

**REGULAR MEETING AGENDA
WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

MONDAY, NOVEMBER 18, 2024 at 3:30 PM

1. Roll Call:

Bruce J. Corna _____
Daniel J. Howard, Jr. _____
John P. Kline _____
Jennifer Miele _____
Terry L. Painter _____

Tony Pauly _____
Victoria A. Ridenour _____
Edward A. Sobota _____
Thomas L. Sochacki _____

Also present: James J. Conte, Esquire _____
Rebecca S. Lewis _____

2. Review of Minutes:

- a. Motion to waive formal reading and for acceptance of the Minutes of the Reorganizational Meeting, January 16, 2024 (attached as Exhibit A).

Motion by: _____ Seconded by: _____
Approved: _____ Not approved: _____
Comments: _____

3. Treasurer's Report:

- a. Motion to approve report of Treasurer (attached as Exhibit B).

Motion by: _____ Seconded by: _____
Approved: _____ Not approved: _____
Comments: _____

- b. Motion to approve Annual Audit Report from Horner, Wible & Terek, PC, covering the year 2023 (attached as Exhibit C.)

Motion by: _____ Seconded by: _____
Approved: _____ Not approved: _____
Comments: _____

4. Report of the Assistant Secretary.

- a. Department of Community and Economic Development Allocation Bulletin #46 and 2023 Allocation Usage Summary (attached as Exhibit D).

5. Report of the Solicitor

- a. Review and discussion of the Department of Community and Economic Development Allocation Bulletin #46 and 2023 Allocation Usage Summary

6. New Business.

- a. Motion to recommend and request reappointment of Daniel J. Howard, Jr., and Edward A. Sobota as members of the Authority for five (5) year terms effective November 30, 2024.

Motion by: _____ Seconded by: _____
Approved: _____ Not approved: _____
Comments:

7. Adjournment.

- a. Motion to adjourn: _____ Seconded by: _____
Vote: _____ Adjournment at _____ p.m.

**WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

**MINUTES OF THE REORGANIZATION MEETING
Tuesday, January 16, 2024**

1. The meeting opened with role call and those attending were:

| | |
|---------------------------|----------------|
| Bruce J. Corna (by phone) | Jennifer Miele |
| Daniel Howard (by phone) | Vicki Ridenour |
| John Kline | Edward Sobota |
| Tony Pauly | Tom Sochacki |

Also in attendance was the Solicitor, James J. Conte.

2. **Election of Officers.**

The Solicitor, James J. Conte, at the request of the Board, presided as Chairman, pro tem, for the sole and exclusive purpose of accepting nominations for and election of officers.

a. Mr. Conte invited nominations for the office of Chairman. Upon motion by Tom Sochacki, second by John Kline, the nomination of Bruce J. Corna for Chairman was unanimously approved.

b. Mr. Conte invited nominations for the office of Vice Chairman. Upon motion by Tom Sochacki, second by John Kline, the nomination of Daniel Howard for Vice Chairman was unanimously approved.

c. Mr. Conte invited nominations for the office of Secretary. Upon motion by Tom Sochacki, second by John Kline, the nomination of Anton Pauly for Secretary was unanimously approved.

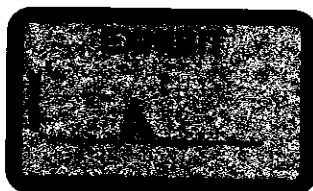
d. Mr. Conte invited nominations for the office of Treasurer. Upon motion by Tom Sochacki, second by John Kline, the nomination of Victoria Ridenour for Treasurer was unanimously approved.

e. Mr. Conte invited nominations for the office of Assistant Treasurer. Upon motion by Tom Sochacki, second by John Kline, the nomination of Edward Sobota for Assistant Treasurer was unanimously approved.

There were no other nominations for any of the officers to be elected. Each of the nominees was unanimously elected to the offices indicated with an 8-0 vote.

f. Mr. Conte asked for a motion for the appointment of Rebecca Lewis as Assistant Secretary. The motion made by Tom Sochacki, second by John Kline, to appoint Rebecca Lewis as Assistant Secretary was unanimously approved.

Immediately thereafter, Mr. Corna assumed the Chair and presided over the balance of the Reorganizational Meeting.



