

**ALLENTOWN NEIGHBORHOOD IMPROVEMENT
ZONE DEVELOPMENT AUTHORITY**

RESOLUTION R-2017-122

A RESOLUTION AUTHORIZING THE ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE DEVELOPMENT AUTHORITY ("ANIZDA") TO UNDERTAKE A REFUNDING PROJECT, AS DEFINED HEREIN; AUTHORIZING THE ISSUANCE OF TAX REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE AND OTHER DOCUMENTS; AUTHORIZING AMENDMENTS TO CERTAIN EXISTING FINANCING DOCUMENTS; AUTHORIZING THE DELIVERY OF THE BONDS AND THE DISBURSEMENT OF THE PROCEEDS THEREOF; DELEGATING TO CERTAIN OFFICERS OF ANIZDA THE POWER TO ENTER INTO NECESSARY DOCUMENTS, INCLUDING A BOND PURCHASE AGREEMENT WITH THE UNDERWRITER AND AUTHORIZING THE AWARD OF THE BONDS PURSUANT TO SAID AGREEMENT; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT OR PRELIMINARY LIMITED OFFERING MEMORANDUM AND AN OFFICIAL STATEMENT, LIMITED OFFERING MEMORANDUM OR OTHER OFFERING DOCUMENT IN CONNECTION WITH THE UNDERWRITING OF THE BONDS; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the Allentown Neighborhood Improvement Zone Development Authority ("ANIZDA") is a public instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth") authorized and empowered by the provisions of the Pennsylvania Economic Development Financing Law, 73 P.S. § 371 *et seq.*, as amended (the "Act"); and

WHEREAS, pursuant to the provisions of Act 50 of 2009 of the Pennsylvania General Assembly, as amended and supplemented, including those amendments to the Tax Reform Code effected by Act 52 of 2013, as amended (collectively, the "NIZ Act"), ANIZDA has issued certain indebtedness to fund improvements within the neighborhood improvement zone (the "NIZ") designated under the NIZ Act relating to projects developed by City Center Investment Corporation or its affiliates (collectively, "CCIC"), namely (i) amounts borrowed and outstanding under the Construction Loan Agreement dated February 13, 2013, among Branch Banking and Trust Company (as successor to National Penn Bank), the Co-Lenders named therein, ANIZDA, CCIC, John B. Reilly, III and Joseph V. Topper, Jr. (as modified, amended and supplemented, the "BB&T Construction Loan Agreement"), as evidenced by ANIZDA's \$325,000,000 Master Promissory Note, dated August 12, 2016 (the "BB&T Note"), and (ii) amounts borrowed under the Construction Loan Agreement dated September 24, 2013, among Univest Bank and Trust Co., ANIZDA, CCIC, John B. Reilly, III and Joseph V. Topper, Jr. (as modified, amended and supplemented, the "Univest Construction Loan Agreement"), as evidenced by that certain \$7,750,000 ANIZDA Non-Revolver Line of Credit Note dated September 24, 2013, as modified by the Allonge to Non-Revolver Line of Credit Note dated April 8, 2015 (the "Univest Note"); and

WHEREAS, at the request of CCIC, ANIZDA has determined to undertake a project consisting of (i) the repayment of all or a portion of the amounts currently outstanding under the BB&T Note, (ii) the repayment of all amounts outstanding under the Univest Note, (iii) the funding of a debt service reserve fund, and (iv) the funding of the costs of issuance of the financing (collectively, the "Refunding Project"); and

WHEREAS, ANIZDA will finance the Refunding Project from the proceeds of its Allentown Neighborhood Improvement Zone Development Authority Tax Revenue Bonds, Series 2017 (City Center Project) (the "2017 Bonds"); and

WHEREAS, the 2017 Bonds shall be secured by certified NIZ Tax Revenues derived from certain Qualified Businesses (as defined in the NIZ Act) located in the NIZ and pledged to secure the 2017 Bonds (as further described herein, the "City Center Developer Dedicated NIZ Revenues"); and

