

**ANIZDA Board Meeting Minutes**  
**April 12, 2023**  
**America On Wheels**  
**2<sup>nd</sup> Floor Meeting Room**  
**5 North Front Street, Allentown, PA**

**Attendance:**

Attendees: Seymour Traub, Esquire (Chairperson), Eileen Aguilera, Dr. Ann Bieber, Stephen Breininger, Tiffany Polek, John Stanley, Esquire, and Pedro Torres attended in person. Absent was Nelson Diaz.

Board Staff: Jerome B. Frank, Esquire (Solicitor), Steve Bamford (Executive Director) and Selma Ritter (Manager, Finance and Administration).

Members of the public and media were present.

1. **Call to Order** - The meeting was called to order by Chairperson Sy Traub, Esquire, at 5:00 p.m. A quorum was met.
2. **Approval of February 01, 2023, Meeting Minutes** – A motion to approve the February 01, 2023 meeting minutes, as written, was made by A. Bieber and seconded by J. Stanley. The public was given the opportunity to comment. No comment(s) or change request(s) were received. The minutes were approved by a vote of 7-0.
3. **Public Comment on all Matters to be Acted Upon** – Members of the public and media were present, but comments were deferred until matters were to be acted upon.
4. **Old Business.** None.
5. **New Business.**
  - a. **Resolution R2023-286 - Transfer of Preliminary Excess Neighborhood Improvement Zone (“NIZ”) Revenue for 2022 to Commonwealth.** On January 31, 2016, ANIZDA - entered into an “Agreement” with the Commonwealth of Pennsylvania (the “Commonwealth”) acting through its Department of Revenue (“DOR”) and through its Office of the Budget providing for distribution of the excess funds to DOR, among other things.

Since the last ANIZDA Board meeting, the Commonwealth has certified and remitted over \$91,500,000.00 in NIZ revenue for program year 2022 and the Final Accountant’s Allocation Report has been issued. Of the funds remitted, \$50,973,734.00 has been allocated to the debt service on developer dedicated indebtedness and \$40,721,702.00 has been pledged to the debt service on the Arena bonds. The 2023 debt service on the Arena bonds is \$12,566,241.00.

In accordance with the terms of the Agreement, the proposed Resolution R2023-286 authorizes transfer of \$22,000,000.00 in preliminary excess NIZ revenue to the Commonwealth, the execution of an Officer's Certificate, and the transfer request to be delivered to the Master Trustee (Bank N.Y. Mellon).

A motion to approve Resolution R2023-286 was made by P. Torres and seconded by S. Breininger. The public was given the opportunity to comment. No public comment was received. Resolution R2023-286 was approved by a vote of 7-0.

b. Resolution R2023-287 - Modification of Credit Facility and Funding Agreement (the "Facility Modification Agreement")– City Center Investment Corp ("CCIC"). Solicitor J. Frank provided a brief history of the proposed Twenty-First Facility Modification Agreement. On February 13, 2013, ANIZDA entered into a Construction Loan Agreement now with M&T Bank, by succession and CCIC; since that time, there have been twenty Facility Modification Agreements. He noted in the Fourteenth Facility Modification Agreement terms were created for CCIC to have an "accordion" within the loan, which allows CCIC to expand borrowing funds up to an additional \$200,000,000.00.

This evening, CCIC is requesting approval of the Twenty-First Facility Modification Agreement which provides for a loan increase in the amount of \$25,000,000.00, in accordance with the Construction Loan Agreement, as modified. The funds would be used on projects that have been previously approved and not on new projects.

Also, the Funding Agreement between CCIC and ANIZDA, originally dated February 13, 2013, has been amended and restated multiple times; since the last time, there have been a few further amendments. The amendment referenced in Resolution R2023-287 will be the "Third Amended and Restated Funding Agreement," which accommodates the increase in fees related to the loan increase in the 21<sup>st</sup> Facility Modification Agreement and incorporates all of the prior amendments into a current and concise Agreement.

