

**RESOLUTION OF BETHLEHEM REVITALIZATION
AND IMPROVEMENT AUTHORITY**

March 15, 2018

APPROVING THE AWARD OF A GRANT OF A PORTION OF CERTAIN OF THE TAX INCREMENT FOR ELIGIBLE TAXES UNDER THE CRIZ ACT, SUBJECT TO FULFILLMENT OF CERTAIN CONDITIONS; AUTHORIZING APPROPRIATE OFFICERS OF THE AUTHORITY TO EXECUTE GRANT AWARD DOCUMENTS AND CERTIFICATES, INCLUDING A GRANT AGREEMENT, AND TO TAKE OTHER APPROPRIATE ACTION; AFFIRMING PRIOR ACTIONS OF THE OFFICERS OF THE AUTHORITY; REPEALING INCONSISTENT RESOLUTIONS; AND SETTING FORTH THE EFFECTIVE DATE OF THE RESOLUTION.

WHEREAS, the Bethlehem Revitalization and Improvement Authority is a public instrumentality of the Commonwealth of Pennsylvania and a public body corporate and politic organized and existing under the Municipality Authorities Act 53 Pa. C.S. Ch. 56, as amended (the “**Act**”), for the purposes of stimulating economic development and job creation within the City of Bethlehem, Northampton County, Pennsylvania (the “**City**”); and

WHEREAS, the Authority received approval from the Department of Community and Economic Development (“**DCED**”) to establish a City Revitalization and Improvement Zone (the “**CRIZ**”) within the City in accordance with the City Revitalization and Improvement Zone Program established under Act 52 of 2013, being the Act of July 9, 2013, P.L. 270, as amended (the “**CRIZ Act**”); and

WHEREAS, Christmas City Hotel, LLC (“**Project Applicant**”) is a Pennsylvania limited liability company; and

WHEREAS, Project Applicant has requested the assistance of the Authority in connection with a project requiring approximately 1.1 CRIZ acres (the “**Project**”) consisting of the construction of an approximately 75,000 – 100,000 square foot addition to the Hotel Bethlehem located at 437 Main Street, Bethlehem, Pennsylvania and known as tax parcel number P6NW2C 7 4 0204 (the “**Project Location**”), which addition shall include a conference center, seventy-three (73) additional hotel rooms and an expanded parking garage containing approximately three hundred sixty (360) additional parking spaces (the “**Garage**”); and

WHEREAS, Project Applicant has represented that the construction and development of the Project will provide substantial employment opportunities for citizens of the City; and

WHEREAS, after inquiry and based upon representations of Project Applicant, the Authority has determined that the Project will serve the public purposes of the CRIZ Act by

providing substantial employment opportunities for citizens of the City and assisting in the creation and preservation of employment; and

WHEREAS, the Project Applicant has requested that the Authority include the Project Applicant within the CRIZ and award to Project Applicant a grant of a portion of the payments made by the Treasurer of the Commonwealth of Pennsylvania to the Authority which are specifically allocable to the Project and the Project Location in order to provide funds to finance the Project.

NOW, THEREFORE, BE IT RESOLVED that Project Applicant and all contractors and subcontractors that will be engaged to complete the Project are hereby approved as “qualified businesses” for the purposes of, and as defined in, the CRIZ Act; and

FURTHER RESOLVED that, subject to the fulfillment by the Project Applicant of the Conditions Precedent (as defined below), the Authority hereby (a) authorizes the Executive Director of the Authority to notify DCED to include the Project Location into the CRIZ; and (b) grants and awards to Project Applicant from eighty percent (80%) up to ninety-five percent (95%) (such final percentage to be determined by the Chairman of the Authority as set forth below) (the “**Increment Percentage**”) of the payments made by the Treasurer of the Commonwealth of Pennsylvania to the Authority which are specifically allocable to the Project and the Project Location pursuant to the terms and provisions of the Grant Agreement (hereinafter defined), to the extent the Grant Agreement contains provisions setting forth that (1) such payments are attributable solely to “Eligible Taxes,” as defined in the CRIZ Act, paid in connection with the Project or the conduct of business at the Project Location (the “**Grant**”); (2) consistent with the requirements of the CRIZ Act, the Grant for any given year does not exceed the payments of principal and interest made in such year on any debt, the proceeds of which were applied to the Project; and (3) the amount of the Grant applied to the Project shall be matched by private money at a ratio of five Grant dollars to one private dollar (it being understood that the Grant shall terminate upon the final maturity of the debt incurred by Project Applicant); and