WHEREAS, ANIZDA has previously entered into an Amended and Restated NIZ Escrow Deposit Agreement dated as of September 15, 2012 (the "Escrow Agreement") with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") in connection with the issuance of ANIZDA's Tax Revenue Bonds, Series 2012A and Tax Revenue Bonds, Series 2012B (Federally Taxable) (collectively, the "2012 Bonds"), pursuant to which there has been established funds and accounts for the allocation of NIZ Revenues, Pledged NIZ Revenues and Developer Dedicated NIZ Revenues (as each of such terms is defined in the Escrow Agreement) from the State Treasurer of the Commonwealth of Pennsylvania; and

WHEREAS, an account shall be established for the 2017 Bonds within the Developer Dedicated NIZ Revenues Fund held under the Escrow Agreement, with all City Center Developer Dedicated NIZ Revenues being made available on a senior basis for allocation to such account to satisfy debt service requirements relating to the 2017 Bonds or to replenish any debt service reserves relating to the 2017 Bonds, with any remaining City Center Developer Dedicated NIZ Revenues to be made available on a subordinate basis to any other accounts established for other Developer Dedicated Indebtedness (as such term is defined in the Escrow Agreement) relating to projects developed by CCIC for the payment of debt service or the replenishment of debt service reserves on such Developer Dedicated Indebtedness; and

WHEREAS, the 2017 Bonds will be issued pursuant to and secured by a Trust Indenture (the "Trust Indenture") between ANIZDA and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"); and

WHEREAS, ANIZDA desires to authorize the execution of a Bond Purchase Agreement, by and between ANIZDA and Citigroup Global Markets Inc. (the "Underwriter"), pursuant to which ANIZDA shall agree to issue and sell the 2017 Bonds and the Underwriter shall agree to pay the purchase price of and accept delivery of the 2017 Bonds, subject to the terms and conditions to be specified therein (the "Bond Purchase Agreement"); and

WHEREAS, ANIZDA desires to authorize the distribution of a Preliminary Official Statement or Preliminary Limited Offering Memorandum and a final Official Statement, final

Limited Offering Memorandum or other offering document in connection with the underwriting of the 2017 Bonds; and

WHEREAS, CCIC will enter into a grant or funding agreement or similar agreement with ANIZDA (the "Funding Agreement") setting forth, among other matters, the requirements and conditions to the Refunding Project, including, but not limited to, reporting requirements and other undertakings of the grant recipient; and

WHEREAS, ANIZDA desires to authorize certain officers of ANIZDA to take such actions as are necessary to accomplish the purposes of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Members of the ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE DEVELOPMENT AUTHORITY as follows:

Section 1. Authorization of Refunding Project. The Whereas clauses above are incorporated as part of this Resolution and ANIZDA hereby authorizes the undertaking of the Refunding Project. The Chairperson, Vice Chairperson and Executive Director of ANIZDA (each, an "Authorized Officer"), are each authorized to take any and all actions, individually or collectively, necessary or appropriate in connection with the Refunding Project, including, without limitation, the preparation and submission of one or more applications to the Commonwealth of Pennsylvania's Department of Community and Economic Development for approval of the issuance of the 2017 Bonds and the submission of an application to Moody's Investors Service (or any other nationally recognized rating agency) for a rating on the 2017 Bonds and for a confirmation that the rating on the 2012 Bonds will not be reduced or withdrawn as a result of the issuance of the 2017 Bonds.

Section 2. Authorization of the 2017 Bonds; Terms of the 2017 Bonds. ANIZDA hereby authorizes the issuance of its 2017 Bonds in an aggregate principal amount not to exceed \$250,000,000. The proceeds of the 2017 Bonds shall be applied to finance the Refunding Project. The 2017 Bonds may be issued in one or more series, and may bear interest at tax-exempt or taxable rates, as determined by any Authorized Officer, in consultation with counsel.