A motion to approve Resolution R2023-287 was made by J. Stanley and seconded by P. Torres. The public was given the opportunity to comment. No public comment was received. Resolution R2023-287 was approved by a vote of 7-0.

c. Year End Statement of Operational Revenue and Expenses. The 2022-year end financial report was prepared on a cash basis for the unrestricted operating accounts. The annual operating revenue for 2022 totaled \$1,564,479.00, which is approximately \$385,000.00 more than budgeted for 2022, due to ANZIDA receiving unbudgeted developer fees from the following financings:

- i. Subordinate Tax Revenue Bonds, Series 2022 (City Center Projects);
- ii. City Center's exercise of the accordion feature on its bank credit facility; and

- iii. A modification/increase in the Butz Corporate Center loan to fund fit-out of Phase III.

The annual operating expenses for 2022 totaled \$826,672.00, which was approximately \$181,000.00 less than budgeted. Almost every expense line item was under budget, except for the condominium expense and the BDH/Spectra parking management expense. In both of those cases, it was a matter of timing where ANIZDA paid the expenses in 2022 but did not receive reimbursement in full until 2023. The net income for 2022 was \$737,807.00.

**6. Executive Directors Report.**

- a. 2022 Audit Update. The 2022 audit is underway. The Auditors were in the ANIZDA office on April 10, 2023 to perform field work. The final audit report will be presented to the ANIZDA Board at their June 2023 meeting.

7. **Adjournment.** The meeting was adjourned at 5:14 pm.

**Next scheduled ANIZDA Board Meeting:** Wednesday, May 03, 2023, at 5:00 pm.

Respectfully Submitted,



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Pedro Torres, Secretary

ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE  
DEVELOPMENT AUTHORITY

RESOLUTION NO. R-2023-286

WHEREAS the Allentown Neighborhood Improvement Zone Development Authority (the "Authority") duly adopted Resolution No. R-2016-89 on February 3, 2016 authorizing entry into an "Agreement" with the Commonwealth of Pennsylvania acting through its Department of Revenue ("DOR") and through its Office of the Budget providing for distribution of the excess funds to DOR among other things; and

WHEREAS the Agreement was executed by all parties and is effective as of January 31, 2016; and

WHEREAS the Authority by this Resolution desires to take action in accordance with the terms of said Agreement,

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

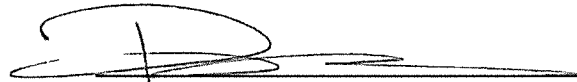
1. That the WHEREAS clauses set forth above are hereby incorporated herein.
2. That the Authority, in accordance with the terms of the Agreement with DOR, has determined that there are excess funds for 2022 held by the Bank of New York Mellon Trust Company, N.A. ("Master Trustee") in the Surplus Fund under the Amended and Restated Master Trust Indenture, initially dated as of September 15, 2012, amended and restated as of August 1, 2021 between the Authority and Master Trustee, which excess funds are deemed to be Preliminary Annual Excess NIZ Revenue under the Agreement.
3. Based upon issuance of the Final Accountant Allocation Report for 2022, the Authority hereby authorizes transfer from the Surplus Fund to the Excess NIZ Revenue Account an amount equal to Twenty Two Million and 00/100 (\$22,000,000.00) Dollars which is in excess of the sum required to pay debt service for the year 2023 on the Master Indenture Obligations and, the deposit, if any, to the Surplus Fund required to close the amount then held in the Surplus Fund to equal the Surplus Fund Reserve Requirement.
4. Upon transfer of the excess noted above to the Excess NIZ Revenue Account, in accordance with the terms of the Agreement, the Authority hereby authorizes and directs payment of the Initial Annual Excess NIZ Revenue Payment, which is an amount equal to Twenty Two Million and 00/100 (\$22,000,000.00) Dollars which is the excess set forth in Section 3 above, from the Excess NIZ Revenue Account in accordance with Section 5.5(f) of the Amended and Restated Master Trust Indenture, to the Commonwealth of Pennsylvania in accordance with the terms of the Agreement.
5. The Chairperson or Vice Chairperson of the Authority is hereby authorized to execute an Officer's Certificate and Transfer Request and to deliver said Certificate to the Master Trustee with a copy to DOR.
6. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after the date of its adoption.

