

ALLEGHENY COUNTY FINANCE AND DEVELOPMENT COMMISSION

MINUTES OF THE BOARD OF DIRECTORS

REGULAR MEETING AND PUBLIC HEARING

ONE CHATHAM CENTER

BOARD ROOM 9TH FLOOR,

112 WASHINGTON PLACE, PITTSBURGH, PENNSYLVANIA

January 26, 2016-9:30 A.M.

The Regular Meeting and Public Hearing of the Allegheny County Finance and Development Commission was held on Tuesday, January 26, 2016, at 9:30 a.m., in the 9th Floor Board Room, One Chatham Center, 112 Washington Place, Pittsburgh, Pennsylvania 15219.

Board Members present were: Victor Diaz, Michael Polite, and via phone, Daniel Connolly, Stephanie Turman, and John Brown.

Also present were: Ronald Stout, Authorities Solicitor; Robert Hurley, Executive Director; Jack Exler, Senior Deputy Director; Pat Earley, Deputy Director; Angie Hicks, Project Manager; Adrienne Frazier, Administrative Assistant; Samuel Bozzolla, Project Manager; Anita Truss, Senior Accountant; and Beth O'Donnell, Marketing Coordinator, Nathan Wetzell, Assistant Manager; and Rachel Miller, Accountant.

Others present were: Paul Brand, Rebecca Residence, and Andrew Maher, Cohen & Grigsby, P.C.; and via phone Michael Bailey, Foley & Lardner LLP.

ROLL CALL

The meeting was called to order, roll was called, and a quorum was present.

APPROVAL OF THE PREVIOUS MINUTES—December 15, 2015

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MR. BROWN, THE MINUTES OF THE PREVIOUS MEETING WERE APPROVED AS PRESENTED.

PUBLIC COMMENTS

The Chairman asked if there were any questions, comments, or concerns regarding the Agenda. Hearing none, the meeting continued with the opening of the Industrial Development Authority.

**ALLEGHENY COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY**

I. FINANCIAL REPORT—BILLS PAYABLE

Mr. Polite stated that he reviewed the ratification of bills for the month of December 2015, along with the balance sheet and bills payable for January 2016, and found them to be in good and proper order.

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE PAYMENT OF THE BILLS WERE UNANIMOUSLY APPROVED.

II. OLD BUSINESS

- No old business.

III. NEW BUSINESS

- No new business.

IV. ADJOURNMENT OF ACIDA

ON A MOTION MADE BY MR. CONNOLLY AND SECONDED BY MR. POLITE, THE REQUEST WAS UNANIMOUSLY APPROVED TO ADJOURN THE MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY.

**ALLEGHENY COUNTY
HOSPITAL DEVELOPMENT AUTHORITY**

I. FINANCIAL REPORT

Mr. Polite stated that he reviewed the ratification of bills for the month of December 2015, along with the balance sheet and bills payable for January 2016, and found them to be in good and proper order.

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE PAYMENT OF THE BILLS WERE UNANIMOUSLY APPROVED.

I. OLD BUSINESS

- No old business.

III. NEW BUSINESS

A. ACHDA TAX-EXEMPT VARIABLE RATE DEMAND REVENUE BONDS, SERIES A OF 2016 (REBECCA RESIDENCE) \$45,000,000

Request authorization to issue Variable Rate Demand Bonds, Series 2016, on behalf of Rebecca Residence, for a project consisting of: (i) the construction, equipping and furnishing of an independent living retirement community to be owned and operated by the Borrower which will be part of an integrated facility constituting a life care or continuing care community providing among other services, short term rehabilitation care, personal care and long term nursing care; (ii) the acquisition, renovation and equipping of a building expected to be used for short term rehabilitation care, skilled nursing care, and personal care, and to be owned and operated by Concordia of Monroeville; (iii) the acquisition, renovation and equipping of a building expected to be used for short term rehabilitation care and skilled nursing care to be owned and operated by Concordia Lutheran Health and Human Care; (iv) miscellaneous capital expenditures by members of the Obligated Group for activities consistent with the Pennsylvania Municipality Authorities Act; and (v) all or a portion of the costs of issuance of the Bonds, including without limitation the costs of providing credit and/or liquidity enhancement for the Bonds (collectively, the "Project").

The Obligated Group consists of: Rebecca Residence, Concordia of Monroeville, Concordia Lutheran Health and Human Care, Concordia Lutheran Ministries Foundation, Concordia of Ohio, and Concordia Lutheran Ministries of Pittsburgh.

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MR. BROWN, THE ABOVE REQUEST WAS APPROVED AS PRESENTED AND THE PUBLIC MEETING WAS RESUMED.