The 2017 Bonds shall mature as set forth in the Trust Indenture but the final maturity of the 2017 Bonds shall be no later than May 1, 2042. The 2017 Bonds shall bear interest at one or more fixed rates of interest all as provided for in the Trust Indenture. The 2017 Bonds shall be designated, be in the denominations and in registered form carrying the exchangeability privileges, be payable in the medium of payment and at such places and be subject to redemption prior to maturity, all as provided in the Trust Indenture.

Section 3. Execution and Delivery of the 2017 Bonds. Any Authorized Officer is hereby authorized to execute the 2017 Bonds by manually signing or by causing his or her facsimile signature and the ANIZDA seal or a facsimile thereof to be impressed or printed thereon, both of which the Secretary or Assistant Secretary of ANIZDA is hereby authorized and directed to attest by manually signing or by causing his or her facsimile signature to be printed on the 2017 Bonds, and to deliver the 2017 Bonds, or to cause the 2017 Bonds to be delivered, to the Bond Trustee for authentication.

Section 4. Authorization of Trust Indenture. The 2017 Bonds shall be issued and secured under the Trust Indenture. The Trust Indenture shall be in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by his or her execution thereof. Any Authorized Officer is hereby authorized to execute the Trust Indenture and each of the Secretary and Assistant Secretary of ANIZDA is hereby authorized to affix ANIZDA's seal thereto, where necessary, and attest the same on behalf of ANIZDA, where necessary, and to deliver the Trust Indenture to the Bond Trustee for execution and acceptance thereunder. Any Authorized Officer is hereby authorized to give any order or direction or make any determination under the Trust Indenture.

Section 5. Authorization of Supplement to Escrow Agreement. ANIZDA hereby authorizes the establishment of one or more accounts under the Escrow Agreement for allocation of the City Center Developer Dedicated NIZ Revenues to the 2017 Bonds or if necessary the entry into a Supplement to the Escrow Agreement (the "Escrow Agreement Supplement") to make any and all such amendments deemed necessary or desirable by an Authorized Officer. The Escrow Agreement Supplement shall be in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by his or her execution thereof. Any Authorized Officer is hereby authorized to execute the Escrow Agreement Supplement and each of the Secretary and Assistant Secretary of ANIZDA is hereby authorized to affix ANIZDA's seal thereto, where necessary, and attest the same on behalf of ANIZDA, where necessary, and to deliver the Escrow Agreement Supplement to the Escrow Agent for execution thereof. Any Authorized Officer is also hereby authorized to give any order or direction or make any determination under the Escrow Agreement or the Escrow Agreement Supplement.

Section 6. Authorization of Revised Allocation Instructions. ANIZDA hereby authorizes the preparation and delivery of revised Allocation Instructions (as such term is defined in the Escrow Agreement) in connection with the issuance of the 2017 Bonds, in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by his or her execution thereof. The revised Allocation Instructions shall be effective upon the receipt of the consent of the holders of all outstanding Developer Dedicated NIZ Revenues Notes (as defined in the Escrow Agreement), in accordance with the terms of the Escrow Agreement.

Section 7. Authorization of Bond Purchase Agreement. Any Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement between ANIZDA and the Underwriter pursuant to which the 2017 Bonds shall be underwritten, at a private negotiated sale, for the purchase price and subject to the terms and conditions specified in the Bond Purchase Agreement. The Bond Purchase Agreement shall be in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by his or her execution thereof.

Section 8. Authorization of Funding Agreement. Any Authorized Officer is hereby authorized and directed to execute and deliver the Funding Agreement between ANIZDA and CCIC, in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by his or her execution thereof.

Section 9. Delivery of the 2017 Bonds. The 2017 Bonds shall be delivered to the Bond Trustee with a request signed by an Authorized Officer that they be authenticated by the Bond Trustee, and with instructions to deliver them to or upon the order of the Underwriter upon receipt of the purchase price.