**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-2023-286 of the Board of Directors of the Authority passed at a duly convened meeting of said Board on the 12th day of April 2023. Authority members present and voting were as follows:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Seymour Traub, Esq.	X		
Eileen Aguilera	X		
Dr. Ann Bieber	X		
Stephen Breininger	X		
Nelson A. Diaz		Absent	
Vacant			
Tiffany Polek	X		
John Stanley, Esq.	X		
Pedro L. Torres, Jr.	X		

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 12th day of April 2023.

  
Secretary

ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE  
DEVELOPMENT AUTHORITY

RESOLUTION NO. R-2023-287

WHEREAS, the Allentown Neighborhood Improvement Zone Development Authority (the "Authority"), by Resolution R-2012-20 initially approved entry into a credit facility and by Resolution R-2014-44, Resolution R2015-78, Resolution R2017-122, Resolution R2017-138, Resolution 2017-139, Resolution R2018-162, Resolution R2019-197, Resolution R2020-216, Resolution R2021-246, Resolution R2022-265 and Resolution R2022-280 approved changes in the credit facility for projects to be developed by City Center Investment Corporation (the "Developer"); and

WHEREAS, the Authority entered into a Construction Loan Agreement dated February 13, 2013, amended by that certain Facility Modification Agreement dated May 3, 2013, and further amended by that certain Second Facility Modification Agreement dated January 7, 2014, by that certain Third Facility Modification Agreement dated April 30, 2014, by that certain Fourth Facility Modification Agreement dated October 29, 2014, by that certain Fifth Facility Modification Agreement dated April 18, 2015, by that certain Sixth Facility Modification Agreement dated August 20, 2015, by that certain Seventh Facility Modification Agreement dated June 3, 2016, by that certain Eighth Facility Modification Agreement dated August 12, 2016, by that Ninth Facility Modification Agreement dated November 1, 2016, by that Tenth Facility Modification Agreement dated December 28, 2016, by that Eleventh Facility Modification Agreement dated March 2, 2017, by that Twelfth Facility Modification Agreement dated June 7, 2107, by that Thirteenth Facility Modification Agreement dated June 28, 2017, effective as of July 6, 2017, amended by that Fourteenth Facility Modification Agreement dated April 19, 2018, amended by that Fifteenth Facility Modification Agreement dated December 9, 2018 effective as of December 27, 2018, amended by that Sixteenth Facility Modification Agreement effective as of October 15, 2019, amended by that Seventeenth Facility Modification Agreement effective as of June 10, 2020, amended by that Eighteenth Facility Modification Agreement effective as of November 30, 2021, amended by that Nineteenth Facility Modification Agreement effective as of June 6, 2022 and amended by that Twentieth Facility Modification Agreement effective as of December 22, 2022 (together referred to as the "Construction Loan Agreement") with M&T Bank, successor in interest to Branch Banking and Trust successor in interest to National Penn Bank (the "Bank") and Co-Lenders named therein, defining the terms of the credit facility for the Developer's projects; and

WHEREAS, the Developer has requested an increase in the loan amount in accordance with the Construction Loan Agreement and approval of the Twenty First Facility Modification Agreement to the Construction Loan Agreement to provide for the loan increase; and

