

ANIZDA Board Meeting Agenda
June 5, 2024
5:00 pm
America on Wheels Museum
5 N. Front Street, Allentown, PA

1. Call to Order – Chairperson
2. Approval of May 14, 2024 meeting minutes
3. Public Comment on all matters to be acted upon
4. Old Business
5. New Business
 - A. Receipt and Acceptance of the Audit of Financial Statements as presented by Barbacane, Thornton & Company LLP for the year ended December 31, 2023 – Resolution R2024-317
 - B. Authorization of 30 E. Allen Apartments and 2024 Waterfront Bonds – Resolution R2024-318
 - C. First Quarter Statement of Operational Revenue and Expenses
6. Executive Directors Report

Adjournment

**ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE
DEVELOPMENT AUTHORITY**

RESOLUTION NO. R-2024-317

BE IT RESOLVED, that the Allentown Neighborhood Improvement Zone Development Authority (the "Authority") hereby authorizes acceptance of the 2023 Audit as presented to the Authority at the public meeting by Barbacane, Thornton and Company LLP, the Authority's Auditors.

CERTIFICATION ON NEXT PAGE

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-2024-317 of the Board of the Authority passed at a duly convened meeting of said Board on the 5th day of June, 2024. Authority members present and voting were as follows:

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

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 5th day of June, 2024.

Secretary

**ALLENTOWN NEIGHBORHOOD IMPROVEMENT
ZONE DEVELOPMENT AUTHORITY**

RESOLUTION R-2024-318

WHEREAS, the Allentown Neighborhood Improvement Zone Development Authority (“**ANIZDA**”) is a public instrumentality of the Commonwealth of Pennsylvania (the “**Commonwealth**”), created under and empowered by the provisions of the Pennsylvania Economic Development Financing Law, 73 P.S. 371 *et seq.*; and

WHEREAS, pursuant to the provisions of Act 50 of 2009 of the Pennsylvania General Assembly, as amended and supplemented and now cited as 72 P.S. 8901-B *et seq.* (collectively, the “**NIZ Act**”), ANIZDA has issued certain indebtedness to fund improvements within the neighborhood improvement zone designated under the NIZ Act (the “**NIZ**”) relating to projects developed by The Waterfront Development Company and its affiliates (collectively, the “**Waterfront Developer**”); and

WHEREAS, in 2021, ANIZDA issued its \$61,455,000 Senior Tax Revenue Bonds, Series 2021 (615 Waterfront Project) (the “**2021 Senior Waterfront Bonds**”) pursuant to a Trust Indenture dated as of January 1, 2021 (the “**Senior Lien Indenture**”) between ANIZDA and The Bank of New York Mellon Trust Company, N.A. (the “**Senior Bonds Trustee**”); and

WHEREAS, the 2021 Senior Waterfront Bonds are payable from certain NIZ tax revenues derived from certain Qualified Businesses (as defined in the NIZ Act) located in the NIZ (the “**Total Waterfront NIZ Revenues**”) and are secured by a lien on and a security interest in a portion of such revenues (the “**Pledged Waterfront NIZ Revenues**”); and

WHEREAS, at the request of the Waterfront Developer, ANIZDA seeks authorization to undertake a project consisting of (i) the financing of a portion of the development, improvement and construction of a five-story, multi-family apartment building at 30 E. Allen Street, along with other improvements related thereto, (ii) the financing of a portion of the fit-out of the six-story, Class A office building at 615 Waterfront Drive, (iii) the funding of one or more debt service reserve funds, (iv) the funding of capitalized interest, and (v) the funding of the costs of issuance of the financing (collectively, the “**2024 Waterfront Project**”); and

WHEREAS, ANIZDA desires to authorize the issuance of a series of senior tax revenue bonds (as further described herein, the “**2024 Senior Waterfront Bonds**”) and a series of subordinate tax revenue bonds (as further described herein, the “**2024 Subordinate Waterfront Bonds**”) and, together with the 2024 Senior Waterfront Bonds, the “**2024 Waterfront Bonds**”) to finance the 2024 Waterfront Project; and

