

ALLEGHENY COUNTY FINANCE AND DEVELOPMENT COMMISSION

**MINUTES OF THE BOARD OF DIRECTORS
REGULAR MEETING AND PUBLIC HEARING**

**REGIONAL ENTERPRISE TOWER
SUITE 800, CONFERENCE ROOM,
425 SIXTH AVENUE, PITTSBURGH, PENNSYLVANIA**

FEBRUARY 27, 2013-10:30 A.M.

The Regular Meeting and Public Hearing of the Allegheny County Finance and Development Commission was held on Wednesday, February 27, 2013, at 9:30 a.m., in the 8th Floor Conference Room, Regional Enterprise Tower, 425 Sixth Avenue, Pittsburgh, Pennsylvania 15219.

Board Members present were: James Edwards, John Brown, Daniel Connolly, Michael Polite, Victor Diaz, and via phone, James Dodaro.

Also present were: Linda Hackett, Authorities Solicitor; Dennis Davin, Director; Robert Hurley, Deputy Director; Jack Exler, Deputy Director; Darnell Moses, Authorities Manager; Angie Hicks, Project Manager; Adrienne Frazier, Administrative Assistant; Samuel Bozzolla, Project Manager; Tom McGrath, Fiscal Manager; and Anita Truss, Senior Accountant, and Richard Ranii, Manager.

Others present were: Heidi Nevala, Allegheny County Controller's Office; Margaret Angel, Buchanan Ingersoll & Rooney; Sean Garin, Dinsmore & Shohl; Greg McKenna, PNC Capital Markets; John Chesley, Ropes & Gray; Matt Peterson and Margaret McCormick Barron, West Penn Allegheny Health System, Dayne Jefferson, Ralph Falbo Inc; Derek Uber and Edward A. Bittner, Jr., Highmark; and Alan Shuckrow, Strassburger McKenna Gutnick and Potter.

ROLL CALL

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

APPROVAL OF THE PREVIOUS MINUTES—December 19, 2012

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MR. DIAZ, THE MINUTES OF THE PREVIOUS MEETINGS 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 Hospital Development Authority.

**ALLEGHENY COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY**

I. FINANCIAL REPORT—BILLS PAYABLE

Ms. Truss stated that she reviewed the ratification of bills for the months of December 2012 and January 2013 along with the balance sheet and bills payable for February 2013 and found them to be in good and proper order.

ON A MOTION MADE BY MR. DIAZ AND SECONDED BY MR. POLITE, THE PAYMENT OF THE BILLS WAS UNANIMOUSLY APPROVED.

II. OLD BUSINESS

- No old business.

III. NEW BUSINESS

- **CHARTER SCHOOL REVENUE BONDS, SERIES OF 2013 (PROPEL CHARTER SCHOOLS—SUNRISE) \$12,000,000**

Request authorization to issue ACIDA Charter School Revenue Bonds, Series of 2013 (the “Bonds”), in an amount not to exceed \$12,000,000, on behalf of School Facility Development, Inc., a non-profit corporation (the “Borrower”).

The proceeds of the Bonds will be used for the purpose of financing all or a portion of the costs for: (i) the acquisition of the property and the improvements thereon known as 1500 Yost Boulevard, Braddock Hills, Pennsylvania (the “Property”), including a building containing approximately 110,000 square feet of gross leasable space that improves the Property; (ii) the funding of a debt service reserve fund for the Bonds (defined herein); (iii) providing for capitalized interest account; and (iv) the payment of certain costs of issuance with respect to the Bonds (collectively, the “Project”).

The Borrower will lease the Facility to Propel Charter School – Sunrise. The School has established and operated, and will continue to operate, a K-12 charter school known as Propel Braddock Hills.

ON A MOTION MADE BY MR. DIAZ AND SECONDED BY MR. BROWN, THE ABOVE REQUEST WAS APPROVED AS PRESENTED. THERE WAS ONE ABSTENTION.