3. **Schedule of Meetings for 2023.** Today's meeting and all other meetings for the year 2024 were advertised in the Tribune Review on December 1, 2023. A copy of the proof of advertising was attached to the Agenda as Exhibit A. Tom Sochacki moved for approval of the meeting dates for 2024 as advertised in the Tribune Review on December 1, 2023, second by Ed Sobota; approved unanimously by 8-0 vote.

4. **Minutes.** The minutes of the meeting held August 21, 2023, were reviewed by all members in attendance. Tony Pauly moved for approval of the minutes and waiving formal reading, second by Tom Sochacki; approved unanimously by 8-0 vote.

5. **Report of Treasurer.** An outline of the balance in the checking account was attached to the Agenda indicating that there was a balance on hand on August 21, 2023, of \$4,853.87; no deposits; and five (5) disbursements, being checks payable to Economic Growth Connection (\$157.73) for cost of GoToMeeting; Trib Total Media (\$285.25) for publishing the 2024 meeting schedule; The Cincinnati Insurance Company (\$525.00); The Cincinnati Insurance Company (\$975.00); Hempfield Mini Storage (\$267.12) for file storage for January-March 2023; and that the current balance as of January 16, 2024, and the date of this meeting is \$2,643.77. Ed Sobota moved for acceptance of the Report of Treasurer, second by Tom Sochacki; approved unanimously by 8-0 vote.

6. **Report of Solicitor.**

a. **Reappointment/appointment.** Mr. Conte reported that John Kline has been reappointed by the Westmoreland County Commissioners to a five (5) year term, and Jennifer Miele has been appointed by the Westmoreland County Commissioners to a five (5) year term.

b. **Elections and Appointments.**

i. Mr. Corna called for a motion to appoint the bank depository. A motion was made by Vikki Ridenour to appoint Commercial Bank & Trust of PA; second by John Kline. There being no other recommendations, the appointment of Commercial Bank & Trust of PA, designation of signatories and required forms of resolutions, was unanimously approved by 8-0 vote.

ii. Mr. Corna called for a motion to approve corporate authorization resolution designating the Chairman, Treasurer, Assistant Treasurer, and Assistant Secretary as authorized signatories for the powers described [(1),(2),(3),(4),(5)] with 2 signatures required. If a new signature card is required by Commercial Bank & Trust of PA, Mr. Conte will circulate it among the corporate officers. A motion was made by John Kline; second by Tom Sochacki; and was approved unanimously by 8-0 vote.

iii. Mr. Corna called for a motion to appoint the auditor. A motion was made by Tony Pauly to appoint Horner, Wible & Terek, P.C.; second by Tom Sochacki. There being no other recommendations, the appointment of Horner, Wible & Terek, P.C., was approved unanimously by 8-0 vote.

iv. Mr. Corna called for confirmation of the appointment of James J. Conte, Esquire, as Solicitor. A motion was made by Tom Sochacki to confirm; second by Ed Sobota; and was approved unanimously by 8-0 vote.

v. Mr. Corna asked for a motion to appoint bond counsel and Ed Sobota made a motion to appoint James H. Webster of Clark Hill, PLC; second by Dan Howard. The appointment of James H. Webster was unanimously approved by 8-0 vote.

vi. Insurance and/or Bond carrier. Mr. Corna advised that the current carrier is The Cincinnati Insurance Company. Upon motion of Vikki Ridenour and second by Tom Sochacki, The Cincinnati Insurance Company was unanimously approved by 8-0 vote to continue as the insurer and bond carrier for Westmoreland County Industrial Development Authority.

c. **Yearly Conflict of Interest Resolution** – A copy of the Yearly Conflict of Interest Resolution was circulated with the packet of information provided to all Authority members. Upon motion of John Kline, second by Tony Pauly, the Yearly Conflict of Interest Resolution was unanimously approved by 8-0 vote. Each of the Authority members in attendance signed off on the Yearly Conflict of Interest Resolution. The Solicitor will forward the Yearly Conflict of Interest Resolution to members who were absent or attending by phone.

d. **Yearly Suspected Misconduct and Dishonesty Resolution** – A copy of the Yearly Suspected Misconduct and Dishonesty Resolution was circulated with the packet of information provided to all the Authority members. Upon motion of Tom Sochacki, second by Ed Sobota, the Yearly Suspected Misconduct and Dishonesty Resolution was unanimously approved by 8-0 vote. Each of the Authority members in attendance executed the Yearly Suspected Misconduct and Dishonesty Resolution. The Solicitor will forward the Yearly Suspected Misconduct and Dishonesty Resolution to members who were absent or attending by phone.

e. **Ratification Motion** – Upon motion of Ed Sobota, second by John Kline, a motion to approve and ratify all decisions and actions of the Board, Solicitor, Bond Counsel and Auditors for the year 2023, was unanimously approved, vote 8-0.