WHEREAS, ANIZDA desires to authorize the execution of a First Supplemental Trust Indenture between ANIZDA and the Senior Bonds Trustee as a supplement to the Senior Lien Indenture (the “**Supplemental Senior Lien Indenture**”), pursuant to which

the 2024 Senior Waterfront Bonds will be issued and secured; and

WHEREAS, ANIZDA desires to authorize the execution of a Subordinate Lien Trust Indenture (the “**Subordinate Lien Indenture**”), between ANIZDA and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Subordinate Bonds Trustee**”), pursuant to which the 2024 Subordinate Waterfront Bonds will be issued and secured; and

WHEREAS, the 2024 Senior Waterfront Bonds shall be payable from Total Waterfront NIZ Revenues and secured by a lien on and security interest in the Pledged Waterfront NIZ Revenues, on a parity basis with the 2021 Senior Waterfront Bonds and any additional obligations issued under the Senior Lien Indenture (collectively, the “**Senior Waterfront Bonds**”); and

WHEREAS, the 2024 Subordinate Waterfront Bonds and any other obligations issued under the Subordinate Lien Indenture (collectively, the “**Subordinate Waterfront Bonds**”) shall be payable from Total Waterfront NIZ Revenues and secured by a lien on and security interest in the Pledged Waterfront NIZ Revenues, subject to and subordinate to the lien granted to the Senior Bonds Trustee for the benefit of the Senior Waterfront Bonds; and

WHEREAS, ANIZDA has previously entered into an Amended and Restated NIZ Escrow Deposit Agreement dated as of September 15, 2012 (as amended, the “**Escrow Agreement**”) with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”), pursuant to which funds and accounts have been established 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) received from the State Treasurer of the Commonwealth of Pennsylvania; and

WHEREAS, an account has been established under the Escrow Agreement for the benefit of the Senior Bonds Trustee; and

WHEREAS, pursuant to the terms of the Escrow Agreement and the Senior Lien Indenture, as supplemented by the Supplemental Senior Lien Indenture, Pledged Waterfront NIZ Revenues in an amount necessary to pay the debt service requirements on the Senior Waterfront Bonds issued under the Senior Lien Indenture shall be transferred from the Escrow Agent to the Senior Bonds Trustee on an annual basis prior to the application of Pledged Waterfront NIZ Revenues for any other purpose; and

WHEREAS, an account shall be established under the Escrow Agreement for the benefit of the Subordinate Bonds Trustee; and

WHEREAS, pursuant to the terms of the Escrow Agreement and the Subordinate Lien Indenture, Pledged Waterfront NIZ Revenues in an amount necessary to pay the debt service requirements on Subordinate Waterfront Bonds shall be transferred from the Escrow Agent to the Subordinate Bonds Trustee on an annual basis prior to the application of Pledged Waterfront NIZ Revenues for any other purpose other than the

payment to the Senior Bonds Trustee of the debt service requirements relating to the Senior Waterfront Bonds; and

WHEREAS, ANIZDA desires to authorize the execution of a Bond Placement Agreement, by and among ANIZDA, the Waterfront Developer and KeyBanc Capital Markets Inc. or an affiliate thereof (the “**Placement Agent**”), which shall describe the terms and conditions on which the 2024 Waterfront Bonds will be issued by ANIZDA and purchased by the purchasers, and pursuant to which the Placement Agent will agree to use its best efforts to identify one or more purchasers for the 2024 Waterfront Bonds, subject to the terms and conditions to be specified therein (the “**Bond Placement Agreement**”); and

WHEREAS, ANIZDA desires to authorize the preparation and distribution of a Private Placement Memorandum (the “**Private Placement Memorandum**”), in preliminary and final form, in connection with the placement of the 2024 Waterfront Bonds; and

WHEREAS, ANIZDA desires to authorize amendments or modifications to the Waterfront Project Funding Agreement – Trust Indenture 2021 Bonds dated January 1, 2021 (the “**Waterfront Funding Agreement**”), between ANIZDA and the Waterfront Developer, including the amendment and restatement thereof, to the extent such amendments or modifications are determined to be necessary or desirable by ANIZDA; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE ALLENTOWN NEIGHBORHOOD IMPROVEMENT ZONE DEVELOPMENT AUTHORITY as follows:

Section 1. Incorporation of Recitals. The Recitals set forth above are hereby incorporated as part of this Resolution.