IV. ADJOURNMENT OF ACIDA

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

**ALLEGHENY COUNTY
HOSPITAL DEVELOPMENT AUTHORITY**

I. FINANCIAL REPORT

Ms. Truss stated that she reviewed the ratification of bills for the months of December 2012 January 2013 along with the balance sheet and bills payable for February 2013 and found them to be in good and proper order.

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

II. OLD BUSINESS

- **ACHDA HEALTH SYSTEM REVENUE BONDS, SERIES 2007 (WEST PENN ALLEGHENY HEALTH SYSTEM PROJECT), \$752,370,000**

Request authorization to amend certain supplements and amendments to the Bond Indenture, the Loan Agreement, the Bonds and certain related documents to facilitate a proposed affiliation with Highmark, Inc.

Highmark intends to make a cash tender offer for any and all outstanding Bonds to the existing bondholders.

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

III. NEW BUSINESS

- No new business.

IV. ADJOURNMENT OF ACHDA

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

**ALLEGHENY COUNTY
HIGHER EDUCATION BUILDING AUTHORITY**

I. FINANCIAL REPORT

Ms. Truss stated that she reviewed the ratification of bills for the months of December 2012 and January 2013 along with the balance sheet and the bills payable for February 2013 and found them to be in good and proper order.

ON A MOTION MADE BY MR. DIAZ AND SECONDED BY MR. POLITE, THE PAYMENT OF THE BILLS WERE UNANIMOUSLY APPROVED.

II. OLD BUSINESS

- No old business.

III. NEW BUSINESS

- No new business.

IV. ADJOURNMENT OF ACHEBA

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

**ALLEGHENY COUNTY
RESIDENTIAL FINANCE AUTHORITY**

I. APPROVAL OF MINUTES---JANUARY 22, 2013

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

II. FINANCIAL REPORTS

A. GENERAL—BILLS PAYABLE

Ms. Truss stated that she reviewed the ratification of bills for the month January 2013 along with the balance sheet and the bills payable for February 2013 and found them to be in good and proper order.

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

FLOAT FUND

- B.** Ms. Truss stated that she reviewed the ratification of bills for the month of January 2013 along with the balance sheet and bills payable for February 2013 and found them to be in good and proper order.

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

C. LOW INTEREST LOANS

Ms. Truss stated that she reviewed the balance sheet for the month January 2013 and found it to be in good and proper order.

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

D. BOND DEFEASANCE FUND PROGRAM—BALANCE SHEET

Ms. Truss reviewed the balance sheet along with the summary of expenses for the months of January, 2013 and found them to be in order.

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MR. POLITE, THE FINANCIALS WERE ACCEPTED AS PRESENTED.

III. OLD BUSINESS

- No old business.

IV. NEW BUSINESS

• **ROLLING WOODS ESTATES – NORTH VERSAILLES**

Request authorization to: (i) enter into an agreement with Rolling Woods Limited Partnership for an amount not to exceed \$365,000 to provide financing to assist with the acquisition and renovation of an 84-unit apartment complex in the Borough of North Versailles; and (ii) to allow the Executive Director to execute the necessary loan documents.

Preliminary terms of the loan include a 20 Year maturity; interest rate of 2% and the ACRFA having a second mortgage on the real estate. This financing is part of

a larger project consisting of approximately \$7.5M which also includes Tax-Exempt Bond Financing and Low Income Housing Tax Credits.

ON A MOTION MADE BY MR. DIAZ AND SECONDED BY MR. CONNOLLY, THE ABOVE REQUEST WAS APPROVED AS PRESENTED. THERE WAS ONE ABSTENTION.

V. ADJOURNMENT OF ACRFA

ON A MOTION MADE BY MR. BROWN AND SECONDED BY MR. DIAZ, 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 WAS UNANIMOUSLY APPROVED.

Darnell Moses

Darnell Moses, Authorities Manager