

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM
AUGUST 16, 2018**

A-205 – Public Safety Building
Bethlehem City Hall
10 East Church Street
Bethlehem, PA 18018

MINUTES

The Board of the Redevelopment Authority of the City of Bethlehem met for a regular meeting on Thursday, August 16, 2018 at 3:00 P.M. in Room A-205, located in the Public Safety Building at Bethlehem City Hall, 10 East Church Street, Bethlehem, PA. The place, the hour and the date duly noted for the holding of this meeting was publicized.

Vice-Chairman Ronald Heckman called the meeting to order and the following members were present:

Earl Bethel
Christopher Spadoni

The Vice-Chairman called a quorum present.

Also present were: Tony Hanna, Executive Director
 Michael E. Riskin, Esq., Solicitor
 Heather M. Bambu-Weiss, Board Secretary

RDA Board Members Dennis Cunerd and Jason Henninger contacted the RDA office prior to the meeting and indicated that they were unable to attend.

APPROVAL OF MINUTES

Mr. Spadoni made a motion to approve the minutes of the July 19, 2018 regular meeting of the Redevelopment Authority. The minutes were mailed earlier to each member of the Board. As there were no errors or changes reported, Mr. Bethel seconded the motion. The motion carried unanimously and the minutes of the July 19, 2018 regular meeting of the Redevelopment Authority were approved.

APPROVAL OF CASH REPORTS

Mr. Spadoni made a motion to approve the cash reports for the month ended May 31, 2018 and June 30, 2018. The cash reports were emailed earlier to each member of the Board. As there were no errors or changes to these reports, Mr. Bethel seconded the motion. The motion carried unanimously and the cash reports for the month ended May 31, 2018 and June 30, 2018 were approved.

COURTESY OF THE FLOOR

Since no guests were present at the meeting, Mr. Heckman moved onto the next agenda item at this time.

EXECUTIVE DIRECTOR REPORT

Mr. Heckman turned the meeting over to Mr. Hanna for his Executive Director Report. Mr. Hanna did not have a written report for the RDA Board but present a verbal report as highlighted below.

- 1) **Bethlehem Armory** - Mr. Hanna stated that the sale of the Bethlehem Armory to Peron Armory, LP will be taking place in the near future. He explained some of the discussions which have occurred between the RDA Solicitor and Peron.
- 2) **Five 10 Flats** - Mr. Hanna indicated that the Five 10 Flats is open and noted that some of the apartments are already occupied. He added that Starbucks is opened and this development is now on the Northampton County tax records. He also noted that he anticipates the RDA to receive some additional TIF revenues due to the addition of this development since it is located within the designated TIF District.
- 3) **Bethlehem Sands** - Mr. Hanna stated that the Sands Casino buyers are supposed to be visiting Bethlehem prior to the end of August. He noted that he hopes to meet these new owner during their visit but added that based upon all he has been told the new owners appear to want to be aggressive with development plans at the site.

RESOLUTION NUMBER 1453

Mr. Heckman stated that the RDA Board has been asked to review and consider for approval Resolution Number 1453, which authorizes the RDA to enter into an agreement with the City of Bethlehem to receive \$10,000 of Community Development Block Grant (CDBG) funding from the 2018 allocation.

Mr. Spadoni presented the following resolution and moved for its adoption by the Board.

WHEREAS, the City of Bethlehem is undertaking and carrying out a Community Development Program utilizing funds made available by the Federal Government under the provisions of Title I of the Housing and Community Development Act of 1974, as amended;

WHEREAS, the City has designated the Department of Community and Economic Development to undertake planning, execution, and administration of eligible activities in conjunction with Community Development Program; and

WHEREAS, the city, acting though the Direct of Department of Community and Economic Development, has previously authorized the Redevelopment authority of the City of Bethlehem to act as its agent within certain redevelopment; housing and Community Development Block Grant eligible programs as requested by the Department of Community and Economic Development; and

WHEREAS, the City will provide reimbursements to the Authority pertaining to various administrative costs generally described as Redevelopment Authority Administration and Delivery costs, acquisition and demolition costs, property maintenance costs, and costs associated with Section 108 / TIF.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Authority of the City of Bethlehem hereby approves the attached Agreement with the City of Bethlehem which provides funds up to \$10,000 for various administrative costs generally described as Redevelopment Authority Administration and delivery costs, acquisition and demolition costs, property maintenance costs and costs associated with Section 108 / TIF and which the Chairperson, or Vice-Chairperson, shall be authorized to sign said Agreement, same to be attested to by the Secretary.

