

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM
10 EAST CHURCH STREET; BETHLEHEM, PA 18018**

WEDNESDAY, MARCH 13, 2024 - 5:00 PM

TOWN HALL

SPECIAL MEETING – AGENDA

- A. CALL TO ORDER

- B. CONDUIT FINANCING – MORAVIAN UNIVERSITY (2024)
 - 1. Presentation
 - 2. Discussion
 - 3. Resolution Number 1512

- C. ADJOURNMENT

RESOLUTION NUMBER 1512

REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM

A RESOLUTION OF THE BOARD OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM, APPROVING, PURSUANT TO THE URBAN REDEVELOPMENT LAW OF THE COMMONWEALTH OF PENNSYLVANIA, THE FINANCING BY THIS AUTHORITY OF A PROJECT FOR THE BENEFIT OF MORAVIAN UNIVERSITY, AN INSTITUTION SERVING THE PUBLIC AND A CORPORATION NOT FOR PROFIT; AUTHORIZING THE ISSUANCE OF REVENUE BONDS TO ASSIST IN THE FINANCING OF THE PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY OF THE REVENUE BONDS, A LOAN AGREEMENT, A TRUST INDENTURE, A BOND PURCHASE AGREEMENT AND SUCH OTHER DOCUMENTS, INSTRUMENTS, AGREEMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE PROJECT; AND AUTHORIZING OTHER NECESSARY AND APPROPRIATE ACTION.

ADOPTED: _____

WHEREAS, the Redevelopment Authority of the City of Bethlehem (the "Authority") has been incorporated under and is governed by the Urban Redevelopment Law, Act of 1945, Act of May 24, 1945, P.L. 991, as amended and supplemented (the "Act"), of the Commonwealth of Pennsylvania; and

WHEREAS, the Authority, by virtue of the Act, has power and authority, to finance or refinance certain projects and to incur debt and issue bonds, notes or other evidences of indebtedness in order to provide funds for and to fulfill and achieve its authorized public function and purposes; and

WHEREAS, the Authority, pursuant to the request of Moravian University, a corporation not-for-profit organized and existing under the laws of the Commonwealth of Pennsylvania ("Moravian University" or the "University"), in accordance with its powers, has determined to undertake certain projects (collectively, the "Project") that consist of, among other things, any or all of the following: (1) financing the design, construction, renovation, expansion, equipping and furnishing of improvements and additions to the existing facilities of the University, including, but not limited to, renovations, additions and improvements to The Hauptert Union Building; (2) financing site and infrastructure improvements and various other capital improvements to the University's existing facilities and the acquisition of capital equipment (including but not limited to technology) for use in or in connection with the facilities of the University; (3) funding, if applicable, a debt service reserve fund or funds for the Bonds; (4) refunding any other outstanding debt of the University, if advantageous to the University; and (5) financing contingencies and paying the costs and expenses incident to the issuance of the Bonds, including bond insurance or other credit enhancement, if advantageous to the University; and

WHEREAS, to assist in the financing of the Project, the Authority is willing to issue one or more series of its tax-exempt and/or taxable University Revenue Bonds or Notes (Moravian University Project) (collectively, the "Bonds"); and

WHEREAS, the principal of and interest on the Bonds shall be the special limited obligation of the Authority, payable only out of the payments to be made by Moravian University to the Authority pursuant to one or more loan agreements (collectively, the "Loan Agreement"), to be entered into between the Authority and Moravian University, all as shall be more specifically provided therein; and

WHEREAS, Moravian University's obligations under the Loan Agreement will be secured by one or more notes (collectively, the "Master Note") issued by Moravian University under the Master Trust Indenture, dated as of October 1, 2001 (the "Master Trust Indenture"), by and between the University and The Bank of New York Mellon Trust Company, N.A., as successor master trustee (the "Master Trustee"), as previously supplemented and as further supplemented by one or more Supplemental Indentures providing for the issuance of the Master Note (collectively, the "Supplemental Indenture") by and between the University and the Master Trustee; and

WHEREAS, the Authority will assign all of its right, title and interest in and to the Loan Agreement and the Master Note (except for certain of the Authority's rights to indemnification and the payment of its costs, fees and expenses) to the Bond Trustee pursuant to one or more Assignments of Loan Agreement and Master Note (collectively, the "Assignment"); and

WHEREAS, the Authority has determined that it shall provide financing for the Project by issuing the Bonds in an aggregate principal amount not to exceed \$45,000,000, net of original issue discount or premium, under the terms of one or more trust indentures (collectively, the "Trust Indenture"), between the bond trustee named therein (the "Bond Trustee") and the Authority; and

WHEREAS, to effect the financing of the Project by the issuance of the Bonds, the Authority must take, authorize and direct certain actions, and must authorize the execution and delivery of the Bonds, the Loan Agreement, the Trust Indenture and the documents, instruments, agreements and certificates to be executed and delivered by the Authority in connection therewith; and