Section 10. Security for the 2017 Bonds. The 2017 Bonds shall be revenue bonds secured solely by the Trust Estate described in the Trust Indenture and by a bond insurance policy, if an Authorized Officer deems it advisable to obtain such a policy (the "Bond Insurance Policy"). The 2017 Bonds shall not be general obligations of ANIZDA. Any Authorized Officer is hereby authorized to accept, sign and return a commitment to issue the Bond Insurance Policy issued by any bond insurer and to comply with all the provisions thereof necessary to cause the Bond Insurance Policy to be issued by the bond insurer.

The City Center Developer Dedicated NIZ Revenues shall be pledged to secure the 2017 Bonds. The City Center Developer Dedicated NIZ Revenues shall be as described in the Trust Indenture, and shall generally include the NIZ Revenues derived from Qualified Businesses located in certain projects developed by CCIC and improved with the proceeds of Developer Dedicated Indebtedness, less any portions of such NIZ Revenues allocated by ANIZDA to another use. The City Center Developer Dedicated NIZ Revenues shall be made available on a senior basis for allocation to the account established under the Escrow Agreement for the 2017 Bonds to satisfy debt service requirements relating to the 2017 Bonds or to replenish any debt service reserves relating to the 2017 Bonds, with any remaining City Center Developer Dedicated NIZ Revenues to be made available on a subordinate basis to any other accounts established for other Developer Dedicated Indebtedness relating to projects developed by CCIC for the payment of debt service or the replenishment of debt service reserves on such Developer Dedicated Indebtedness.

For the avoidance of doubt, no action is intended to be authorized by this Resolution that would impair the security for the holders of the 2012 Bonds.

No recourse shall be had for any claim based on the Trust Indenture or the 2017 Bonds against any member, officer or employee, past, present or future, of ANIZDA or of any successor body, either directly or through ANIZDA or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 11. Preliminary Official Statement, Preliminary Limited Offering Memorandum, Official Statement and Limited Offering Memorandum. ANIZDA hereby approves the distribution of a Preliminary Official Statement or Preliminary Limited Offering Memorandum and a final Official Statement, Limited Offering Memorandum or other offering document to be circulated in connection with the sale and delivery of the 2017 Bonds, to be in the forms as shall be approved by any Authorized Officer upon the recommendation of counsel, with the execution of the final Official Statement, Limited Offering Memorandum or other offering document to constitute conclusive evidence of the approval thereof. Any Authorized Officer of ANIZDA is hereby authorized, empowered and directed to execute and deliver the final Official Statement, Limited Offering Memorandum or other offering document in the name and on behalf of ANIZDA. From and after the execution and delivery of the final Official Statement, Limited Offering Memorandum or other offering document, each Authorized Officer and any other appropriate officials, agents and employees of ANIZDA are hereby authorized,

empowered and directed to do all such acts and things necessary to consummate the transactions contemplated by the final Official Statement, Limited Offering Memorandum or other offering document as executed.

Section 12. Authorization of Continuing Disclosure Agreement. A Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), if required, shall be entered into by ANIZDA for the benefit of the Underwriter and the holders of the 2017 Bonds, and any Authorized Officer is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement relating to the 2017 Bonds, on such terms as such officer, with advice of counsel, may approve, his or her approval to be evidenced by his or her execution thereof. Any Authorized Officer is hereby authorized to appoint a Dissemination Agent to act on behalf of ANIZDA to fulfill ANIZDA's obligations under the Continuing Disclosure Agreement.

Section 13. Federal Tax Covenants. ANIZDA hereby covenants not to take or omit to take any action so as to cause interest on the 2017 Bonds to be no longer excluded from gross income for purposes of federal income taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable regulations promulgated with respect thereto, throughout the term of the 2017 Bonds. ANIZDA further covenants that it will make no investments or other use of the proceeds of the 2017 Bonds which would cause the 2017 Bonds to be "arbitrage 2017 Bonds" as defined in Section 148 of the Code. ANIZDA further covenants to comply with the rebate requirements contained in Section 148(f) of the Code and any regulations promulgated thereunder, to the extent applicable, and to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements, to the extent applicable.