7. **Report of Assistant Secretary.**

a. A Statement of Financial Interest/Ethics Statement was circulated to each of the Authority members with the Agenda and packet of information. It was requested that each of the Authority members complete the Statement of Financial Interest/Ethics Statement. The Statement is required to be submitted to the Westmoreland County Commissioners' Office by May 1, 2024. Statement of Financial Interest/Ethics Statements were completed and received at the meeting from John Kline, Jennifer Miele, Tony Pauly, Victoria Ridenour, Edward Sobota, and Thomas Sochacki. Dan Howard forwarded by email. Bruce Corna and Terry Painter will forward by mail or email. Jim Conte and Rebecca Lewis will provide a completed statement prior to forwarding to the Westmoreland County Commissioners' Office.

b. Annual Post-Issuance Compliance Fee statements for the year 2023 were sent to the following: Adelphoi USA, Inc.; CSE Corporation/Chattan Highland Group, LLC; EA Fischione; Excela Health; Redstone Presbyterian SeniorCare; and Westmoreland Cultural Trust for a total of \$1,500.00.

c. Annual Post-Issuance Certificates for the year ending 2023 were sent to the following: Adelphoi USA, Inc.; CSE Corporation/Chattan Highland Group, LLC; EA Fischione; Excela Health; Redstone Presbyterian SeniorCare; and Westmoreland Cultural Trust.

8. **New Business.**

a. Mr. Conte reported that, at the request of Commissioner Ted Kopas, he has contacted Nathan Banwar, Westmoreland County Director of Records Management, to determine if the WCIDA records in storage could be moved to a County facility. Mr. Conte and Mr. Banwar did meet, and Mr. Banwar took note of the space required. Mr. Conte will follow up with Mr. Banwar.

b. Mr. Conte also explained recent contacts concerning the Next Generation Farmer Program, an exempt bond loan program through IDAs for new farmer's acquiring farms/farm buildings and machinery. Loans may be obtained to a maximum of \$550,000.

9. **Adjournment.**

Upon motion by Tony Pauly, seconded by Tom Sochacki, a motion to adjourn was unanimously approved. Adjournment occurred at 3:50 pm.

Respectfully submitted,



Rebecca S. Lewis
Assistant Secretary

CERTIFICATION OF AUTHORITY

I hereby certify that the attached is a true and correct copy of the Minutes of the Westmoreland County Industrial Development Authority for its regular meeting held on Tuesday, January 16, 2024.

WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: 

Rebecca S. Lewis, Assistant Secretary

REPORT OF THE TREASURER

Balance on hand as of August 21, 2023 **\$4,853.87**

Deposits:

None

Total Deposits: **\$ 0.00**

Disbursements:

| Date | Check | Payee | |
|---|-------|--|---------------------------|
| 08/28/23 | 1027 | Economic Growth Connection – renewal of GoToMeeting fee | -\$ 157.73 |
| 12/11/23 | 1028 | Trib Total Media – publish 2024 Meeting schedule | -\$ 285.25 |
| 12/19/23 | 1029 | Cincinnati Insurance Co. – Commercial policy | -\$ 525.00 |
| 12/19/23 | 1030 | Cincinnati Insurance Co. – Nonprofit pillar policy | -\$ 975.00 |
| 01/11/24 | 1031 | Hempfield Mini Storage – 3 months rental | -\$ 267.12 |
| Total Disbursements: | | | <u>-\$2,210.10</u> |
| Balance on hand as of January 16, 2024 | | | \$2,643.77 |

