

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM
OCTOBER 5, 2017**

A-109 – DCED Conference Room
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 rescheduled, regular meeting on Thursday, October 5, 2017 at 3:00 P.M. in Room A-109, the DCED Conference Room, 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.

Chairman Jason Henninger called the meeting to order and the following members were present:

Earl Bethel
Ronald Heckman
Christopher Spadoni, Esq.

The 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 Member Dennis Cunerd contacted the RDA office prior to the meeting and indicated that he had a conflict and was unable to attend.

APPROVAL OF MINUTES

Mr. Heckman made a motion to approve the minutes of the July 20, 2017 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 20, 2017 regular meeting of the Redevelopment Authority were approved.

APPROVAL OF CASH REPORTS

Mr. Bethel made a motion to approve the cash reports for the months ended March 31, 2017; April 30, 2017; May 31, 2017; June 30, 2017; and July 31, 2017. The cash reports were mailed earlier to each member of the Board. As there were not errors or changes reports, Mr. Heckman seconded the motion. The motion carried unanimously and the cash reports for the months ended March 31, 2017; April 30, 2017; May 31, 2017; June 30, 2017; and July 31, 2017 were approved.

COURTESY OF THE FLOOR

Since no guests were present at this meeting, Mr. Henninger indicated the courtesy of the floor portion of the meeting was completed.

EXECUTIVE DIRECTOR REPORT

Mr. Henninger 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 updated the Board as follows:

1. **Greenway Commons – TIF Funding Request** - Mr. Hanna indicated that the RDA has been asked for TIF finances as part of the Greenway Commons project site remediation. He explained that the site of the Commons a lot of remediation was required and some of this work led to discoveries of additional work need, such removal of old underground tank and such. He added that this is the first time a taxable property has requested TIF assistance and noted that the total project cost is estimated to be over \$20-million. Mr. Hanna stated that Greenway Commons has invested a lot into the property site so it will be ready for the development, which will occur in 3 phases. Mr. Hanna also stated that a total of \$800,000 is being requested from the RDA with payments taking place over the next three years.
2. **234 East Morton Street** - Mr. Hanna stated 234 East Morton Street has been a problematic property for several years but added that there is a developer who is interested in purchasing this property from the RDA at this time. He explained that the developer, Ethos Lehigh Portfolio I, LLC has done student housing projects in the vicinity of Lehigh University, and even on Morton Street, and wants to develop this property as well. Mr. Hanna explained that the selling price of \$25,000 will recover the acquisition cost as well as the additional costs the RDA has paid concerning this property.
3. **BEDCO Southside Ambassador Program** – Mr. Hanna reminded the Board of the RDA participation in helping to fund the Ambassador Program in South Bethlehem. He noted that the RDA contribution toward this program has led to the Ambassadors involvement with the maintenance of the Hoover-Mason Trestle and other TIF project sites. He added that the RDA has been asked to extend this relationship for another three (3) years since the current agreement is set to expire in 2017.

REAFFIRM APPROVAL OF INVOICES – AUGUST 2017

Mr. Henninger stated that the RDA has been asked to reaffirm its email vote for approval of the invoices / reimbursements as outlined on the August 2017 invoice summary. He noted that these invoices were originally approved via email voting due to the August 2017 RDA meeting being canceled.

Mr. Bethel made a motion to reaffirm the approval of the invoices as outlined on the August 2017 invoice summary. Mr. Heckman seconded the motion. The motion was unanimously approved and the following payments were authorized to occur:

- 1) \$18,174.38 represents costs associated with On-Going and Maintenance Costs and payment of such costs to be made from the 2016 financing funds.
- 2) \$2,533.69 represents reimbursement to the RDA from the TIF Administrative Expense Fund account for administrative costs associated with the overall Bethlehem Works / TIF District project.
- 3) \$5,774.55 represents reimbursement to the RDA from the Authority Fund account for various costs associated with Phase III projects within the designated Bethlehem Works / TIF District project.
- 4) \$2,375.34 represents reimbursement to the RDA from the Authority Fund account for various costs associated with TIF Expansion of the designated Bethlehem Works / TIF District.
- 5) \$4,156.84 represents reimbursement to the RDA from the Authority Fund account for various costs associated with Other Projects within the designated Bethlehem Works / TIF District.
- 6) \$2,473.70 represents reimbursement to the RDA from the Authority Fund account for various costs associated with the overall Bethlehem Works / TIF District.

REAFFIRM APPROVAL OF INVOICES – SEPTEMBER 2017

Mr. Henninger stated that the RDA has been asked to reaffirm its email vote for approval of the invoices / reimbursements as outlined on the September 2017 invoice summary. He noted that these invoices were originally approved via email voting due to the September 2017 RDA meeting being canceled.

Mr. Bethel made a motion to reaffirm the approval of the invoices as outlined on the September 2017 invoice summary. Mr. Heckman seconded the motion. The motion was unanimously approved and the following payments were authorized to occur:

- 1) \$6,890.00 represents costs associated with On-Going and Maintenance Costs and payment of such costs to be made from the 2016 financing funds.
- 2) \$2,987.25 represents reimbursement to the RDA from the TIF Administrative Expense Fund account for administrative costs associated with the overall Bethlehem Works / TIF District project.
- 3) \$1,615.55 represents reimbursement to the RDA from the Authority Fund account for various costs associated with TIF Expansion of the designated Bethlehem Works / TIF District.
- 4) \$5,761.12 represents reimbursement to the RDA from the Authority Fund account for various costs associated with Other Projects within the designated Bethlehem Works / TIF District.
- 5) \$3,159.00 represents reimbursement to the RDA from the Authority Fund account for various costs associated with the overall Bethlehem Works / TIF District.

