chester	\$216,125
Estes Express Lines, Inc.	Estes Express Lines	York	\$307,739
Peters 57 Solar LLC	Peters 57 Solar LLC	Franklin	\$318,461
Bedford 57 Solar LLC	Bedford Boro/Todd Reservoir Treatment Facility	Bedford	\$870,481
Commonwealth Charter Solar Partners, LLC	Commonwealth Charter Academy Rooftop Solar Array	Dauphin	\$213,000
Brixmor Operating Partnership, LP	Brixmor Property Group	Philadelphia	\$790,400
Consolidated Edison Development, Inc.	SEPTA - Callohill	Philadelphia	\$477,000
Consolidated Edison Development, Inc.	SEPTA - Wyoming	Philadelphia	\$715,500
Consolidated Edison Development, Inc.	SEPTA - Roberts	Philadelphia	\$88,920
DiSorb Systems, Inc.	DiSorb Systems, Inc.	Philadelphia	\$119,925
Spring 2, LLC	Boscov's Lehigh Valley Mall	Lehigh	\$421,348
Keystone Correctional Services, Inc.	Keystone Correctional Services	Dauphin	\$121,716
Marano Truck Lines and Warehouse, Inc.	Marano Truck Lines & Warehouse, Inc.	Philadelphia	\$209,950
Safari Viper LLC	PREIT - Plymouth Meeting Mall	Montgomery	\$1,000,000

Extra Space Management, Inc.	ESS - Philadelphia - Wayne Ave - 0542	Philadelphia	\$153,648
Extra Space Management, Inc.	ESS - Philadelphia - Roosevelt Blvd - 1198	Philadelphia	\$171,072
Extra Space Management, Inc.	ESS - Morrisville - 1197	Bucks	\$136,224
Stoltzfus Meats, Inc.	Stoltzfus Meats Inc.	Lancaster	\$59,780
State College Area School District	Solar Array for The Spring Creek Elementary	Centre	\$93,500
State College Area School District	Solar Array for The Corl Street Elementary	Centre	\$85,250
Zimmerman & Summers DBA L&L Leasing	L&L Leasing	Chester	\$71,190
Alliance HSP Philadelphia Warehouse, LP	SoNo Solar - Alliance HSP	Philadelphia	\$458,304
Coupling Corporation of America	Solar Project - Coupling Corporation of America	York	\$400,000
CubeSmart TRS, Inc.	CubeSmart #928 - Montgomeryville, PA	Montgomery	\$113,575
CubeSmart TRS, Inc.	CubeSmart #927 - Conshohocken, PA	Montgomery	\$92,318
Spray-Tek, Inc.	Spray-Tek Inc.	Lehigh	\$554,272
CubeSmart TRS, Inc.	CubeSmart #922 - Langhorne, PA	Bucks	\$141,514
KPH PA7 LLC	Coatesville Solar Project, Phase 1	Chester	\$818,869
CubeSmart TRS, Inc.	CubeSmart #547 - Exton, PA	Chester	\$70,453
Sun Spring 2, LLC	Boscov's Lancaster	Lancaster	\$406,693
Sun Spring 2 LLC	Boscov's Reading Mall	Berks	\$450,660
CubeSmart TRS, Inc.	CubeSmart #549 - Philadelphia, PA	Philadelphia	\$91,711
CubeSmart TRS, Inc.	CubeSmart #832 - Norristown, PA	Montgomery	\$184,636
Safari Viper LLC	PREIT - Exton Square	Chester	\$643,415
Extra Space Management, Inc.	ESS - Willow Grove - 1048	Montgomery	\$74,992
Extra Space Management, Inc.	ESS - Bensalem - 1332	Bucks	\$102,896
Extra Space Management, Inc.	ESS - King of Prussia - 0195	Montgomery	\$74,992
Extra Space Management, Inc.	ESS - Collegeville - 1742	Montgomery	\$55,808
Burkholder's Country Market, Inc.	Burkholders Country Market	Centre	\$718,800
State College Area School District	Solar Array for The Radio Park Elementary School	Centre	\$66,750
Walmoore Holsteins, Inc.	Walmoore Holsteins, Inc.	Chester	\$108,465
United States Roofing Corporation	US Roofing Solar Project	Montgomery	\$425,000
FRIT Solar, Inc.	FRIT - Lawrence Park	Delaware	\$943,252