FURTHER RESOLVED that prior to applying to DCED for the inclusion of the Project Location into the CRIZ and the awarding of the Increment Percentage to the Project Applicant, the Authority shall have received proof, satisfactory to the Chairman of the Authority, of fulfillment of the following conditions (the “**Conditions Precedent**”):

1. Project Applicant shall have received land development approval for the Project from the City, which approval shall be for a project substantially similar to the project described in the Project Applicant’s application to the City originally dated November 30, 2016 and updated November 16, 2017;
2. Project Applicant shall have entered into a binding written agreement with the City confirming that, upon final completion of the Project, including its private Garage, that the Project Applicant shall provide a minimum of fifty (50) undesignated parking spaces in the Garage to the general public for at least 300 days per year. The posted parking rates will be at or above the prevailing market rates for garage parking within the City and be applicable to all Garage patrons.;

3. Project Applicant's new business entity shall have agreed to provide funds which, together with other available public and private funds, shall be sufficient to commence and complete the Project; and

FURTHER RESOLVED that the Authority and the Project Applicant shall enter into a binding written agreement memorializing Project Applicant's agreement with these resolutions, including the above Conditions Precedent, within thirty (30) days of the date hereof or these resolutions shall be rescinded automatically without further action of the Board of the Authority and shall be null and void; and

FURTHER RESOLVED if the Authority shall not have received evidence of fulfillment of the Conditions Precedent by the date that is the two (2) year anniversary of the date hereof, the Executive Director of the Authority shall not notify DCED to include the Project Location into the CRIZ, and the Authority will not award the Grant, as aforesaid, and these resolutions shall be rescinded automatically without further action of the Board of the Authority and be null and void, unless otherwise reinstated, extended or modified by the Board of the Authority; and

FURTHER RESOLVED the Chairman, Vice Chairman, Secretary, Assistant Secretary or any other officer of this Authority (the "**Authorized Officers**") are hereby authorized, empowered and directed to execute, attest, acknowledge and deliver, as applicable, any documents necessary to effectuate the transactions contemplated in this resolution, including a Grant Agreement (the "**Grant Agreement**") between the Authority and Project Applicant setting forth the finalized Increment Percentage as may be acceptable to such Authorized Officers, subject to the threshold percentage set forth above, all substantially in form of such instruments as may be acceptable to counsel to this Authority and the Authorized Officers, with such terms and conditions therein or modifications thereto as such Authorized Officers of this Authority may approve, their execution and delivery thereof to constitute conclusive evidence of such approval; and

FURTHER RESOLVED that the Authorized Officers of this Authority are authorized and directed to proceed promptly with the undertakings herein contemplated. Any of such officers are authorized, empowered and directed to do any and all acts and things and to execute and deliver any and all documents, instruments or certificates that may be necessary, proper or limited to the execution and delivery of such documents, instruments, certificates, agreements, financing statements, letters, etc., as may reasonably be requested and as may be approved by counsel to this Authority. The execution and delivery by such Authorized Officers of the Authority of any and all such documents, instruments or certificates that may be necessary, proper or desirable to effect the transactions contemplated by this Resolution shall constitute conclusive evidence of approval of any such documents, instruments or certificates, as applicable, by the Authority; and

FURTHER RESOLVED that this Authority approves, ratifies and confirms all action heretofore taken by its officers and other persons in the name of an on behalf of this Authority in connection with the undertakings herein contemplated.

This Resolution shall become effective immediately.

In the event any provisions, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section,

sentence, clause or part of this Resolution, it being the intent of this Authority that such remainder shall be and remain in full force and effect.

All resolutions or part of resolutions adopted inconsistent herewith are expressly repealed.

The undersigned, Secretary of the Bethlehem Revitalization and Improvement Authority, hereby certifies the foregoing resolutions were duly adopted by the Authority at its regular meeting of the Authority duly held on March 15, 2018, and that such resolutions have not been rescinded or amended and remain in full force and effect.

WITNESS the signature of the undersigned and the seal of the Authority this 15th day of March, 2018.

BETHLEHEM REVITALIZATION AND
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By: _____
Secretary