Section 2. Authorization of 2024 Waterfront Project. ANIZDA hereby authorizes the undertaking of the 2024 Waterfront Project. The Chairperson, Vice Chairperson and Executive Director of ANIZDA (each, an “**Authorized Officer**”), are each authorized, individually or collectively, to take any and all actions necessary or appropriate in connection with the 2024 Waterfront 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 (“**DCED**”), or amendments to prior DCED applications, and the submission of an application to Moody’s Investors Service, Inc. or any other nationally recognized rating agency for confirmation that the rating on ANIZDA’s Tax Revenue Bonds, Series 2021 and Series 2022 (collectively, the “**Arena Bonds**”) will not be reduced or withdrawn as a result of the issuance of the 2024 Waterfront Bonds.

Section 3. Authorization of the 2024 Senior Waterfront Bonds; Terms of the 2024 Senior Waterfront Bonds. ANIZDA hereby authorizes the issuance of its 2024

Senior Waterfront Bonds in an aggregate principal amount that, when combined with the principal amount of the 2024 Subordinate Waterfront Bonds, does not exceed \$66,000,000. The proceeds of the 2024 Senior Waterfront Bonds shall be applied to finance a portion of the 2024 Waterfront Project. The 2024 Senior Waterfront Bonds may be issued in one or more series, on the same or different dates, and may bear interest at tax-exempt or taxable rates, as determined by any Authorized Officer, in consultation with counsel.

The 2024 Senior Waterfront Bonds shall mature as set forth in the Supplemental Senior Lien Indenture, but the final maturity of the 2024 Senior Waterfront Bonds shall be no later than May 1, 2042. The 2024 Senior Waterfront Bonds shall bear interest at such rates, shall be designated in the denominations and in registered form, shall be payable in the medium of payment and at such places, and shall be subject to redemption prior to maturity, all as provided for in the Supplemental Senior Lien Indenture.

Section 4. Authorization of the 2024 Subordinate Waterfront Bonds; Terms of the 2024 Subordinate Waterfront Bonds. ANIZDA hereby authorizes the issuance of its 2024 Subordinate Waterfront Bonds in an aggregate principal amount that, when combined with the principal amount of the 2024 Senior Waterfront Bonds, does not exceed \$66,000,000. The proceeds of the 2024 Subordinate Waterfront Bonds shall be applied to finance a portion of the 2024 Waterfront Project. The 2024 Subordinate Waterfront Bonds may be issued in one or more series, on the same or different dates, and may bear interest at tax-exempt or taxable rates, as determined by any Authorized Officer, in consultation with counsel.

The 2024 Subordinate Waterfront Bonds shall mature as set forth in the Subordinate Lien Indenture, but the final maturity of the 2024 Subordinate Waterfront Bonds shall be no later than May 1, 2042. The 2024 Subordinate Waterfront Bonds shall bear interest at such rates, shall be designated in the denominations and in registered form, shall be payable in the medium of payment and at such places, and shall be subject to redemption prior to maturity, all as provided for in the Subordinate Lien Indenture.

Section 5. Execution and Delivery of the 2024 Waterfront Bonds. Any Authorized Officer is hereby authorized to execute the 2024 Waterfront Bonds by manually signing or by causing their facsimile signature to be printed thereon, and the Secretary or Assistant Secretary of ANIZDA is hereby authorized and directed to attest to the execution of the 2024 Waterfront Bonds by manually signing or by causing their facsimile signature to be printed thereon, and to deliver or cause the 2024 Waterfront Bonds to be delivered to the Senior Bonds Trustee and the Subordinate Bonds Trustee, as applicable, for authentication.

The Subordinate Lien Indenture and the Senior Lien Indenture may allow for the conversion of Subordinate Waterfront Bonds to Senior Waterfront Bonds upon the satisfaction of certain terms and conditions. In the event such conditions are satisfied, any Authorized Officer is hereby authorized to execute any and all such documents,

including replacement bonds, necessary or appropriate to effect such conversion, and the Secretary or Assistant Secretary of ANIZDA is hereby authorized and directed to attest to the execution of any such replacement bonds.

Section 6. Authorization of Supplemental Senior Lien Indenture. The 2024 Senior Waterfront Bonds shall be issued and secured under the existing Senior Lien Indenture, as supplemented and amended by the Supplemental Senior Lien Indenture. The Supplemental Senior Lien Indenture shall be in such form and shall amend the existing Senior Lien Indenture in such manner as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by their execution thereof. Any Authorized Officer is hereby authorized to execute the Supplemental Senior Lien Indenture and each of the Secretary and Assistant Secretary of ANIZDA is hereby authorized to attest to the execution of the Supplemental Senior Lien Indenture by such Authorized Officer, if necessary, and to deliver the Supplemental Senior Lien Indenture to the Senior Bonds Trustee for execution and acceptance of its duties as bond trustee thereunder. Any Authorized Officer is hereby authorized to give any order or direction or make any determination necessary or appropriate under the Supplemental Senior Lien Indenture or the existing Senior Lien Indenture.