**ADJOURNMENT**

Chairman Davin thanked the Board for their participation and attendance. There being no further business to come before the Board, upon motion by Mr. Burke and seconded by Mr. Wentzel, the meeting was adjourned at 11:15 A.M.

**DATE:** February 28, 2018  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Mandy Book  
Director, Center for Community Enhancement

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**Redevelopment Authority of Allegheny County**                      **Approved:** 11/14/17  
**Project #13 – Voodoo Brewery Courtyard Project**                      **\$100,000 (Grant)**  
**(Local Project #17-GEDF-027)**

**Requested Change:** On November 14, 2017, the CFA Board approved a \$4,712,900 GEDTF grant to the Redevelopment Authority of Allegheny County (RAAC) which includes a \$100,000 sub-grant to Economic Development South for the Voodoo Brewery Homestead Community Courtyard project. Funding was approved for construction costs associated with the almost \$2 million renovation of the second floor of the Voodoo Brewery building. Renovations will transform the second floor into almost 4,000 s.f. of office space.

Economic Development South had initially requested \$500,000 from RAAC. RAAC recommended and the CFA approved a grant of \$100,000. Due to the award being less than the request, Economic Development South is requesting a budget adjustment.

RAAC, on behalf of Economic Development South, is requesting the use of funds to be modified from construction costs to predevelopment activities to include engineering and architectural design, planning, survey, and remediation study costs. This will allow all predevelopment activities to be completed and the funds to be expended timely.

**Recommendation:** Approval.

**DATE:** February 28, 2018  
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Executive Director, Commonwealth Financing Authority  
**FROM:** Mandy Book  
Director, Center for Community Enhancement

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

<b>Redevelopment Authority of Allegheny County Project #17 – Esplanade Project (Local Project #17-GEDF-034)</b>	<b>Approved:</b> 11/14/17 \$50,000 (Grant)
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**Requested Change:** On November 14, 2017, the CFA Board approved a \$4,712,900 GEDTF grant to the Redevelopment Authority of Allegheny County (RAAC) which includes a \$50,000 sub-grant to the Urban Redevelopment Authority of Pittsburgh (URA) for the Esplanade project. Funding is expected to assist with the transformation of the Esplanade brownfield site into a mixed-use development and infrastructure improvements in the area.

Millcraft Investments, Inc. currently has site control of seven of the 13 acres of property and is in exclusive negotiations with the URA to acquire the adjacent 6 acres and continue development of the full 13-acre site.

RAAC is requesting the subgrantee to be modified from the URA to Millcraft Investments, Inc.

**Recommendation:** Approval.

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**FROM:** Mandy Book  
Director, Center for Community Enhancement

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

<b>Redevelopment Authority of Allegheny County Project #14 – Palumbo Science Center Project (Local Project #17-GEDF-028)</b>	<b>Approved:</b> 11/14/17 \$250,000 (Grant)
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**Requested Change:** On November 14, 2017, the CFA Board approved a \$4,712,900 GEDTF grant to the Redevelopment Authority of Allegheny County (RAAC) which includes a \$250,000 sub-grant to La Roche College for the Palumbo Science Center project. Funding was approved for construction costs to renovate the building into a state of the art STEM education center.

La Roche College had initially requested \$500,000 from RAAC to include renovations to the Palumbo Science Center and the construction of an Athletic Training Facility adjacent to the campus' baseball field as part of a \$5 million project. RAAC recommended and the CFA approved a grant of \$250,000 for the renovation of the science center.