WHEREAS, the Authority, the Developer and Guarantors, entered into a Second Amended and Restated Funding Agreement dated June 10, 2020, amended by the First Amendment to the Second Amended and Restated Funding Agreement, dated November 30, 2021, amended by the Second Amendment to the Second Amended and Restated Funding Agreement dated June 1, 2022 and amended by the Third Amendment to the Second Amended and Restated Funding Agreement dated as of October 11 2022 ( the "Funding Agreement"), [*replacing the Amended and Restated Funding Agreement dated October 24, 2014, amended by that First Amendment to Amended and Restated Funding Agreement dated June 3, 2016, amended by that Second Amendment to Amended and Restated Funding Agreement dated August 12, 2016, amended by that Third Amendment to Amended and Restated Funding Agreement dated December 19, 2016, amended by that Fourth Amendment to Amended and Restated Funding Agreement dated June 28, 2017 and amended by that Fifth Amendment to Amended and Restated Funding Agreement dated April 19, 2018 (replacing in its entirety a Funding Agreement dated February 13, 2013, amended by the First Amendment to Funding Agreement dated May 3, 2013 and further amended by the Second Amendment to Funding Agreement dated January 7, 2014 and further amended by the Third Amendment to Funding Agreement dated April 30, 2014)*], defining how funds are provided under the Construction Loan Agreement to the Developer to finance the development projects located within the Neighborhood Improvement Zone (the "NIZ"); and

WHEREAS the Funding Agreement provides for the Authority to approve any future projects by the Developer to be developed under the Construction Loan Agreement credit facility; and

NOW, THEREFORE, BE IT RESOLVED by the Authority, as follows that, subject to documentation satisfactory to the Authority with the advice of counsel,

1. (a) The Authority hereby approves the Twenty First Facility Modification Agreement to Construction Loan Agreement which increases the loan amount by drawing \$25,000,000.00 under the Accordion 2 provisions in accordance with the terms of the Construction Loan Agreement; and

(b) The Authority hereby approves appropriate modification to the Funding Agreement, including amending and restating to include prior amendments, as may be required in the opinion of the Authority.

2. The Authority hereby authorizes the Executive Director or Chairperson of the Authority to act on behalf of the Authority to negotiate the terms of the Twenty First Facility Modification Agreement to the Construction Loan Agreement (including any amendments to any collateral documents) and the Funding Agreement modification as deemed necessary to fulfill the Authority's obligations and rights hereunder.

3. The Chairperson, Vice Chairperson, or Executive Director and the Secretary or any Assistant Secretary of the Authority are hereby authorized and directed to execute and attest, where deemed necessary, respectively, any related agreement and documents and other documents to amend or correct any documents, and to take any and all such actions necessary, in the opinion of the Executive Director or Chairperson, with the advice of counsel, to implement fulfillment of the purposes of this Resolution and to consummate the transactions contemplated hereby.

4. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption.

**END OF RESOLUTION**




**CERTIFICATION**

I, Pedro Torres, 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-2023-287 of the Board of Directors of the Authority passed at a duly convened meeting of said Board on the 12th day of April, 2023. Authority members present and voting were as follows:

<u>Vote</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Seymour Traub, Esq.	X		
Eileen Aguilera	X		
Dr Ann Bieber	X		
Stephen Breininger	X		
Nelson A. Diaz		Absent	
Vacant			
Tiffany Polek	X		
John Stanley, Esq.	X		
Pedro L. Torres, Jr.	X		

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 12th day of April 2023.

  
Secretary

ANIZDA

Statement of Revenue Expenses with Comparison to Budget  
Unrestricted Cash Basis - December 2022

