

**ANIZDA Board Meeting Minutes
September 7, 2022
America On Wheels
2nd Floor Meeting Room
5 North Front Street, Allentown, PA**

Attendees: Sy Traub, Esq., Stephen Breininger, Dr. Ann Bieber, Eileen Aguilera and P. Torres in person and Lewis Edwards by video conference.

Board Staff: Jerome B. Frank (Solicitor) by video conference, Steve Bamford (Executive Director), and Michelle Reid (Executive Assistant)

Presenter: Gunnar Fox, VP and General Manager of the PPL Center

Members of the public were present.

1. **Call to Order - The meeting was called to order by S. Traub, Chairman, at 5:00 p.m. - A quorum was met.**
2. **Approval of June 1, 2022, Meeting Minutes** – A motion to approve the June 1, 2022, meeting minutes was made by S. Breininger and seconded by A. Bieber. The minutes were approved.
3. **Public Comment on all Matters to be Acted Upon** – Members of the public were present, but comments were deferred until matters were to be acted upon.
4. **Modification of Funding Agreement - Trust Indenture Bonds - City Center Investment Corp. – Resolution R2022-272**
 - a. Solicitor J. Frank explained that the Funding Agreement ANIZDA entered in to with City Center Investment Corporation provides for the Authority to approve projects by the developer. The Authority previously approved the Morning Call Building located at 101-149 N. 6th Street as a project by Resolution R2017-127. However, the developer failed to request that 101- 149 N. 6th Street be designated as a New Money Grantee Project in the Third Amended and Restated Funding Agreement – Trust Indenture Bonds. This resolution approves inclusion of 101-149 N. 6th Street as a New Money Project on Appendix A of the Trust Funding Agreement and modifies the project description to state “mixed use of wholesale, commercial, health and educational comprising approximately 99,400 square feet of renovations of the former Morning Call building”.
 - b. P. Torres moved to approve, and S. Breininger seconded, Resolution R2022-272 with the minutes to reflect that bond counsel and underwriter counsel were consulted and no negative impact to bond holders is anticipated. The public was given the opportunity to comment. No public comment was received. The resolution was approved.

5. PPL Center Lease Year 8 and 9 Capital Repairs – Resolution R2022-273

a. S. Bamford indicated that pursuant to the terms of the arena lease, the arena operator is required to deposit \$500,000 into the capital reserve fund each lease year less a credit for any capital project expenditures approved by the board for the lease year. This resolution authorizes capital projects at PPL Center for lease years 8 and 9. The capital expenditures proposed for lease year 8 total \$124,022 and are listed in section 1 of the resolution. S. Bamford pointed out there is an item number included with each project description. These item numbers correspond to a list of capital repair categories contained in an exhibit to the arena lease. This resolution states the arena operator will be required to deposit \$375,978 into the Capital Reserve Fund by 9/30/22. The capital expenditures proposed for lease year 9 total \$695,000 and are listed in section 2 of the resolution.

b. G. Fox, VP and General Manager of PPL Center, provided a brief description of the following proposed capital projects for lease year 8:

- 1) Carpet/Rubber Flooring Replacement Phase I ML #56- est. \$65,000.00
- 2) Lighting Repair /Replacement ML#149-est \$6,000.00
- 3) Control Room Equipment Phase I ML#86-est \$6,000.00
- 4) Universal Power Supply (Misc. Electrical Repair/Replacement ML#143-est \$30,000.00
- 5) Central Utility Plant Boiler Repair (Emergency Repair) ML#121-est \$17,022.00

G. Fox provided a brief description of the following proposed capital projects for lease year 9:

- 1) Concourse Flooring (Polished Concrete Repair) ML#58- est. \$15,000.00
- 2) Carpet /Rubber Flooring Replacement Phase II ML#56-est. \$65,000.00
- 3) Wireless System Equipment & Wiring (Wi-Fi/Lighting) ML#162 est. \$350,000.00
- 4) Control Room Equipment Phase II ML#86 est.\$210,000.00
- 5) Retractable Seating ML#91 est. \$15,000.00
- 6) Additional Security Cameras ML#160 est. \$40,000.00

S. Breininger asked for the current balance in the Capital Reserve Fund. S. Bamford indicated that it is approximately \$1,769,000.

c. P. Torres moved to approve, and A. Bieber seconded, Resolution R2022-273. The public was given the opportunity to comment. No public comment was received. The resolution was approved.

6. Membership in Pennsylvania Local Government Investment Trust– Resolution R2022-274

a. S. Bamford reported that with the refunding of the arena bonds earlier this year, ANIZDA is no longer required to deposit Non-NIZ Revenue with bond Trustee BNY Mellon. Non-NIZ Revenue includes the fee and rent income that funds ANIZDA operations. Those operating funds are no

longer pledged as security for the arena bonds. In addition, there are funds currently on deposit with BNY Mellon designated for capital improvements to the arena parking facilities (equipment, concrete floor surface treatment, joint sealant replacement) that are not required to remain at BNY Mellon.

- b. S. Bamford recommended that these funds be moved from BNY Mellon and invested with the Pennsylvania Local Government Investment Trust (PLGIT) in a combination of liquid, variable rate options and fixed rate, fixed maturity options. The expectation is to achieve improved rates, greater flexibility (check writing and ACH in addition to wire transfer), and compliance with legal restrictions and investment policies that govern government entities such as ANIZDA.
- c. PLGIT was formed in 1981 as an instrumentality of local governments and schools for the purpose of jointly investing funds. It is solely comprised of PA government entities including authorities. 3,113 public entities in PA are investors \$84 Billion in assets under management.
- d. Board action in the form of a resolution is required to allow ANIZDA to join and invest in the Trust. S. Traub requested the Executive Director consult with the Finance Committee for their input as investment options are decided. E. Aguilera moved to approve, and S. Breininger seconded, Resolution R2022-274. The public was given the opportunity to comment. No public comment was received. The resolution was approved.

7. Second Quarter 2022 Statement of Operational Revenue and Expenses.

- a. S. Bamford reported on the second quarter financials prepared on a cash basis for unrestricted operating accounts. Net income for the first half of the year was \$266,457 on a cash basis. Revenues were \$154,500 more than budgeted through June 30. ANIZDA received a \$232,000 fee at the June closing of the \$116 million subordinate bond issue for City Center projects. The unbudgeted fee revenue more than compensated for the fact that the approved 2022 budget included a \$40,000 fee from the DaVinci project which has yet to close. Expenses were \$221,969 less than budgeted through the first half of the year.

8. Executive Directors Report

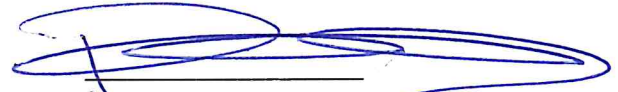
S. Bamford reported:

- a. DaVinci Science Center was issued building permits last week. Micro pile installation should begin shortly. \$12 million in gaming revenue bonds to be issued through ANIZDA are expected to price mid-September and, if all goes well, close by the end of the month. \$5.4 million in NIZ financing is planned to close by year end.
- b. M. Reid is working on updating the ANIZDA website. Over the years a lot of content, pdfs, and images have been added that slowed down page load speeds. We are working with our website developer to install patches to fix performance lags, optimize page speed, and build custom fields into the calendar system.

The meeting was adjourned at 5:43 pm.

Next ANIZDA Board Meeting: Wednesday, October 12, 2022, at 5:00 pm.

Respectfully Submitted



Secretary