

**Meeting Minutes**  
**State College Borough Council**  
**Special Meeting**  
**Monday, May 3, 2010**  
**7:00 p.m.**

The State College Borough Council met on Monday, May 3, 2010, in the State College Municipal Building, 243 South Allen Street, State College, PA. Ms. Goreham called the meeting to order at 7:02 p.m.

Present: Elizabeth A. Goreham, Mayor  
Ronald Filippelli, President of Council  
Thomas E. Daubert  
Donald M. Hahn  
Theresa D. Lafer  
Silvi Lawrence  
Peter Morris  
James Rosenberger

Also present: Thomas J. Fountaine, Borough Manager; Terry J. Williams; Borough Solicitor; Sharon K. Ergler, Assistant Borough Secretary; Carl R. Hess, Planning Director; Roger A. Dunlap, Assistant Manager for Budget and Administration; Thomas S. Kurtz, Assistant Manager for Community Services; and Michael S. Groff, Finance Director;

Ms. Goreham began with a moment of silence and the Pledge of Allegiance.

**Guaranty Agreement for 410-426 Kemmerer Road**

Jonathan Cox of Rhoads & Sinon LLP and Chris Gibbons of Concord Public Financial Advisors, Inc. reviewed the process to have Council pass an ordinance which approves the Guaranty Agreement and establishes the parameters for the borrowing.

Staff reiterated the Memorandum of Understanding (MOU) with Temporary Housing Foundation (THF) to acquire a multi-family residential property at 410- 426 Kemmerer Road in April 2010.

Mr. Gibbons explained the project authorizes the Redevelopment Authority to finance and provide funds to THF to be repaid by revenue from the residential property. To guarantee the Authority's loan, Borough Council must file documents to be approved under the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-81. Under the Debt Act, the Borough will incur "lease rental debt" to be evidenced by a Guaranty Agreement guaranteeing the Authority's loan.

Council members asked several questions about the term of the loan, the varying and fixed interest rates, and the borrowing rate cap.

Mr. Rosenberger made a motion to approve the Guaranty Agreement and Ordinance #1947 with the understanding that this agreement will come back to Council for further review once all of the bank proposals have been received. Ms. Lafer seconded the motion. The motion passed 5-2 with Mr. Hahn and Ms. Lawrence voting against the motion.

There being no further business, the meeting adjourned at 7:20 p.m.

Respectfully submitted,

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Sharon K. Ergler, Assistant Borough Secretary