RAAC, on behalf of La Roche College, is requesting the scope of the project be changed to construction costs associated with the Athletic Training Facility. The total project cost for the facility is \$446,000 and the construction schedule is five months. Approval of this request will allow for timely use of grant funds.

**Recommendation:** Approval.

**DATE:** February 28, 2018  
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**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Mandy Book  
Director, Center for Community Enhancement

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**City of Pittston  
City Services Improvement  
(Luzerne County)**

**Approved: 03/29/2017  
\$150,000 (Grant)**

**Requested Change:** On March 29, 2017, the CFA Board approved a \$150,000 Local Share Account – Luzerne County grant for the City of Pittston to purchase a police utility vehicle and emergency services vehicle, expand the Department of Public Works garage, and pave the municipal parking lot. The city requested \$473,455 and due to an award less than requested, the project was reduced to the purchase of the two vehicles.

To date, \$130,000 have been disbursed for the purchase of the emergency services vehicle. The remaining grant funds will not cover the purchase of the other vehicle.

The City of Pittston is requesting an expansion in the scope of work to include the purchase of equipment to include in-car computer systems and electronic license plate readers. This change will benefit the police department and is more cost effective than the purchase of a new vehicle.

**Recommendation:** Approval.

**DATE:** February 28, 2018  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Mandy Book  
Director, Center for Community Enhancement

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**Municipality of Kingston  
Kingston/Pringle Infrastructure Improvement  
(Luzerne County)**

**Approved: 07/08/2015  
\$513,337 (Grant)**

**Requested Change:** On July 8, 2015, the CFA Board approved a \$513,337 Local Share Account – Luzerne County grant for the Municipality of Kingston for infrastructure improvements to Division and Grove Streets in Kingston and Pringle Borough. The project has been completed with a remaining balance of \$18,784.

The Municipality of Kingston also received a \$500,389 Local Share Account – Luzerne County grant in March 2017 for the purposes of renovating Keiper Park. The original request was in excess of \$1.3 million. Due to the reduced award, Kingston chose to move forward with the project as proposed and use local funds to complete the project. The project costs have increased due to unforeseen ground issues. The holes that were drilled for the new light standards contained large quantities of ash and now require significant subsurface reinforcement to support the precast foundations and lighting standards. Without additional funding, the playground aspect of the Keiper Park project will be eliminated or substantially downsized.

The Municipality of Kingston is requesting an expansion of scope of the infrastructure improvements project to include work at Keiper Park. Allocation of the remaining \$18,784 will allow the playground aspect of the park project to be completed.

**Recommendation:** Approval.

**DATE:** March 16, 2018  
**SUBJECT:** Special Request – Leg Up Farmer’s Market– Amendment to Note  
**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority  
**FROM:** Brian Deamer, Program Manager  
Center for Private Financing Office

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**SPECIAL REQUESTS – BOARD ACTION REQUIRED**

**Leg Up Farmers  
Market, LLC  
(York County)**

Approved: September 10, 2014

\$2,500,000.00 (First Industries Loan Guarantee)

**Project Description:**

Leg Up Farmers Market, LLC is a newly formed entity created to operate an organic whole foods market in Emigsville, Pennsylvania. Emigsville and the surrounding areas are currently underserved with natural food options. The focus will be on creating strong connections with local farmers and artisans. Leg Up Farmers Market, LLC will serve the immediate 20-mile radius where natural food products are in demand but are not readily available at a reasonable price. The project consists of the construction of an 18,400 sq. ft. farmers market that will include produce, meat, seafood, bakery, prepared foods, bulk items, dairy, specialty foods, dry grocery, supplements, and personal care. All products will be natural and/or organic when available. There will also be a community room in which the market will take a hands-on approach in educating customers on the preparation of the healthy foods being sold. Leg Up Farm, Inc., a related non-profit corporation, secured the project property through a private foundation grant and in-kind donation. There will be a ground lease to Leg Up Farmers Market, LLC to construct the farmers market.