Section 7. Authorization of Subordinate Lien Indenture. The 2024 Subordinate Waterfront Bonds shall be issued and secured under the Subordinate Lien Indenture. The Subordinate Lien 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 their execution thereof. Any Authorized Officer is hereby authorized to execute the Subordinate Lien Indenture and each of the Secretary and Assistant Secretary of ANIZDA is hereby authorized to attest to the execution of the Subordinate Lien Indenture by such Authorized Officer, if necessary, and to deliver the Subordinate Lien Indenture to the Subordinate Bonds Trustee for execution and acceptance of its duties as bond trustee thereunder. Any Authorized Officer is hereby authorized to give any order or direction or make any determination necessary or appropriate under the Subordinate Lien Indenture.

Section 8. Authorization of Additional Accounts under Escrow Agreement and Amendment of Escrow Agreement. ANIZDA hereby authorizes the establishment of one or more additional accounts under the Escrow Agreement for allocation of the Pledged Waterfront NIZ Revenues to the 2024 Senior Waterfront Bonds and the 2024 Subordinate Waterfront Bonds. Any Authorized Officer is also hereby authorized to give any order or direction or make any determination necessary or appropriate under the Escrow Agreement in connection with the issuance of the 2024 Waterfront Bonds.

Any Authorized Officer is hereby authorized to execute and deliver an amendment to the Escrow Agreement (an “**Escrow Agreement Amendment**”), to the extent such amendment is determined by such Authorized Officer to be necessary or appropriate. Any such Escrow Agreement Amendment 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 their execution thereof. Any Authorized Officer

is hereby authorized to execute the Escrow Agreement Amendment and each of the Secretary and Assistant Secretary of ANIZDA is hereby authorized to attest to the execution of the Escrow Agreement Amendment by such Authorized Officer, if necessary.

Section 9. Authorization of Revised Allocation Instructions. ANIZDA hereby authorizes the preparation and delivery of revised Allocation Instructions, to be appended to the Escrow Agreement in place of the existing Allocation Instructions, if it is determined by any Authorized Officer that a revision to the Allocation Instructions is necessary or appropriate in connection with the issuance of the 2024 Waterfront Bonds. Any such revised Allocation Instructions shall be in a form approved by an Authorized Officer upon the recommendation of counsel, with such approval to be conclusively evidenced by their execution thereof.

Section 10. Authorization of Bond Placement Agreements. Any Authorized Officer is hereby authorized and directed to execute and deliver one or more Bond Placement Agreements, each by and among ANIZDA, the Placement Agent and the Waterfront Developer, to describe the terms and conditions upon which ANIZDA shall issue the 2024 Waterfront Bonds and the Placement Agent shall place the 2024 Waterfront Bonds. The Bond Placement Agreement shall be in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, with such approval to be conclusively evidenced by their execution thereof.

Section 11. Authorization of Waterfront Funding Agreement. Any Authorized Officer is hereby authorized and directed to execute and deliver an amended and restated Waterfront Funding Agreement or an amendment or supplement to the existing Waterfront Funding Agreement, in such form as shall be approved by any Authorized Officer upon the recommendation of counsel, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer.

Section 12. Security for the 2024 Waterfront Bonds. The 2024 Waterfront Bonds shall not be general obligations of ANIZDA. The 2024 Senior Waterfront Bonds shall be revenue bonds secured solely by the Trust Estate described in the Senior Lien Indenture, as amended by the Supplemental Senior Lien Indenture. The 2024 Subordinate Waterfront Bonds shall be revenue bonds secured solely by the Trust Estate described in the Subordinate Lien Indenture.

The Pledged Waterfront NIZ Revenues shall be pledged to secure the 2024 Senior Waterfront Bonds. The Pledged Waterfront NIZ Revenues shall be pledged to secure the 2024 Subordinate Waterfront Bonds on a basis subordinate to the security interest granted to the Senior Bonds Trustee. The Pledged Waterfront NIZ Revenues shall be as described in the Senior Lien Indenture, as supplemented by the Supplemental Senior Lien Indenture, and in the Subordinate Lien Indenture.