WHEREAS, the Authority desires to authorize and approve such action as shall be necessary and appropriate in connection with the issuance of the Bonds and the financing of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Authority (the "Board"), as follows:

1. The Board hereby approves the issuance of the Bonds to assist in the financing of the Project. The proper officers of the Authority, in consultation with the Solicitor to the Authority, are hereby authorized to (i) approve the terms and conditions of such Bonds, including, without limitation, the denominations thereof, interest rates, interest payment dates, maturity dates and redemption provisions thereof as specified in the Bond Purchase Agreement (as hereinafter defined) to be entered into by and among the Authority, Moravian University and the Underwriter (as hereinafter defined); and (ii) execute and deliver such Bonds; the execution and delivery of the Bonds to constitute conclusive proof of such approval.

2. The Board approves, ratifies and confirms all action heretofore taken in the name and on behalf of the Authority in connection with the financing of the Project and the undertakings herein contemplated by the Chairman, Vice Chairman, Secretary, the Authority's Solicitor and/or Executive Director or other officers of the Authority and authorizes and directs any of such officers, after consultation with the Authority's Solicitor, to do any and all acts and things and to execute and deliver any and all documents, instruments, agreements, certificates, letters and the like necessary, proper or desirable to effect the issuance of the Bonds and to assist in the financing of the Project on substantially the terms and conditions set forth herein.

Neither the general credit of the Authority nor the general credit or taxing power of City of Bethlehem (the "City") or the Commonwealth of Pennsylvania (the "Commonwealth") or any political subdivision thereof is pledged for the payment of the Bonds. The Bonds will not be obligations of the City or of the Commonwealth or any political subdivision thereof. The Authority has no taxing power.

The Bonds, when and if issued, shall bear the actual or facsimile signature of the Chairman or Vice Chairman of the Authority, and shall bear the actual or facsimile corporate seal of the Authority, attested by the actual or facsimile signature of the Secretary or Assistant Secretary or Executive Director or Solicitor of the Authority.

Notwithstanding any other provision of this Resolution, the Bonds, when and if issued, shall not be deemed an obligation of the City or of the Commonwealth or of any political subdivision thereof, and shall be payable solely from amounts paid by Moravian University under the provisions of the Loan Agreement and the Master Note. No recourse shall be had for the payment of principal, or redemption price of, or interest on the Bonds, or for any other claim based on the Bonds or any other document, instrument or agreement delivered in connection with the issuance of the Bonds, against the Authority or any successor body, against any officer, board member or employee of the Authority, past, present or future, or against any other monies, accounts, rights or other assets that the Authority may possess.

3. In order to effect the issuance of the Bonds, the financing of the Project as contemplated by this Resolution, the Chairman, Secretary or Executive Director or Solicitor or other proper officers of the Authority are authorized, empowered and directed to negotiate the terms of, to approve the form of and to execute, acknowledge, attest and deliver (i) the Loan Agreement by and between the Authority and Moravian University, in such form and containing such terms and conditions as shall be acceptable to the Authority and Moravian University (containing such indemnification provisions, covenants, representations, warranties and other terms and conditions as shall be acceptable to the Authority in consultation with the Solicitor to the Authority); (ii) the Assignment; (iii) the Trust Indenture; (iv) the Bonds; (v) the Bond Purchase Agreement; and (vi) such other documents, instruments, agreements and certificates as may be necessary, proper or desirable, in their discretion or in the opinion of the Authority's Solicitor or Bond Counsel, to accomplish the financing of the Project, including any documents, instruments, agreements and certificates as may be necessary, in the opinion of Bond Counsel, to comply with the requirements of applicable law, including, without limitation, the Act, Section 103 and Sections 141 through 150 of the United States Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, each of which shall be subject to review and approval (as to both form and substance) by the Authority's Solicitor; the execution and delivery of all such documents, instruments, agreements and certificates to constitute conclusive evidence of such approval (all of the above described documents, agreements, instruments and certificates to be executed by the Authority being hereinafter referred to collectively as the "Authority Documents"). The Board hereby expresses its intent that the Authority's proper officers, subject to review and approval by the Authority's Solicitor, shall have full power and authority in their sole discretion, to effect the issuance of the Bonds and the financing of the Project in accordance with the terms and provisions of this Resolution and the Authority Documents.