EXECUTIVE SESSION

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MS. TURMAN, THE BOARD HELD AN EXECUTIVE SESSION TO DISCUSS MATTERS OF LITIGATION.

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MR. CONNOLLY, THE EXECUTIVE SESSION WAS ADJOURNED.

B. ACHDA HOSPITAL REVENUE BONDS, SERIES 1996 (PITTSBURGH MERCY HEALTH SYSTEM, INC.) \$91,535,000

Request authorization to: (i) accept the Closing Agreement on Final Determination Covering Specific Matters regarding the IRS examination; and (ii) authorize the

Chairman, Vice Chairman or Executive Director to execute the Closing Agreement and other necessary documents with solicitor approval.

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MS. TURMAN, THE ABOVE REQUEST WAS APPROVED AS PRESENTED.

IV. ADJOURNMENT OF ACHDA

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE REQUEST TO ADJOURN THE MEETING OF THE HOSPITAL DEVELOPMENT AUTHORITY WAS UNANIMOUSLY APPROVED.

**ALLEGHENY COUNTY
HIGHER EDUCATION BUILDING AUTHORITY**

I. FINANCIAL REPORT

Mr. Polite stated that he reviewed the ratification of bills for the month of December 2015, along with the balance sheet and the bills payable for January 2016, and found them to be in good and proper order.

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE PAYMENT OF THE BILLS WAS UNANIMOUSLY APPROVED.

II. OLD BUSINESS

- No old business.

III. NEW BUSINESS

- No new business.

IV. ADJOURNMENT OF ACHEBA

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MR. BROWN, THE REQUEST TO ADJOURN THE MEETING OF THE HIGHER EDUCATION BUILDING AUTHORITY WAS UNANIMOUSLY APPROVED.

**ALLEGHENY COUNTY
RESIDENTIAL FINANCE AUTHORITY**

I. FINANCIAL REPORTS

A. GENERAL—BILLS PAYABLE

Mr. Polite stated that he reviewed the ratification of bills for the month of December 2015, along with the balance sheet and the bills payable for January 2016, and found them to be in good and proper order.

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE PAYMENT OF THE BILLS WERE UNANIMOUSLY APPROVED.

B. LOW INTEREST LOANS

Mr. Polite stated that he reviewed the balance sheet for the month of December 2015, and found it to be in good and proper order.

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MS. TURMAN, THE FINANCIAL STATEMENTS WERE ACCEPTED AS PRESENTED.

C. BOND DEFEASANCE FUND PROGRAM—BALANCE SHEET

Mr. Polite reviewed the balance sheet, along with the summary of expenses for the month of December 2015, and found them to be in order.

ON A MOTION MADE BY MS. TURMAN AND SECONDED BY MR. BROWN, THE FINANCIAL STATEMENTS WERE ACCEPTED AS PRESENTED.

II. OLD BUSINESS

• CASH FLOW ANALYST CONTRACT EXTENSION

REQUEST AUTHORIZATION TO AMEND AND RATIFY THE EXISTING CONTRACT WITH CFX INCORPORATED, EXTENDING IT FOR A THREE-MONTH PERIOD.

The Authority wishes to extend a contract for a three-month period, from January 1, 2016 to March 31, 2016 for cash flow analyses required for the management of the single-family mortgage revenue bond issues.

This extension allows the Authority to continue receiving required analyses while undertaking a procurement process for a cash flow analyst.

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MR. BROWN,
THE ABOVE REQUEST WAS APPROVED AS PRESENTED.

III. NEW BUSINESS

- **LOAN MODIFICATION — 1300 MAIN STREET ASSOCIATES**

Request authorization to ratify a Loan Modification Agreement with 1300 Main Street Associates LP for a development in Sharpsburg, PA.

Requesting ratification of an agreement to extend the term of a loan for a seven-unit apartment building in the Borough of Sharpsburg. The loan was structured to expire in 2023 but will be extended until 2028. The extension will provide rent restrictions for an additional five years as the market begins to experience some upward pressure on rents. In addition, it will allow the borrower to allocate sufficient funds to operations and reserve funds for this development.

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MS. TURMAN,
THE ABOVE REQUEST WAS APPROVED AS PRESENTED.

IV. ADJOURNMENT

ON A MOTION MADE BY MR. POLITE AND SECONDED BY MR. BROWN, THE
REQUEST WAS UNANIMOUSLY APPROVED TO ADJOURN THE MEETING OF
THE RESIDENTIAL FINANCE AUTHORITY AND THE REGULAR MEETING OF
THE ALLEGHENY COUNTY FINANCE AND DEVELOPMENT COMMISSION.

Jack Exler

Jack Exler, Sr. Deputy Director