(Resolution Number 1453)

Mr. Bethel seconded the motion. The motion was unanimously approved. Resolution Number 1453 was unanimously adopted by the RDA.

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RESOLUTION NUMBER 1454

Mr. Heckman stated that the RDA Board has been asked to review and consider for approval Resolution Number 1454, which revises the payment schedule to Greenway Commons as detailed in previously approved RDA Resolution Number 1444.

Mr. Hanna explained that last year a payment plan was created, as part of Resolution Number 1444, to reimburse Greenway Commons for site clean-up using TIF funds. Mr. Hanna further explained that based upon this original payment schedule, the RDA was supposed to pay \$350,000 this year toward this obligation; however, due to the less than expected collection of TIF revenues this year he was able to renegotiate this payment. As a result, Greenway Commons will receive \$250,000 during 2018 and 2019 rather than the original \$350,000 and \$150,000 amounts indicated in the originally approved Resolution Number 1444.

Following this presentation and explanation, Mr. Bethel presented the following resolution and moved for its adoption by the Board.

WHEREAS, the Greenway Commons project is a mixed-use Redevelopment project located in the Bethlehem Works Redevelopment Area, consisting of 95 apartments and 15,000 square feet of street level retail, on former Bethlehem Steel properties; and

WHEREAS, Greenway Commons is a key Redevelopment project for the City of Bethlehem and the Redevelopment Authority of the City of Bethlehem that puts a vacant, underutilized parcel back to more use and is consistent with the plan to repurpose former Bethlehem Steel properties; and

WHEREAS, Resolution Number 1444 was passed at a duly called, advertised, and lawful meeting of the Redevelopment Authority of the City of Bethlehem on September 21, 2017; and

WHEREAS, the total cost of Greenway Commons Phase I is \$22,000,000 and the developer is seeking \$800,000 in TIF funding for eligible site development and site remediation expenses; and

WHEREAS, the payment schedule for the annual installments for the funding for the work is proposed to be modified as noted below.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Authority of the City of Bethlehem, having approved the expenditure of \$800,000 in TIF funding for eligible site development and site remediation expenses, and having made a payment of \$300,000 in September 2017, will make 2 additional installments of \$250,000 in August 2018 and \$250,000 in July of 2019.

(Resolution Number 1454)

Mr. Spadoni seconded the motion. The motion was unanimously approved. Resolution Number 1454 was unanimously adopted by the RDA.

RESOLUTION NUMBER 1455

Mr. Heckman stated that the RDA has been asked to review and consider for approval Resolution Number 1455, which approves an Agreement of Understanding, Interpretation and Amendment between the RDA and Peron Armory, LP as it pertains to the Bethlehem Armory sale.

Mr. Hanna and Mr. Riskin explained that if the major change from the Agreement of Sale is separate certification of completions will be provided for this project as work is completed. It was noted that a certification of completion will now be issued after the Armory work is completed and another will be issued after the remaining work at the site is completed, rather than having to complete the entire project for a certification of completion to be issued. Mr. Hanna added that the former Armory drill hall will become an art studio with the artist residing there as well as having his working studio located there. He noted that this use should alleviate the parking and other concerns neighbors expressed about the development of this site.

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Following this presentation and discussion, Mr. Bethel presented the following resolution and moved for its adoption by the Board.