Section 14. Amendments. ANIZDA hereby authorizes the execution and delivery of any amendments, supplements or modifications to existing financing documents entered into in connection with the 2012 Bonds, the BB&T Note or the Univest Note, to the extent any such amendments are deemed necessary or desirable by ANIZDA, with such determination to be made by any Authorized Officer on behalf of ANIZDA, with advice of counsel, and to be evidenced by his or her execution thereof.

Section 15. Appointment of Financing Team. In connection with the financing of the Refunding Project and the issuance of the 2017 Bonds, ANIZDA hereby appoints: (i) Public Financial Management, Inc. as financial advisor, (ii) Saul Ewing LLP as bond counsel, (iii) Citigroup Global Markets Inc. as Underwriter, and (iv) Baker Tilly Virchow Krause, LLP as financial consultant and planner.

Section 16. Further Action. Each Authorized Officer, individually or collectively, is authorized to give such approvals and take such other action on behalf of ANIZDA as may be necessary or expedient to complete the Refunding Project, to issue the 2017 Bonds and to further the intent and purpose of this Resolution. The Secretary or Assistant Secretary of ANIZDA and any other proper officers of ANIZDA are hereby authorized and directed to execute and deliver such further documents and do such further things as may be necessary or expedient in order to carry out the terms of the Trust Indenture, the Escrow Agreement, the Bond Purchase Agreement or the Continuing Disclosure Agreement or the intent and purpose of this Resolution.

Section 17. Other Resolutions All resolutions and parts of resolutions consistent herewith are hereby ratified, approved and confirmed in all respects and all resolutions and parts of resolutions inconsistent herewith are hereby rescinded.


END OF RESOLUTION

CERTIFICATION

I, Pedro L. Torres, Jr., Secretary of the Allentown Neighborhood Improvement Zone Development Authority, do hereby certify that the foregoing is a true and correct copy of the Resolution R-2017-122 of the Board of the Authority passed at a duly convened meeting of said Board on the 26th day of April, 2017. Authority members present and voting were as follows:

<u>Vote</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Seymour Traub, Esq.	X		
Nelson A. Diaz	X		
Gregory N. Dudkin	Absent		
Oldrich Foucek, III, Esq.	Abstain		X
David Mickenberg	X		
Tiffany Polek	Absent		
John Stanley, Esq.	Absent		
Pedro L. Torres, Jr.	X		
John Williams, Jr., Esq.	X		

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 26th day of April, 2017.


 Secretary

ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE
DEVELOPMENT AUTHORITY

RESOLUTION NO. R-2017-120

WHEREAS, the Arena Lease between BDH Development and the Allentown Neighborhood Improvement Zone Development Authority (the "Authority"), provides for up to five (5) rent free Community Events to be held in the Arena each Lease Year, and

WHEREAS the Authority has received requests for utilization of the Community Event days,

NOW, THEREFORE, BE IT RESOLVED by the Authority, as follows that:

1. For the current Lease Year ending August 31, 2017, the Authority hereby approves utilization as a Community Event by the Lincoln Leadership Academy Charter School to hold its Fifth (5th) graduation ceremony on June 2, 2017.
2. Any and all utilizations as a Community Event shall be in accordance with the terms of the Arena Lease, Section 5.4.


END OF RESOLUTION

CERTIFICATION

I, Pedro L. Torres, Jr., Secretary of the Allentown Neighborhood Improvement Zone Development Authority, do hereby certify that the foregoing is a true and correct copy of the Resolution R-2017-120 of the Board of Directors of the Authority passed at a duly convened meeting of said Board on the 5th day of April, 2017. Authority members present and voting were as follows:

<u>Vote</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Seymour Traub, Esq.	X		
Nelson A. Diaz	X		
Gregory N. Dudkin	X		
Oldrich Foucek, III, Esq.	X		
David Mickenberg	X		
Tiffany Polek	X		
John Stanley, Esq.	X		
Pedro L. Torres, Jr.	X		
John Williams, Jr., Esq.	absent		

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 5th day of April, 2017.


Secretary