	Dec 22	Budget	Variance	Jan - Dec 22	YTD Budget	Variance	Annual Budget
Ordinary Income/Expense							
Income							
APA - Transient Income							
4404A - Allentown Parking - Transient	0.00	0.00	0.00	10,677.63	0.00	10,677.63	0.00
4404B - Transient Inc - 3rd Party Pay	0.00	0.00	0.00	-10,677.63	0.00	-10,677.63	0.00
Total APA - Transient Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4200 - Developer Fees	39,900.00	0.00	39,900.00	1,152,812.38	729,912.38	422,900.00	729,912.38
4400 - Arena Rent Payment							
4400 - Arena Rent Payment - Other	0.00	37,291.00	-37,291.00	411,666.68	449,167.00	-37,500.32	449,167.00
Total 4400 - Arena Rent Payment	0.00	37,291.00	-37,291.00	411,666.68	449,167.00	-37,500.32	449,167.00
Total Income	39,900.00	37,291.00	2,609.00	1,564,479.06	1,179,079.38	385,399.68	1,179,079.38
Gross Profit	39,900.00	37,291.00	2,609.00	1,564,479.06	1,179,079.38	385,399.68	1,179,079.38
Expense							
Allentown Condominium Expenses							
6552 - Allentown Condominium Expense	161,037.66	0.00	161,037.66	1,538,114.05	0.00	1,538,114.05	0.00
6552.A - Condo Fees - 3rd Party Billings	-161,013.89	0.00	-161,013.89	-1,328,608.33	0.00	-1,328,608.33	0.00
Total Allentown Condominium Expenses	23.77	0.00	23.77	209,505.72	0.00	209,505.72	0.00
Allentown Parking Authority							
4404 - APA - 3rd Party Billing	0.00	0.00	0.00	-27,596.25	0.00	-27,596.25	0.00
6562 - Allentown Parking Authority	0.00	0.00	0.00	4,931.67	0.00	4,931.67	0.00
Total Allentown Parking Authority	0.00	0.00	0.00	-22,664.58	0.00	-22,664.58	0.00
BDH/SPECTRA-Parking Management							
4415 - Parking Mgmt-3rd Party Billing	-2,361.09	0.00	-2,361.09	-99,340.58	0.00	-99,340.58	0.00
6570 - Parking Management - OVG/BDH	9,677.82	0.00	9,677.82	116,101.64	0.00	116,101.64	0.00
Total BDH/SPECTRA-Parking Management	7,316.73	0.00	7,316.73	16,761.06	0.00	16,761.06	0.00
Legal Fees							
6500 - Legal Fees - 3rd Party Billings	-7,505.00	0.00	-7,505.00	-207,765.62	0.00	-207,765.62	0.00
6501 - Legal Fees - 3rd Party	152.00	0.00	152.00	165,549.62	0.00	165,549.62	0.00
6502 - Legal Fees - ANIZDA	2,689.00	11,663.00	-8,974.00	60,769.00	140,000.00	-79,231.00	140,000.00
Total Legal Fees	-4,664.00	11,663.00	-16,327.00	16,553.00	140,000.00	-121,447.00	140,000.00
Miscellaneous	3,045.06	4,167.00	-1,121.94	34,807.64	49,982.00	-15,174.36	49,982.00
Rent & Utilities	1,545.70	2,044.00	-498.30	21,248.40	24,548.00	-3,299.60	24,548.00
Staff Salary & Benefits	34,089.73	30,642.41	3,447.32	235,357.28	258,744.00	-23,386.72	258,744.00
Trustee/Escrow Agent/Rating&Fin	-14,000.00	2,083.30	-16,083.30	-9,000.00	25,000.00	-34,000.00	25,000.00
6200 - Office Renovation and Set Up	0.00	163.00	-163.00	0.00	2,000.00	-2,000.00	2,000.00
6505 - Compliance Officer/Allocation	18,000.00	18,837.00	-837.00	217,005.00	226,000.00	-8,995.00	226,000.00
6525 - Insurance	0.00	0.00	0.00	20,090.00	23,085.00	-2,995.00	23,085.00
6535 - Project Development Contingency	0.00	6,250.00	-6,250.00	0.00	75,000.00	-75,000.00	75,000.00
6540 - Annual Audit	0.00	0.00	0.00	27,000.00	40,000.00	-13,000.00	40,000.00
6545 - Marketing	0.00	5,000.00	-5,000.00	0.00	60,000.00	-60,000.00	60,000.00
6550 - Planning	0.00	1,663.00	-1,663.00	0.00	20,000.00	-20,000.00	20,000.00
6561 - Accounting Services	4,834.00	5,248.00	-414.00	58,008.00	62,998.00	-4,990.00	62,998.00
Total Expense	50,190.99	87,760.71	-37,569.72	826,671.52	1,007,357.00	-180,685.48	1,007,357.00
Net Ordinary Income	-10,290.99	-50,469.71	40,178.72	737,807.54	171,722.38	566,085.16	171,722.38
Net Income	-10,290.99	-50,469.71	40,178.72	737,807.54	171,722.38	566,085.16	171,722.38