REPORT OF THE TREASURER
01/16/24 through 11/18/2024

Balance on hand as of January 16, 2024 **\$2,643.77**

Deposits:

| | | |
|----------|---|------------|
| 01/30/24 | Adelphoi USA – annual fee | \$ 250.00 |
| 01/30/24 | Redstone Presbyterian SeniorCare – annual fee | \$ 250.00 |
| 02/13/24 | Excelsa Health – annual fee | \$ 250.00 |
| 02/13/24 | EA Fischione – annual fee | \$ 250.00 |
| 05/16/24 | CSE/Chattan Corporation – annual fee | \$ 250.00 |
| 09/16/24 | Westmoreland County Industrial Development Corporation – annual fee | \$1,000.00 |
| 09/23/24 | Economic Growth Connection of Westmoreland | \$5,500.00 |

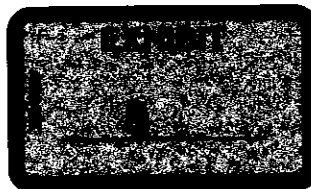
Total Deposits: **\$7,750.00**

Disbursements:

| Date | Check | Payee | |
|----------|-------|---|-------------|
| 01/29/24 | 1032 | Economic Growth Connection – GoToMeeting fee | -\$ 4.73 |
| 03/18/24 | 1033 | Hempfield Mini Storage – 3 months rental | -\$ 240.40 |
| 05/01/24 | 1034 | James J. Conte – reimburse costs | -\$ 15.17 |
| 06/17/24 | 1035 | Hempfield Mini Storage – 3 months Rental | -\$ 253.76 |
| 07/30/24 | 1036 | Horner, Wible & Terek, PC – audit | -\$2,275.00 |
| 07/31/24 | 1037 | Economic Growth Connection – GoToMeeting – annual fee | -\$ 152.64 |
| 08/12/24 | 1038 | Trib Total Media – publish audit | -\$ 527.50 |
| 09/18/24 | 1039 | Hempfield Mini Storage – 3 months Rental | -\$ 253.76 |

Total Disbursements: **-\$3,722.96**

Balance on hand as of November 18, 2024 **\$6,670.81**

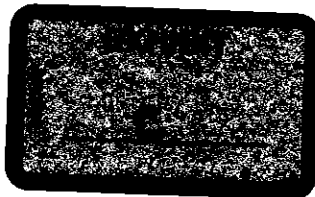


WESTMORELAND COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

GREENSBURG, PENNSYLVANIA

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended December 31, 2023



WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
GREENSBURG, PENNSYLVANIA

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HORNER, WIBLE & TEREK, PC

CERTIFIED PUBLIC ACCOUNTANTS

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Barbara A. Terek, CPA
Matthew D. Horner, CPA
Robert K. Bulloch, CPA

Independent Auditor's Report

Board of Directors
Westmoreland County Industrial Development Authority
Ligonier, Pennsylvania

Opinion

We have audited the accompanying cash receipts and disbursements of the Westmoreland County Industrial Development Authority for the year ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of the Westmoreland County Industrial Development Authority for the year ended December 31, 2023, in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Westmoreland County Industrial Development Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Westmoreland County Industrial Development Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Westmoreland County Industrial Development Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Horner, Wible & Terek, PC

Horner, Wible & Terek, PC
July 24, 2024

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended December 31, 2023

CASH RECEIPTS

| | | |
|------------------------|--------------|----------|
| Annual Compliance Fees | \$ 1,500 | |
| Contributions | <u>5,500</u> | |
| Total Cash Receipts | | \$ 7,000 |

CASH DISBURSEMENTS

| | | |
|--------------------------|------------|--------------|
| Advertising Expense | 760 | |
| Professional Fees | 2,160 | |
| Insurance Expense | 1,500 | |
| Office Expense | <u>158</u> | |
| Total Cash Disbursements | | <u>4,578</u> |

INCREASE IN CASH 2,422

BEGINNING CASH - January 1, 2023 489

ENDING CASH - December 31, 2023 \$ 2,911

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

NOTE (1) NATURE OF THE ORGANIZATION

The Westmoreland County Industrial Development Authority was formed under the Industrial Development Authority Law, Act of August 23, 1967, P.L. 251. The Authority was approved by the Westmoreland County Board of Commissioners on November 30, 1967, while its Articles of Incorporation were approved by the Commonwealth on January 22, 1968 and amended on April 28, 2016.

