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FOR IMMEDIATE RELEASE

LACKAWANNA BREAKS GROUND ON NEW CITY HALL PROJECT

Multi-phased, multi-year project includes new City Hall construction and planned demolition of obsolete 1960's era building known for distinct design and color scheme

Lackawanna, New York (October 30, 2024) – Today, the city of Lackawanna held a ceremonial groundbreaking to commemorate the start of its long-anticipated new City Hall project, which will begin on November 1st and consist of several phases:

- Construction - New City Hall – at 2838 South Park Avenue, the site of a former Knights of Columbus Hall purchased by Lackawanna in 2018. The old hall will be adaptively incorporated into construction of a new 20,000 square foot facility that will house city administration, city clerk and city council staff and functions.
- Demolition - City Hall Extension – at 714 Ridge Road. The functionally obsolete and deteriorating extension, built in front of the original Lackawanna City Hall in the late 1960's, is often called the 'orange crate on stilts' due to its pillar-style design and color scheme.
- Restoration of Façade / Entryway - Original City Hall – this building, which opened in 1909 when the city of Lackawanna was incorporated by action of the New York State Legislature, will continue as a municipal building housing the Lackawanna Police Department and City Court.

Completion of the new City Hall, inclusive of staff relocation, is expected to take about 18 months. The demolition and restoration phases of the project will be scheduled once staff relocations are completed and all required environmental and other approvals are received.

“Upon completion of all three phases, our new City Hall project will represent a total investment of approximately \$18.5 million dollars – the largest city-led development project in Lackawanna’s 115 year history,” said Mayor Annette Iafallo. The City Hall extension is now beyond repair, unsafe and an eyesore. Lackawanna’s residents and businesses deserve better and with City Council support, we’re undertaking this transformational project to create a modern, functional and safe City Hall our community can be proud of for decades to come, while restoring a cornerstone of our city’s rich history.”

In September of this year, the city of Lackawanna bid out through a competitive sale, \$9.1 million of Bond Anticipation Notes (BAN); which carry a less than one year maturity. This transaction represents the city’s first phase of construction funding for the new City Hall, which has a projected aggregate cost of approximately \$15.250 million. As construction progresses, Lackawanna plans to borrow an additional note, with the expectation of permanent financing with bonds once construction is completed.

The aggregate cost of the demolition and restoration phases is currently estimated at approximately \$3.25 million. Financing for this stage will coincide with construction completion.

Masterson Advisors, LLC (Municipal Advisor) and Hodgson Russ, LLC (Bond Counsel) are guiding Lackawanna through the bond financing process. Moody's Ratings (Moody's) assigned a Municipal Investment Grade (MIG) rating of "MIG 1" to Lackawanna's \$9.1 million BAN and affirmed the city's "A1" long-term rating; which Lackawanna has maintained since being upgraded by Moody's from A2 in 2022.

Various contractors have been hired for the construction phase of the new City Hall project based on competitive bid submissions: CPL Engineers (Project Coordinator), Resetarits General Construction (General Contractor), John W. Danforth (Plumbing / HVAC) and CIR Electric Construction Corporation (Electrical).

Renderings of the new Lackawanna City Hall exterior and lobby accompany this release.