

NYC Neighborhood Capital Corporation  
Minutes of the Meeting of the Investment Committee  
June 5, 2025

A meeting of the Investment Committee (the “Investment Committee”) of NYC Neighborhood Capital Corporation (“NYCNCC” or the “Corporation”) was held on June 5, 2025 at 1:00 pm at the New York City Economic Development Corporation (“NYCEDC”), 1 Liberty Plaza, New York, NY 10006 and via teleconference.

The following Investment Committee members were present in person or on the teleconference line:

- Melissa Pumphrey, Senior Vice President, NYCEDC
- Melanie McMann, Senior Vice President, NYCEDC
- Sean Freas, Vice President, NYCEDC

Also present in person or on the teleconference line were the following members of New York City Economic Development Corporation and other organizations:

- Emily Marcus Falda, Senior Vice President, NYCEDC
- Noah Schumer, Vice President, NYCEDC
- Mike Parella, Assistant Vice President, NYCEDC
- Weston Rich, Assistant Vice President, NYCEDC
- Sophie King, Senior Associate, NYCEDC
- Leyla Arcasoy, Associate, NYCEDC
- Ashley Dills, Senior Vice President, United Fund Advisors

Mr. Schumer convened the meeting of the Investment Committee of NYCNCC at 1:02 pm, at which time a quorum was present.

1. Approval of Previous Meeting Minutes

Mr. Schumer brought up the first item for consideration, which was approval of the minutes of the Investment Committee meeting held on March 7, 2025. Mr. Schumer asked for a motion to approve the minutes of the March 7, 2025 meeting. The motion was made, seconded, and unanimously approved with no abstentions or recusals.

2. Presentation of Apollo Theater Foundation, Inc.

Mr. Schumer brought up the next item, which was the presentation of the proposed Apollo Theater Foundation, Inc. project. Ms. King spoke about the organization, the project, the project’s community impact and support, the project financing, operating pro-forma and company financial statements, and the NMTC structure.

Ms. McMann asked for clarity regarding how the expected City Capital from the Department of Cultural Affairs (“DCLA”) would flow into the project. Ms. King stated that the money will be a subset of the \$20.7 million that has been firmly committed and will be disbursed on a reimbursement basis following the completion of construction. She highlighted that due to this the bridge loans are a critical component of the overall project structure.

Ms. McMann asked if either NYCNCC or NYCEDC staff reached out to DCLA to confirm which organization will manage those funds. Ms. Dills explained that the Cultural Capital Grant agreement from the Department of Cultural Affairs implies that they will be the proprietary manager of those funds. Ms. Dills also stated that the Apollo Theater worked extensively with DCLA to ensure that those funds would flow as part of the structure. She stated that the capital agreement has not yet been executed because

they expected to award all the grant money in the next fiscal year following the completion of construction.

Ms. Pumphrey asked if there has been any precedent on twin tax credit structures and if there are any relevant lessons learned that could be applied to this project. Ms. Dills stated that while the twin transaction structure has made this project challenging, it is not novel or uncommon. She stated that NYCNCC has at least two twin tax credit projects in its portfolio, and that the primary differentiator is that this project is an operating theater, which has introduced many unique and complicated moving parts to the underwriting process. She also stated that a challenging component of this project is that many of the permanent sources of capital are provided during the construction period. Ms. Dills also lauded Ms. King for her work on this project.

Mr. Schumer added that twin tax credit structures are not uncommon to the market. Ms. Dills stated that NYCNCC's fellow CDE in this project is an arm of the National Historic Preservation and is also the Historic Tax Credit Investor. She stated that NYCNCC staff have been able to leverage the National Historic Preservation's expertise through their role in the project and their extensive experience rehabilitating theaters.

Ms. Pumphrey commented on the projected contributions for the project given that historically, they have been variable. Ms. Pumphrey asked how liquid the Apollo's investments are and what their plan is should they not meet projected contribution goals for a given year. Ms. King responded that the Apollo's liquidity is approximately \$11 million, most of which will be invested in the project. Ms. King added that the Apollo has recently hired a Chief Development Officer and has created a robust fundraising strategy with a consultant. Ms. Pumphrey asked for more clarity on their investment strategy, to which Ms. King stated that those investments were made because of the large one-time gifts received in prior years, which Ms. Dills corroborated.

There being no other questions or comments, the Investment Committee recommended the project seek approval at the June 6<sup>th</sup> Governing Board meeting.

### 3. Adjournment

There being no further business, the meeting was adjourned at 1:27 pm.