A. NATURE OF OPERATIONS

The principal business activity of the Westmoreland County Industrial Development Authority (the "Authority") is the furtherance of the industrial development in Westmoreland County by conducting activities to promote, attract, stimulate, develop, and expand business, industry, and commerce and to facilitate the redevelopment and revitalization of areas within the County of Westmoreland and the Commonwealth of Pennsylvania so as to benefit the residents and populous of the Westmoreland County.

B. BASIS OF ACCOUNTING

The Statement of Cash Receipts and Disbursements is a summary of the cash activity of the Authority and has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recorded. The cash basis differs from generally accepted accounting principles primarily because accounts receivable from customers, inventory, fixed assets, accounts payable to vendors, and long-term debt are not included in the financial statements. Further, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

NOTE (2) OTHER MATTERS

Tax Exempt Obligations

The Authority issues tax-exempt obligation debt through various lending and financial institutions to provide below-market interest financing to private and public sector entities for eligible projects. The debt is secured by the property financed or the future revenues of the entity benefiting from the financing and is solely funded from the payments received from that entity. Neither the Authority, the Commonwealth of Pennsylvania, nor any political subdivision thereof, is obligated in any manner for the repayments of the debt. Accordingly, the debt is not reported as a liability in the accompanying financial statement.

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS "CONTINUED"

NOTE (2) OTHER MATTERS "Continued"

Lease Purchase/Installment Sale Agreements

In some transactions, the Authority holds legal title on deeds for properties in Westmoreland County in which non-recourse mortgage interests are conveyed for the purpose of securing debt for eligible projects. However, the Authority is without possession or control and equitable title resides with a lessee under a form of lease-purchase agreement or with the beneficial interest owner under a form of installment sale agreement. Where there are legal proceedings against or by the lessee or beneficial interest owner, the Authority may be named as a party as the record title holder of the property.

Upon satisfaction of the mortgage interest via the monthly lease payments or installment sale payments by the lessee or beneficial interest owner, title to the property is transferred from the Authority to the lessee or beneficial interest owner by quit claim deed.

Pennsylvania Economic Development Financing Authority

The Authority may also act as an Application Agent for financing through the Pennsylvania Economic Development Financing Authority (PEDFA). In those instances, the Authority does not take title to property nor does it assume or incur any liability for the financing through PEDFA.

Economic Growth Connection of Westmoreland

On June 19, 2013, Westmoreland County Industrial Development Authority entered into a cooperation agreement with Economic Growth Connection of Westmoreland (EGCW), a nonprofit industrial development corporation, organized and existing under the laws of the Commonwealth of Pennsylvania.

Under the agreement, the Authority and EGCW agree to cooperate with each other and to assist each other in the promotion, attraction, stimulation, development and expansion of business, industry and commerce and the redevelopment and revitalization of areas within Westmoreland County. EGCW will utilize its staff to assist the Authority in servicing initial inquiries from potential clients and assisting with applications for assistance through various financing programs and services available through the Authority. EGCW and the Authority shall be entitled to reimbursement for any and all personnel services on a case by case basis as may be negotiated by them in good faith.

WESTMORELAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS "CONTINUED"

NOTE (2) OTHER MATTERS "Continued"

Westmoreland County Industrial Development Corporation

In June 2018, the Authority entered into an Inducement Resolution with Westmoreland County Industrial Development Corporation (WCIDC) for the development of a tax increment financing plan to provide financing for a portion of the costs of site development and infrastructure improvements at the Waltz Mill Redevelopment site in Sewickley Township, Westmoreland County, Pennsylvania.

On November 19, 2018, the Authority adopted a resolution for the Waltz Mill Redevelopment TIF Plan. The Authority has worked with the WCIDC to develop a financing plan to provide financing for the elimination and the development or spread of blight within specified tax increment districts, including a TIF District located in the Township of Sewickley, the Yough School District and Westmoreland County.

The TIF Plan is subject to the taxing bodies adopting legislation authorizing participation in the TIF Plan pursuant to an intergovernmental cooperation agreement by and among the Authority and each taxing body. Westmoreland County Industrial Development Authority authorized the issuance of its tax increment financing note in an aggregate principal amount not to exceed \$2,500,000, in order to pay a portion of the costs of the TIF Plan including related financing costs. The Note will be secured by the TIF Revenues generated from the TIF District, as provided in the cooperation agreement and the TIF Plan, and any other sources of security as shall be acceptable.