The cost of the project is estimated at \$4,380,000, financed with a \$3,333,000 loan from Metro Bank, a \$275,000 loan from the Community First Fund, and \$772,000 in equity from a private foundation grant. The FIF agriculture guarantee will support only the \$3,333,000 Metro Bank loan. The FIF agriculture guarantee will guarantee 75% of the \$3,333,000 Metro Bank loan.

**Special Request:**

In early 2016, First National Bank merged with Metro Bank and subsequently amended the Leg Up Farmers Market, LLC loan in November 2016, without getting prior approval from the CFA Board. The loan was re-amortized to provide principal and interest payments based on a 20-year schedule versus the original 15-year schedule. The change provides monthly payment relief of approximately \$5,000 to the borrower. The maturity date was not changed. CFA staff recently became aware of the amendment and determined that it was a breach of the First Industries Loan Guarantee Master Agreement, as it constitutes a “substantial alteration” to the loan documents without CFA consent.

First National Bank has requested that the CFA Board approve the loan amendment, retroactively, to keep the guarantee from being voided.

**Staff Recommendation:**

Staff recommends approval, retroactively, of the loan amendment.

**DATE:** March 16, 2018

**SUBJECT:** Special Request - Shannon Transit Village TIF – Changes to terms of the Commitment Letter

**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority

**FROM:** Brian Deamer, Program Manager  
Center for Private Financing Office

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**Shannon Transit Village**  
(Allegheny County)

Approved: November 14, 2017

\$5,000,000.00 (Tax Increment Financing Loan Guarantee)

**Project Background:**

The Shannon Transit Village TIF project (the “Project”) located on approximately 6.6 acres at the intersection of Castle Shannon and Mount Lebanon Boulevards in Castle Shannon Borough, Allegheny County will facilitate the development of a facility that will include a parking garage, residential units and retail space at the Port Authority of Allegheny County Park and Ride lot at the Castle Shannon light-rail stop. The site, which is zoned transit-oriented development, currently serves as a park and ride lot for the Castle Shannon Train Station and contains 507 spaces for transit users. The Project will allow the site to continue to operate as a park and ride for the light rail system, while adding parking spaces, along with needed residential units and retail space.

The total Project costs are estimated to be \$45,904,614 and the TIF will fund the various infrastructure improvements necessary for development to occur. Because the site is located on an old, abandoned coal mine, and due to the challenging topography, a tremendous amount of site preparation and infrastructure work must be done.

The Redevelopment Authority of Allegheny County (the “RAAC”) will issue a bond or note which will have a term not to exceed the term of the TIF district. The Authority currently contemplates a bond or note in the principal amount of \$3,972,589 with debt service, inclusive of principal and interest, totaling \$6,654,293.

**Previous Board Action:**

At its January 23, 2018 meeting, the CFA Board approved two changes to the commitment letter, requested by the RAAC. One

change allowed the CFA's open-end mortgage to be subordinate only to a mortgage not to exceed \$26,150,000 instead of the original amount of \$26,000,000. The other change allowed the increase of the senior lien and CFA mortgage loan-to-value limit from "not to exceed 70%" to "not to exceed 80%."

**Special Request:**

The RAAC, on behalf of one of the developers of the Project, Jonathan Davis of Davis Companies, has requested pursuant to Section 3 of the commitment letter that requires the personal guarantees of developers Hugh Pollock, James Aiello, Sr., and Jonathan Davis, that the personal guarantee of Jonathan Davis be replaced with the guarantee of the Davis Investment Ventures Fund III (the "Fund"). The RAAC additionally requests that the guarantees of the developers and the Fund be several rather than joint and several.

The \$512mm Fund, which is controlled by Jonathan Davis, is made up of three entities; Davis Investment Ventures Fund III, L.P., Davis Investment Ventures Fund III-A, L.P., and Davis Investment Ventures Fund III-B, L.P. All three entities will provide the guarantee and any guarantee obligations would be satisfied with cash on hand.

