

ANIZDA Board
MEETING MINUTES
November 01, 2023
America On Wheels
2nd Floor Meeting Room
5 North Front Street, Allentown, PA

Attendance:

Board Members: Seymour Traub, Esquire (Chairperson), Stephen Breininger and Pedro Torres attended in person. Eileen Aguilera and Dr. Ann Bieber attended via Zoom video conference. Absent were Nelson Diaz, Tiffany Polek, John Stanley, Esquire.

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

Presenters: Josh Taykowski and Jane Heft, City Center Investment Corp.; Scott Shearer, Managing Director, PFM Financial Advisors LLC; and George Magnatta, Bond Counsel, Saul Ewing, LLC.

Members of the public and media were present.

1. **Call to Order.** The meeting was called to order by Chairperson S. Traub, Esquire, at 5:00 pm. A quorum was met.
2. **Approval of October 04, 2023 Meeting Minutes.** A motion to approve the October 04, 2023 meeting minutes, as written, was made by P. Torres and seconded by S. Breininger. 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 5-0.
3. **Public Comment on all Matters to be Acted Upon.** Comments were deferred until matters were to be acted upon.
4. **Old Business** - None.
5. **New Business.**
 - a. **1 Center Square (702 Hamilton Street) – City Center Investment Corporation (CCIC) – Resolution R2023-301.** S. Bamford reported the ANIZDA Project Review Committee (PRC) met in a public meeting on October 27, 2023 to review the qualification stage submission for this project. At that meeting, the PRC unanimously voted for the project to advance to the ANIZDA Board for consideration.

The project consists of an approximately 62,400 SF renovation and expansion of the bank building on the southwest corner of 7th and Hamilton Streets to include retail and restaurant space at street level and office space on the upper floors.

The project is proposed to be funded in part through approximately \$75,000,000 in tax revenue bonds issued by ANIZDA and secured by pledged CCIC NIZ revenues.

S. Bamford then introduced the CCIC Team, J. Taykowski and J. Heft, who provided a brief history on the project, which included the original submission/approval dates of November 27, 2017/December 06, 2017, updated submission/approval dates of November 27, 2019/December 04, 2019 and a second update submission on October 24, 2023.

The current concept rendering shows a three story, 62,400 sf (including 11,400 sf of basement space) renovation and addition to the building. The exterior façade will be preserved. Parking will be provided through various public parking garages. The project cost is estimated at \$22,768,471. Approximately thirty percent (30%) will be funded by developer equity and seventy percent (70%) through NIZ bond(s). At this time, the project has not completed the City of Allentown (COA) Planning and Zoning approval process. The projected opening date is June 2025.

A motion to approve Resolution R2023-301 was made by S. Breininger and seconded by P. Torres. The public was given the opportunity to comment. No public comment was received. Resolution R2023-301 was approved by a vote of 5-0.

b. 935-939 Hamilton Event Center (Archer Musical Hall) – City Center Investment Corporation – Resolution R2023-302. S. Bamford reported the ANIZDA PRC also reviewed the qualification stage submission for this project at their October 27, 2023 public meeting and unanimously voted for the project to advance to the ANIZDA Board for consideration.

The project consists of an approximately 31,000 SF live performance venue to be developed on the now vacant lot in the 900 block of Hamilton Street. The project is proposed to be funded in part through approximately \$75,000,000 in tax revenue bonds issued by ANIZDA and secured by pledged CCIC NIZ revenues.

J. Taykowski and J. Heft then provided a brief history on the project, which included the original submission/approval dates of November 27, 2017/December 06, 2017, updated submission/approval dates of May 29, 2020/June 03, 2020, second update submission on October 30, 2020/January 06, 2021 and third update submission on October 24, 2023.

The current concept rendering shows a two story, 31,000 sf facility, which will host music events, conferences, and expositions. The project received approval from the COA Planning Commission and construction has commenced. Event parking will be provided through various public parking garages. The estimated project cost is \$25,115,249. Approximately thirty percent (30%) will be funded through developer funds and seventy percent (70%) by NIZ bond(s). The projected opening date is September 2024.