TIF FUNDING – GREENWAY COMMONS – RESOLUTION NUMBER 1444

Mr. Henninger stated that the RDA has been asked to review and consider for approval Resolution Number 1444 which provides TIF funding to Greenway Commons for eligible site development and site remediation expenses.

Mr. Bethel, then, presented the following resolution to the Board 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, Greenway Commons is located in the 500 block of East Third Street and Side Bethlehem Fowler Center and before that for Bethlehem Steel. Prior to that it contained a mix of former residences, stores and manufacturing buildings that were subsequently demolished for parking, and;

WHEREAS, a thorough and detailed environmental and geotechnical analysis of the property reveals unsuitable sub-structures, demolition debris, and the presence of residual contamination from former uses, and;

WHEREAS, the developer of Greenway Commons has encountered significant sub-surface challenges in redeveloping the property including 3 large underground storage tanks which are required to be demolished and removed, as well as the relocation of 2 significant gas transmission lines, and;

WHEREAS, the total cost of Greenway Commons Phase 1 is \$22,000,000 and the developer is seeking \$800,000 of TIF funding for eligible site development and site remediation expenses, and;

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WHEREAS, upon completion, Greenway Commons Phase 1 will generate approximately \$225,000 in Real Estate Taxes.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Authority of the City of Bethlehem approves the expenditure of \$800,000 in TIF funding for eligible site development and site remediation expenses, and that payment for the work will be made in 3 annual installments of \$300,000 in September 2017, \$250,000 in July of 2018 and \$150,000 in July of 2019.

(Resolution Number 1444)

Mr. Heckman seconded the motion. Resolution Number 1444 was unanimously adopted by the RDA Board.

PROPERTY SALE – 234 EAST MORTON STREET – RESOLUTION NUMBER 1445

Mr. Henninger stated that the RDA has been asked to review and consider for approval Resolution Number 1445 which authorizes the RDA sale of 234 East Morton Street to Ethos Lehigh Portfolio I, LLC.

Mr. Heckman, then, presented the following resolution to the Board and moved for its adoption by the Board.

WHEREAS, the Redevelopment Authority of the City of Bethlehem (RDA) acquired the Blighted Property at 234 East Morton Street, Bethlehem, Northampton County, Pennsylvania by Eminent Domain; and

WHEREAS, Ethos Lehigh Portfolio I, LLC, a Pennsylvania Limited Liability Corporation, indicated that it wishes to redevelop the property at 234 East Morton Street into a residential unit for student housing; and

WHEREAS, the RDA has received an offer from Ethos Lehigh Portfolio I, LLC to purchase the property for Twenty-Five Thousand and 00/100 Dollars (\$25,000.00); and

WHEREAS, the RDA Solicitor has prepared an Agreement of Sale and Deed for the property that meet the conditions of City Ordinances and State Law regarding blight elimination.

NOW, THEREFORE, BE IT RESOLVED THAT:

- A. The form and content of the Agreement of Sale is satisfactory and hereby approved.
- B. Disposition of the land through negotiations is the appropriate method of making the land available for redevelopment.
- C. Ethos Lehigh Portfolio I, LLC possesses the qualification and financial resources to acquire the land and rehabilitate a residential dwelling on the site.
- D. The current value of the property is Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) as determined by appraisal and negotiations.

BE IT FURTHER RESOLVED, that the appropriate officers of the Redevelopment Authority of the City of Bethlehem are authorized to execute the Agreement of Sale, the Deed and any and all documentation and take any and all action which may be required, to transfer the property in accordance with the Agreement of Sale.

(Resolution Number 1445)

Mr. Bethel seconded the motion. Resolution Number 1445 was unanimously adopted by the RDA Board.

SOPUTHSIDE AMBASSADOR PROGRAM – AMENDMENT TO CONTRACT

Mr. Henninger stated that the RDA Board has been asked to review and consider for approval an amendment to its contract with BEDCO and the Southside Ambassador Program. If acceptable to the Board, approval of this amendment should be made via motion.

Mr. Heckman made a motion to accept the amendment to the contract between the RDA and BEDCO for its continued support of the Southside Ambassador Program as it pertains to the designated Bethlehem Works / TIF District and the projects within the TIF District. Mr. Bethel seconded the motion. The motion was unanimously approved. As a result, the RDA has approved its amendment to the contract with BEDCO for extending its support of the Southside Ambassador Program as it pertains to the designated Bethlehem Works / TIF District and the projects within the TIF District.

ADJOURNMENT

As there was no further business, Mr. Bethel made a motion to adjourn the meeting of the RDA. Mr. Heckman seconded the motion. The motion was unanimously approved and the meeting of the Bethlehem RDA was adjourned at 3:30 P.M.

Submitted by,

Heather M. Bambu Weiss
Board Secretary