The attorney for Davis Investment Ventures Fund III, L.P. has stated in a letter that the fund has the authority to issue a guarantee. An opinion of counsel to the guarantor that the fund has the legal ability to issue guarantees will be part of the standard opinion letter that will be required with the closing documents.

**Staff Recommendation:**

Staff recommends approval of the special request.

**DATE:** March 16, 2018

**SUBJECT:** Special Request – Our Community Cooperative of Cheltenham Township, Inc.  
d/b/a Creekside Cooperative

**TO:** Scott Dunkelberger, Executive Director  
Commonwealth Financing Authority

**FROM:** Craig Petrasic, Assistant Director  
Center for Private Financing

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

**Our Community Cooperative of Cheltenham Township, Inc.**  
**d/b/a Creekside Cooperative**  
(Montgomery County)

Approved: 3/13/2012  
Approved Amount: \$224,000 (First Industries Agriculture  
Loan Guarantee)

**Project Description:** On March 13, 2012 the CFA Board approved a \$224,000 First Industries Fund Agriculture Loan Guarantee on an equipment loan made by The Reinvestment Fund (“TRF”) to Our Community Cooperative of Cheltenham Township, Inc. d/b/a Creekside Cooperative. The project consisted of building acquisition, renovations, machinery and equipment acquisition for a new community-based food cooperative (the “Co-op”) located in Cheltenham Township, Montgomery County. The project was financed by a \$1,750,000 construction facility from TRF (after construction this facility was taken out by permanent financing from Vantage Point Bank), a \$448,000 equipment facility from TRF (this facility received the First Industries Guaranty), a \$304,012 loan from the general contractor, and \$578,393 in borrower equity.

**Special Request:** TRF is now requesting that the CFA grant a five-year extension of the guaranty for their equipment loan to the Creekside Cooperative, to June 1, 2024. The Co-op has struggled financially since its founding, but TRF states that have a good working relationship with this borrower and their managing board, and operations are starting to improve. The loan is current, and they remain committed to repaying their debt in full and keeping the store operating for the community. The Co-op has created more than 50 jobs, many of them filled by

African-Americans, Latinos and women who travel via public transportation from North Philadelphia for the employment opportunity. TRF believes there is a path to repayment in full including continued amortization and a market refinance in conjunction with the real estate. Depending on the sales growth, TRF estimates that refinance is likely within 3-4 years. A five-year extension of the guaranty would allow TRF to stick with the project until permanent refinance and greatly reduce the probability that they would need to make a claim under the guaranty.

**Staff Recommendation:** Approval

**DATE:** February 27, 2018  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Ryan Emerson  
Director, CFA Programs Division

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

RER PPA, LLC / Tuscarora School District 2MW Solar (Franklin County)      Approved: 11/14/2017  
\$1,100,006 (Loan)

**Requested Change:**      On November 14, 2017 the CFA board approved a Solar Energy Program loan to RER PPA, LLC for the purchase and installation of a 2 MW ground-mounted solar photovoltaic system at Tuscarora School District's Mountain View Elementary School located in Peters Township, Franklin County. All electricity generated will be purchased by Tuscarora School District from RER PPA, LLC under a 25-year power purchase agreement. RER PPA, LLC is a special purpose entity of RER Energy Group, a developer and installer of renewable energy systems.

Under the currently approved loan, the CFA has a first lien on the equipment, an assignment of the PPA, and corporate guarantees from RER Energy Group, LLC and Sunvestment Group, LLC.