A motion to approve Resolution R2023-302 was made by S. Breininger and seconded by P. Torres. The public was given the opportunity to comment. No public comment was received. R2023-302 was approved by a vote of 5-0.

c. Tax Revenue and Refunding Bonds, Series 2024 (City Center Project) – Resolution R2023-303. S. Bamford introduced Scott Shearer, Managing Director at PFM Financial Advisors LLC (PFM), and George Magnatta, Bond Counsel at Saul Ewing, LLC, to discuss Resolution R2023-303.

S. Shearer, financial advisor to ANIZDA for bond issues, discussed the CCIC Senior Debt Financing, Series 2024. The amount of bonds is expected to be \$75 million but will not exceed \$80,000,000. The bonds will be issued for the purposes of funding 1 Center Square (702 Hamilton Street), Archer Musical Hall, refunding all or a portion of the outstanding amounts under the M& T credit facilities, establishing a debt service reserve fund, and funding capitalized interest and the cost of issuance. The 2024 bonds will be secured by a pledge of CCIC NIZ tax revenues, and the debt is non-recourse to the Developer. The estimated timeline for settlement is February 2024.

G. Magnatta, Bond Counsel from Saul Ewing, LLC, then summarized the authorizing Resolution R2023-303. He noted the 2024 Bond would require a Third Supplemental Senior Lien Trust Indenture.

A motion to approve Resolution R2023-303 was made by P. Torres and seconded by S. Breininger. The public was given the opportunity to comment. No public comment was received. Resolution R2023-303 was approved by a vote of 5-0.

d. Twenty Second Facility Modification Agreement to Construction Loan Agreement– City Center Investment Corporation – Resolution R2023-304. Solicitor J. Frank explained Resolution R2023-304 is a complementary Resolution to Resolution R2023-303. The original Construction Loan Agreement is dated February 13, 2013; since that time, there have been twenty-one (21) modifications to this Construction Loan Agreement and Resolution R2023-304 will be the twenty-second (22nd) modification.

Currently CCIC has \$33,000,000 in outstanding debt under this Construction Loan Agreement. The developer has requested an increase in the loan amount through exercise of the accordion feature in accordance with the terms of the Construction Loan Agreement and release of the 932 Hamilton Project as collateral. The additional \$25,000,000 under consideration this evening will aid CCIC to further projects within the NIZ. J. Frank noted funds approved by the ANIZDA Board for CCIC projects are only utilized within the NIZ and CCIC will not use the funds for projects located outside of the NIZ.

A motion to approve Resolution R2023-304 was made by P. Torres and seconded by S. Breininger. The public was given the opportunity to comment. No public comment was received. Resolution R2023-304 was approved by a vote of 5-0.

6. **Executive Directors Report.**

S. Bamford stated ANIZDA has been extremely busy over the last 3 months. The Neuweiler Lofts project and the financing thereof was approved by the ANIZDA Board in September. The 800 block of Hamilton Streetscape improvements and Downtown Wayfinding Signage projects were approved by the ANIZDA Board in October. This evening the board has approved the 1 Center Square and Archer Music Hall projects and the financing thereof.

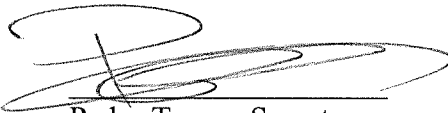
After the ANIZDA Board acts and resolutions passed, staff, legal counsel, and advisors begin drafting documents and working toward getting the projects funded. The workflow will likely not slow down between now and year end.

S. Bamford thanked J. Frank, P. Frank, G. Magnatta, S. Ritter and S. Schearer for their efforts and recognized their roles in reviewing, structuring, and closing project financings.

7. **Adjournment.** The meeting was adjourned at 5:54 p.m.

Next scheduled ANIZDA Board Meeting: Wednesday, December 06, 2023, at 5:00 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'Pedro Torres', written over a horizontal line.

Pedro Torres, Secretary