The Pledged Waterfront NIZ Revenues shall be made available on a senior basis for allocation to the accounts established under the Escrow Agreement for the Senior Waterfront Bonds to satisfy the debt service requirements relating to the Senior Waterfront

Bonds and to replenish any debt service reserve accounts relating to the Senior Waterfront Bonds. The Pledged Waterfront NIZ Revenues shall be made available on a subordinate basis, after the allocation to the Senior Waterfront Bonds described in the preceding sentence, for allocation to the accounts established under the Escrow Agreement for the Subordinate Waterfront Bonds to satisfy the debt service requirements relating to the Subordinate Waterfront Bonds and to replenish any debt service reserve accounts relating to the Subordinate Waterfront Bonds.

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 Arena Bonds.

No recourse shall be had for any claim based on the Senior Lien Indenture, the Subordinate Lien Indenture, or the 2024 Waterfront 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 13. Private Placement Memoranda. ANIZDA hereby approves the distribution of one or more Private Placement Memoranda, in preliminary and final forms, to be provided to the purchasers of the 2024 Waterfront Bonds in connection with the sale and delivery of the 2024 Waterfront Bonds and to be in such forms as shall be approved by any Authorized Officer upon the recommendation of counsel, with the execution of the final Private Placement Memoranda 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 Private Placement Memoranda in the name of and on behalf of ANIZDA.

Section 14. Bond Insurance. ANIZDA hereby authorizes the purchase of a bond insurance policy to provide security for the payment of debt service on the 2024 Waterfront Bonds, or any portion thereof, if any Authorized Officer deems it advisable to obtain such a policy. Any Authorized Officer is hereby authorized to accept, sign and return a commitment to issue a bond insurance policy by any bond insurer and to comply with all the provisions thereof necessary to cause said policy to be issued by the bond insurer.

Section 15. Federal Tax Covenants. To the extent that all or any portion of the 2024 Waterfront Bonds are issued as tax-exempt bonds, ANIZDA hereby covenants not to take or omit to take any action so as to cause interest on the tax-exempt 2024 Waterfront 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 tax-exempt 2024 Waterfront Bonds. ANIZDA further covenants that it will make no investment or other use of the proceeds of the tax-exempt 2024 Waterfront Bonds which would cause the tax-exempt 2024 Waterfront Bonds to be “arbitrage 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 16. Reimbursement. ANIZDA hereby declares its official intent to reimburse itself or the Waterfront Developer, from proceeds of the 2024 Waterfront Bonds, up to the maximum amount of the 2024 Waterfront Bonds authorized to be issued hereunder, for expenditures paid by ANIZDA or the Waterfront Developer towards the costs of the 2024 Waterfront Project prior to the respective dates of issuance of the 2024 Waterfront Bonds, subject to and in accordance with the requirements of Treasury Regulation § 1.150-2.

Section 17. Amendments. ANIZDA hereby authorizes the execution and delivery of any amendments, supplements or modifications to existing financing documents entered into by ANIZDA, 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 their execution thereof.

Section 18. Appointment of Financing Team. In connection with the financing of the 2024 Waterfront Project and the issuance of the 2024 Waterfront Bonds, ANIZDA hereby appoints: (i) PFM Financial Advisors LLC, as financial advisor, (ii) Pierson Ferdinand LLP, as bond counsel, and (iii) KeyBanc Capital Markets Inc. as Placement Agent. Additional appointments for professional services in connection with the financing of the 2024 Waterfront Project may be made by any Authorized Officer.

Section 19. Further Action. Each Authorized Officer, individually or collectively, is authorized to give such approvals and take such action on behalf of ANIZDA as may be necessary or appropriate to complete the 2024 Waterfront Project, to issue the 2024 Waterfront Bonds or to further the intent and purpose of this Resolution. The Secretary and 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 appropriate in order to further the intent and purpose of this Resolution.

Section 20. 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.

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 Resolution R-2024-318 of the Board of Directors of ANIZDA passed at a duly convened meeting of said Board on the 5th day of June, 2024. Authority members present and voting were as follows:

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

IN WITNESS WHEREOF, I hereunto set my hand and seal on this 5th day of June, 2024.

Secretary