RER Energy group is seeking to bring a tax equity investor into the capital stack to achieve the most efficient deployment of capital. Therefore, the following changes to the approved loan terms are being requested:

1. Assignment of the loan from RER PPA, LLC to RER TSD 57 Solar LLC, a special purpose entity solely created for owning the solar system located on the school property.
2. Agreement to enter into a forbearance agreement with the Tax Equity Investor stating that the CFA would not foreclose on the Project in the first 6 years while the Tax Equity Investor is in the project. This is an industry standard financing mechanism so that tax benefits would not need be repaid in the event of an ownership change occurring during the IRS required 6 period.
3. In exchange for agreeing to the forbearance agreement, RER Energy Group will add the CFA as additional

insured under its business interruption insurance policy for the project during the 6-year forbearance period.

4. In addition, RER Energy Group, LLC will guarantee the loan repayments during the life of the project.

The forbearance agreement would expire after 6 years when the tax equity investor, utilizing the "Partnership-Flip" structure is bought out.

**Staff Recommendation:** Approval.

**DATE:** February 6, 2018  
**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**

DEPG Coatesville Associates, LP  
Coatesville Gateway Redevelopment Project  
(Chester County)

Approved: 05/25/2017  
\$3,230,357 (Loan)

**Requested Change:** On May 25, 2017, the CFA Board approved a Business in Our Sites (BOS) loan to DEPG Coatesville Associates, LP for the redevelopment of approximately 1.46 acres (9 parcels) at the gateway to the city and the beginning of the Downtown Revitalization District in the City of Coatesville. BOS funds will be used for acquisition, environmental remediation, demolition, roads, streets, excavation and grading, utilities, landscaping, and engineering.

Acquisition and demolition are complete and environmental remediation is currently underway. DEPG is currently preparing to begin construction 47,000 sq. ft. retail/office space, and the renovation of a historic bank building into a restaurant. DEPG is requesting the CFA to agree to subordinate to a second lien position behind the Reinvestment Fund in the amount of \$6,638,430 on the 1.46-acre site. Proceeds of the bank loan will be used to construct the 47,000 sq. ft. retail/office space and paydown the BOS loan to a principal balance of \$997,305.

**Current Collateral:** First lien on 9 parcels totaling 1.46 acres located in City of Coatesville, Chester County.

**Collateral Value:** \$9,550,000

**Staff Recommendation:** Approval to subordinate the BOS lien position to a second mortgage lien position behind The Reinvestment Fund in an amount not to exceed \$6,638,430 subject to the following conditions:

1. Principal paydown of \$2,233,052 of the BOS loan bringing the total outstanding principal balance to \$997,305.
2. Interest rate on the remaining \$997,305 principal balance will increase to 9%.

**DATE:** February 21, 2018  
**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**

727 Norristown Road, LP  
Spring House Innovation Park Project  
(Montgomery County)

Approved: 11/14/2017  
\$8,047,210 (Loan)

**Requested Change:** On November 14, 2017, the CFA Board approved a Business in Our Sites (BOS) loan to 727 Norristown Road, LP to assist with the redevelopment of the former Rohm & Hass Spring House facility located in Lower Gwynedd Township, Montgomery County. The developer purchased the 133-acre abandoned campus with 14 existing buildings in 2017 and has partnered with the RDA of Montgomery County to transform the site into the Spring House Innovation Park. BOS funds will be used for infrastructure costs including roads, fiber optics network, underground utilities, energy efficient hot and chilled water loop, storm water basins, sanitary and chemical pump stations, electric, and parking areas.

The loan was approved as a second lien on 133 acres behind \$20,000,000 from American Heritage Credit Union (AHCU). 727 Norristown Road LP is requesting the CFA to allow the senior debt amount to increase to \$25,000,000. Since the time of original approval, some of the financing assumptions for the capital stack and the senior lender have changed. Fulton Bank will be providing a \$25M loan to the project.

In addition, 727 Norristown Road, LP is requesting the CFA to agree to a second lien position on 93 acres instead of the 133 acres. 40 acres of the site is dedicated to residential uses as a commitment to the township and will not be part of the BOS project.