WHEREAS, Peron Armory, LP, a Pennsylvania limited partnership (the “Purchaser”), and the Redevelopment Authority of the City of Bethlehem, a public body corporate (the “Seller”) entered into an Agreement of Sale, dated August 23, 2016, and

WHEREAS, the Seller agreed to sell and the Purchaser agreed to purchase certain real property at 301 Prospect Avenue, Bethlehem, Lehigh County, Pennsylvania as more particularly described in the agreement, and

WHEREAS, the Seller’s agreement was amended and approved by the Redevelopment Authority of the City of Bethlehem, on several occasions, as more specifically noted in the amended agreement, and

WHEREAS, an Agreement of Understanding, Interpretation, and Amendment (the “Agreement of Understanding”) has been prepared to further clarify the terms and conditions of the sale, and is attached.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Authority of the City of Bethlehem approves the Agreement of Understanding as presented. This resolution is subject to execution of the Agreement of Understanding by Peron Armory, LP, and delivery of this Agreement of Understanding to the Redevelopment Authority of the City of Bethlehem, within two (2) weeks of this date.

(Resolution Number 1455)

Mr. Spadoni seconded the motion. The motion was unanimously approved. Resolution Number 1455 was unanimously adopted by the RDA.

PARKING LEASE AGREEMENT

Mr. Heckman stated that the RDA has been asked to review and consider for approval a Parking Lease Agreement between the RDA, Bethlehem Parking Authority, and City of Bethlehem. This agreement allows temporary parking on RDA land parcels during the Celtic Classic Highland Games and Festival on September 28 through 30, 2018. He added that if acceptable, the RDA Board is being asked to approve this agreement via motion.

Mr. Hanna explained that the Redevelopment Authority owns swatches of land in the Historic Industrial Quarters in Downtown Bethlehem. He added that this agreement will allow the Bethlehem Parking Authority to use these land parcels, as well as parcels owned by the City of Bethlehem, to provide temporary parking during the Celtic Classic Highland Games and Festival in September 2018.

Mr. Bethel made a motion to approve the Parking Lease Agreement between the RDA, Bethlehem Parking Authority, and City of Bethlehem so that temporary parking can be provided on RDA land parcels during the Celtic Classic Highland Games and Festival on September 28 through 30, 2018. Mr. Spadoni seconded the motion. The motion was unanimously approved. As a result, the Parking Lease Agreement between the RDA, Bethlehem Parking Authority, and City of Bethlehem was approved to allow temporary parking be provided during the Celtic Classic Highland Games and Festival on September 28 through 30, 2018.

APPROVAL OF INVOICES – AUGUST 2018

Mr. Heckman stated that the RDA has been asked to review and consider for approval the invoices / reimbursements as outlined on the August 2018 invoice summary.

Mr. Spadoni made a motion to approve the invoices as outlined on the August 2018 invoice summary. Mr. Bethel seconded the motion. The motion was unanimously approved and the following payments were approved:

- 1) \$251,756.25 represents costs associated with On-Going and Maintenance Costs and payment of such costs to be made from the Authority Fund account.
- 2) \$4,820.00 represents reimbursement to the RDA from the Authority Fund account for various costs related to the Bethlehem Works / TIF District.

OTHER BUSINESS / DISCUSSION

RDA LAND PARCELS – HOTEL BETHLEHEM AND OTHERS - Mr. Heckman asked Mr. Hanna how involved he anticipates the RDA being with the Hotel Bethlehem expansion project. Mr. Hanna explained that he is waiting for survey results regarding the amount of land the RDA owns in the area behind the Hotel Bethlehem, which may be involved in this expansion project. He added that he anticipates being as involved as necessary to sell this land to the Hotel Bethlehem for their expansion project, but noted that the land will be appraised to determine its fair market value prior to making any sale arrangements. Mr. Spadoni requested that Mr. Hanna be cognoscente of any land the RDA may own in this area, including any root cellars, pottery or artifacts which may be located on such parcels.

Mr. Spadoni asked Mr. Hanna if an inventory list was available detailing those land parcels the RDA owns throughout the City of Bethlehem. Mr. Hanna stated that yes, such an inventory listing does exist and explained that this list is how the parcels the RDA owns within the Historic Industrial Quarters, and elsewhere, have been discovered. He indicated he would obtain a copy of this listing for the Board.

ADJOURNMENT

As there was no further business, Mr. Spadoni a motion to adjourn the meeting of the RDA. Mr. Bethel seconded the motion. The motion was unanimously approved and the meeting of the Bethlehem RDA was adjourned at 4:05 P.M.

Submitted by,

Heather M. Bambu-Weiss
Board Secretary