4. The Authority hereby approves the underwriter or underwriters, bank or banks, or other financial institutions named in the Bond Purchase Agreement in connection with the structuring of the financing for the Project and the issuance, offer and sale of the Bonds (collectively, the "Underwriter"). Proper officers of the Authority, in the name and on behalf of the Authority, are authorized, empowered and directed to execute and deliver to the Underwriter one or more bond purchase agreements and/or commitment letter of letters (collectively, the "Bond Purchase Agreement") providing for the sale and purchase of the Bonds, subject to the following conditions: (i) the Bond Purchase Agreement has been approved as to form and substance by Moravian University, Bond Counsel and the Solicitor to the Authority; (ii) such Bond Purchase Agreement has been previously executed and accepted in the name and on behalf of the Underwriter; (iii) the terms and conditions of the Bonds set forth in such Bond Purchase Agreement are satisfactory to the proper officers of the Authority executing such Bond Purchase Agreement; and (iv) the Authority shall have received such other assurances, approvals or certificates, or taken such other action, as such officers of the Authority, and the Solicitor to the Authority, shall have determined to be necessary, proper or desirable. The execution by such officers of the Bond Purchase Agreement in a form approved by the Solicitor to the Authority shall evidence conclusively the Authority's approval of the terms and conditions of the Bond Purchase Agreement and the Bonds described therein.

5. The Authority hereby authorizes the preparation of one or more Preliminary Official Statements and one or more Official Statements in connection with the offer and sale of the Bonds. The Chairman or Vice Chairman and Secretary or Assistant Secretary or Executive Director or Solicitor, as appropriate, of the Authority are hereby authorized and empowered, in the name and on behalf of the Authority, to deliver the definitive Official Statements in connection with the issuance of the Bonds, when such Official Statements are acceptable to such officers of the Authority and Solicitor to the Authority and containing such additional or different information relating to the Authority as such officers, in their sole discretion, with the consent and approval of the Solicitor of the Authority may deem necessary or appropriate, their execution and delivery thereof to constitute conclusive evidence of their approval of such Official Statements as they relate to the Authority. The Chairman or Vice Chairman and Secretary or Assistant Secretary or Executive Director or Solicitor, as appropriate, are authorized to designate each Official Statement as a "final official statement" for purposes of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934.

6. The Authority hereby approves the selection by the University of Stevens & Lee, P.C., as Bond Counsel, in connection with the issuance of the Bonds as provided in this Resolution.

7. THE LIABILITY OF THE AUTHORITY UNDER ANY AND ALL OF THE DOCUMENTS, INSTRUMENTS, CERTIFICATES AND AGREEMENTS EXECUTED IN CONNECTION WITH THE ISSUANCE OF THE BONDS SHALL NOT CONSTITUTE ITS GENERAL OBLIGATION AND NO RECOURSE SHALL BE HAD AGAINST THE AUTHORITY ON THE BONDS, EXCEPT FOR THE PAYMENTS TO BE MADE TO THE AUTHORITY BY MORAVIAN UNIVERSITY UNDER THE LOAN AGREEMENT AND MASTER NOTE WHICH PAYMENTS WILL BE ASSIGNED BY THE AUTHORITY TO THE BOND TRUSTEE WITHOUT RECOURSE TO THE AUTHORITY. IT IS EXPRESSLY UNDERSTOOD THAT THE AUTHORITY SHALL NOT OTHERWISE BE OBLIGATED AND THAT NONE OF ITS MEMBERS, OFFICERS OR EMPLOYEES PAST, PRESENT OR FUTURE SHALL BE OBLIGATED IN ANY WAY FOR ANY COSTS, EXPENSES, FEES, OR OTHER OBLIGATIONS OR LIABILITIES INCURRED OR IMPOSED IN CONNECTION WITH THE BONDS, WHETHER INCURRED PRIOR TO, ON, OR AFTER THE DATE OF ISSUANCE, AND THAT NO RECOURSE SHALL BE HAD AGAINST THE AUTHORITY AND ITS MEMBERS, OFFICERS OR EMPLOYEES. IN ADDITION, THE BONDS WILL NOT BE OBLIGATIONS OF THE CITY OR OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF.

8. The Authority hereby designates any officer of the Authority, any member of the Board or the Authority's Solicitor or Executive Director, to conduct a public hearing, as required by Section 147(f) of the Code, at which time the Authority will provide a reasonable opportunity for interested individuals to express their views with respect to the proposed Project.

9. It is hereby found and determined that all requirements of Section 147(f) of the Code relative to public approval in connection with the issuance of the Bonds have been or will be complied with.

10. This Resolution shall become effective immediately.

11. In the event any provision, section, sentence, clause or part of this Resolution shall be held invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the Board that such remainder shall be and shall remain in full force and effect. All previous resolutions of the Board are hereby repealed to the extent that they are inconsistent with provisions hereof.

12. The matters authorized and approved in the foregoing paragraphs of this Resolution are conditioned upon satisfaction of the following: (i) payment of the Authority's administrative fees, including, but not limited to, its issuance and application fees; (ii) payment of the Authority's expenses, including, but not limited to, the Authority's Solicitor's fee and all other expenses; and (iii) the approval of the Project by the "applicable elected representative" after public hearing in accordance with Section 147(f) of the Code.

DULY ADOPTED, this _____ day of _____, 2024, by the Board of the Redevelopment Authority of the City of Bethlehem, in lawful session duly assembled.

ATTEST:

REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM

Secretary

By: _____
Chairman

(SEAL)