<b>Original Financing Structure:</b>	AHCU	\$20,000,000 (first lien)
	BOS Loan	<u>\$ 8,047,210</u> (second lien)
		\$28,047,210

**Original BOS Collateral:** Second lien on 133.6 acres located in Lower Gwynedd Township subject only to a lien of \$20,000,000 first mortgage on the Premises in favor of American Heritage Credit Union.

Personal guaranty of Lawrence Stuardi

**Original Collateral Value:** \$51,550,000 "As Completed"

**Proposed Financing**

<b>Structure:</b>	Fulton Bank	\$25,000,000 (first lien)
	BOS Loan	<u>\$ 8,047,210</u> (second lien)
		\$33,047,210

**Proposed BOS Collateral:** Second Mortgage lien on 93 acres subordinate to \$25,000,000 first mortgage lien in favor of Fulton Bank.

Personal guaranty of Lawrence Stuardi

**Updated Collateral Value:** \$47,950,000 "As Completed"

**Staff Recommendation:** Approval of the following:

- 1) BOS loan in the amount of \$8,047,210
  - a. Interest rate 9%
  - b. 5 year term / 20 year amortization
- 2) BOS loan to be secured by a 2nd lien on 93 acres subordinate only to a lien of \$25,000,000 in favor of Fulton Bank consisting of the following units:
  - Condo Unit 1
  - Condo Unit 2
  - Condo Unit 3
  - Condo Unit 4
  - Condo Unit 5
  - Sub-Condo Units 1-A through 1-L
- 3) Personal guaranty of Lawrence Stuardi

**DATE:** February 26, 2018  
**SUBJECT:** Special Request – CFA Board  
**TO:** Scott Dunkelberger  
Executive Director, Commonwealth Financing Authority  
**FROM:** Brian Eckert  
Director, Site Development Office

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**SPECIAL REQUEST – BOARD ACTION REQUIRED**

Groverpete, L.P. / Plaza Allegheny  
(Philadelphia County)

Approved: 09/17/2013  
\$2,500,000 (Loan)

**Requested Change:** On September 17, 2013, the CFA Board approved a Business in Our Sites (BOS) loan to Groverpete, L.P. for the redevelopment of approximately 9 acres into a 71,000 SF mixed use urban shopping center in the Fairhill section of Philadelphia. BOS funds were used for site work which included, demolition, excavation, paving, curbs and sidewalks, water/storm/sanitary systems, retaining walls, fencing, landscaping and electric. All funds have been disbursed.

Groverpete has completed construction at the site and is currently fully leased except for 3,100 sf. Groverpete is working with Vist Bank to refinance the PIDC loan and to obtain an additional \$500,000 to complete the remaining tenant improvements at the site. Therefore, borrower is requesting the CFA to agree to subordinate to a second lien position behind Vist Bank in the amount of \$12,250,000.

**Original Financing**

<b>Structure:</b>	VIST	\$8,250,000 (first lien)
	PIDC	\$3,500,000 (second lien)
	BOS Loan	<u>\$2,500,000</u> (third lien)
		\$14,250,000

**Original BOS Collateral:** Third lien on approximately 9 acres located in the City of Philadelphia.

Personal guarantees of David and Linda Groverman

**Collateral Value:** \$16,100,000

**Proposed Financing**

<b>Structure:</b>	VIST	\$12,250,000 (first lien)
	BOS Loan	<u>\$ 2,500,000</u> (second lien)

**Proposed BOS Collateral:** Second Mortgage lien on 9 acres located in the City of Philadelphia.

Personal guarantees of David and Linda Groverman

**Updated Collateral Value:** \$20,500,000 "As Completed"

**Staff Recommendation:** Approval of the following:

- 1) BOS loan in the amount of \$2,500,000
  - a. Interest rate 9%
  - b. 20-year term
- 2) BOS loan to be secured by a 2nd lien on 9 acres subordinate only to a lien of \$12,250,000 in favor of Vist Bank.
- 3) Personal guarantees of David and Linda Groverman