At December 31, 2023, transactions have not yet taken place regarding the issuance of the bonds.

NOTE (3) SUBSEQUENT EVENTS

Subsequent events were evaluated through July 24, 2024, which is the date the financial statements were available to be issued.

Allocation Bulletin #46

August 2, 2024

ALLOCATION POLICY

Initial Allocation

PHFA, PHEAA, and Agriculture:

Pennsylvania Housing Finance Authority (PHFA), Pennsylvania Higher Education Assistance Authority (PHEAA), and Department of Agriculture (Agriculture) are required to submit requests for the upcoming year's initial allocation no later than January 2nd.

Tax-Exempt Volume Cap allocation requests by PHFA, PHEAA, and Agriculture will be accommodated whenever possible. However, final determination of allocation awards will be based on both recent historical usage and current demand.

IDA and PEDFA Small Issue Manufacturing:

Tax-Exempt Volume Cap will be allocated to the Pennsylvania Economic Development Financing Authority (PEDFA) and the Industrial Development Authority (IDA) Small-Issue Manufacturing program based on recent historical usage and current demand.

PEDFA and IDA Exempt Facility:

Tax-Exempt Volume Cap will be allocated to PEDFA and the IDA Exempt Facility program based on recent historical usage and current demand. Projects requesting PEDFA exempt facility allocation must submit the following information with the request:

- A signed inducement resolution (Declaration of Official Intent) from PEDFA, if applicable;
- Location site of project, ownership interests in site, copies of sales agreement(s) for acquisition of site;
- Letter of intent/term sheet from an underwriter(s) for the financing;
- A preliminary sources and uses table for the project to be financed;
- A project summary focusing on exactly what has been done this far concerning the financing, what is currently being worked on, and a financing schedule;

- A list of all required permits and/or licenses, and their status of approval;
- The target closing date.

Any exempt facility project approved for allocation during the first half of the year will receive a letter from the Director of the Center for Private Financing, committing allocation to the project until June 30th. Please note that exempt facility projects may only be issued through an IDA if the allocation request is less than \$20 million. On June 30th, the Center for Private Financing office will assess all exempt facility projects approved for allocation during the first half of the year. If a project does not close by June 30th, either the allocation will be recaptured or an extension request must be submitted. All extension approvals will be at the discretion of the Director.

All PEDFA exempt facility projects submitting an extension request must submit the request by June 1st along with an extension fee of \$10,000. At the time the project closes, the extension fee will be credited toward closing costs (i.e., PEDFA's 20 basis point issuance fee will be reduced by \$10,000). If the project does not close by December 31st, the fee will be nonrefundable and retained by PEDFA. If an exempt facility allocation extension is granted it will expire on December 31st. If the project does not close by December 31st, the project will lose its allocation reservation. However, the project will be able to submit a request for allocation from the initial exempt facility volume cap allocation the Commonwealth receives the following year.

Carryforward Allocation

PHFA and PHEAA:

PHFA and PHEAA are required to submit requests for carryforward allocation no later than January 2nd of each year, along with their request for initial allocation. Carryforward allocation requests by PHFA and PHEAA will be accommodated whenever possible. However, final determination of carryforward allocation will be based on recent historical usage and current demand.

Exempt Facility:

Exempt facility allocation will be carried forward when appropriate, again based on recent historical usage and current demand.

TAB 1
2023 ALLOCATION USAGE SUMMARY

| Category | 2023 Allocation | 2023 Allocation Usage | 2023 Remaining Allocation |
|-----------------|------------------------|------------------------------|----------------------------------|
| IDA | \$115,000,000 | \$0 | \$115,000,000 |
| Agriculture | \$25,000,000 | \$9,262,000 | \$15,738,000 |
| PEDFA | \$100,000,000 | \$0 | \$100,000,000 |
| Exempt Facility | \$581,845,000 | \$0 | \$581,845,000 |
| Housing | \$734,795,960 | \$553,259,558 | \$181,536,402 |
| Education | \$0 | \$0 | \$0 |
| Balance | \$1,556,640,960 | \$562,521,558 | \$994,119,402 |