

MINUTES FROM THE BETHLEHEM REVITALIZATION AND IMPROVEMENT AUTHORITY (BRIA)

April 4, 2019
3:30 p.m.

1.0 Call to Order

A meeting of the **Bethlehem Revitalization and Improvement Authority (BRIA)** was held at 3:30 p.m. on Thursday, April 4, 2019 at Town Hall located at 10 East Church Street, Bethlehem, Pennsylvania.

Ms. McHale called the meeting to order.

2.0 Roll was taken as follows:

Authority: Mr. Jobes – absent
Ms. McHale
Ms. Taggart – absent
Mr. Filipos
Mr. Kelly
Mr. Andres

Solicitor: Edward Andres

Staff in attendance: Alicia Miller Karner
Denise Rider
Christopher Jones

3.0 Reorganization

3.1 Appointment of Chairperson

Mr. Andres requested a motion to appoint a Chairperson. A motion was made by Ms. McHale to appoint Mr. Kelly as Chairperson. The motion was seconded by Mr. Filipos. Being no further nominations, Mr. Kelly accepted the appointment of Chairperson.

3.2 Appointment of Vice Chairperson

Mr. Kelley requested a motion to appoint a Vice Chairperson. A motion was made by Mr. Filipos to appoint Ms. McHale. The motion was seconded by Mr. Kelly. Being no further nominations, Ms. McHale accepted the appointment of Vice Chairperson.

3.3 Appointment of Secretary

Mr. Kelly requested a motion to appoint a Secretary. A motion was made by Ms. McHale to appoint Ms. Taggart. The motion was seconded by Mr.

Filipos. Being no further nominations, Ms. Taggart was appointed as Secretary.

3.4 Appointment of Treasurer

Mr. Kelly requested a motion to appoint a Treasurer. A motion was made by Ms. McHale to appoint Mr. Filipos. The motion was seconded by Mr. Kelly. Being no further nomination, Mr. Filipos was appointed as Treasurer.

3.5 Appointment of Assistant Secretaries

Ms. Karner indicated that we typically appoint everyone that is not the Chairperson or Vice Chairperson to Assistant Secretary for signing purposes for loan documents. It was then noted by Mr. Andres that the Vice Chairperson can be nominated as an Assistant Secretary. This is in the event that the Chairperson signs a document and the Secretary is unavailable at the time. A motion was made by Ms. McHale to nominate Mr. Filipos. The motion was seconded by Mr. Kelly. Being no further nominations, Mr. Filipos accepted his nomination as Assistant Secretary. A motion was made by Mr. Filipos to nominate Ms. McHale and Mr. Jobes as Assistant Secretaries. Ms. McHale accepted her nomination as Assistant Secretary. Mr. Jobes was not present.

3.6 Appointment of Solicitor

Mr. Kelly requested a motion to appoint a Solicitor. A motion was made by Mr. Filipos to appoint Mr. Andres. The motion was seconded by Ms. McHale. Being no further nomination, Mr. Andres was appointed as Solicitor.

3.7 Appointment of Executive Director

Mr. Kelly requested a motion to appoint and Executive Director. A motion was made by Ms. McHale to appoint Mr. Karner. The motion was seconded by Mr. Filipos. Being no further nomination, Ms. Karner was appointed as Executive Director.

3.7 Appointment of Financial Assistant

Mr. Kelly requested a motion to appoint a Financial Assistant. Ms. Karner noted that this is a new position that was appointed to Christopher Jones last year. A motion was made by Mr. Filipos to appoint Mr. Jones. The motion was seconded by Mr. Kelly. Being no further nomination, Mr. Jones was appointed as Financial Assistant.

4.0 Public Comment on Current Agenda

None

5.0 Approval of Minutes dated December 20, 2018

There are no additions or corrections. A motion to approve the minutes was made by Ms. McHale and seconded by Mr. Filipos; the minutes were then approved as presented.

6.0 Treasurer's Report

Mr. Filipos asked that Mr. Jones assist with the report. Mr. Jones indicated that two bills have been paid since the beginning of the year. Those bills are to the auditors, Baker Tilly for \$2400 and a legal advertisement for \$114. He stated that there has been no income.

7.0 Old Business

7.1 Bethworks Greenway A LP project update

Seth Tipton from Florio Perrucci Steinhardt & Cappelli LLC addressed the Authority. Mr. Tipton represents Bethworks Greenway A LP and Shelby Brothers 2 LLC. Mr. Tipton advised the Authority that they secured a tenant for the 3,900 square foot space in the 510 Flats Building. They will be using about \$600,000 from the existing BRIA loan that they have to fit out the space for the new tenant. He indicated that the use will be a high end restaurant and a wine and bottle shop. Boyle Construction will be used to complete the fit-out. They project approximately \$120,000 per year in annual CRIZ revenue once the project is completed. Mr. Kelly asked how the two current tenants at 510 Flats are doing (Starbucks and El Jefes Taqueria). Mr. Tipton turned the floor over to Mr. Rob de Beer of Peron Development. Mr. de Beer indicated that things have been going very well. El Jefes Taqueria has exceeded the expectations of the space, their sales are strong and he believes both tenants will surpass initial projections for CRIZ increment. Social Still is still doing well. The new space will be next to El Jefes. Food and entertainment is expected to be at the corner area of the building and will share outdoor space with Social Still. Depending on the size of the corner tenant, there may or may not be another tenant in the building. If there is another tenant it would most likely be some sort of professional service. Mr. de Beer also indicated that the apartments (non-CRIZ related) are at 80% occupancy. Ms. McHale asked if any of the tenants have issues with parking. Mr. de Beer stated that tenants have their own dedicated parking and retail parking is a concern that they are monitoring. Mr. de Beer mentioned there is a parking lot across the street and Ms. Karner also noted that there is a parking garage proposed for across the street. Ms. Karner stated that the \$600,000 being used from the existing BRIA loan is not an action that the Authority needs to vote on. When Bethworks Greenway A LP came before the Authority for the loan it was requested that they provide an update when taking a significant withdraw.

8.0 New Business

8.1 Distribution of 2017 unallocated increment funding

Ms. Karner directed the Authority to a memo dated March 29, 2019 regarding the 2017 increment. She noted that in November 2018 BRIA received \$603,681 of increment based on projects within the CRIZ. Ms. Karner also indicated that there is a 5% limitation on administrative support which equates to \$30,184. In addition, \$436,830 was transferred to projects within the CRIZ. The remaining funds are \$136,667. She stated that BRIA is required to return any unused funds to the Commonwealth prior to April 1, 2019. At this point the Authority needs to act on the disbursement of the remainder of the funds. Ms. Karner is proposing three projects to expend the funds. The first proposal is for audit and compliance costs estimated at \$20,000. The second proposal is \$10,000 of additional debt services for two active projects in which we have grant agreements. The third proposal is payment to Wallace, Roberts and Todd (WRT) for a contract for New Street Improvements in the amount of \$106,667. Ms. Karner expanded on the WRT project and noted that the City of Bethlehem received significant funding to re-vision a portion of South New Street from Farrington Square to the Fahey Bridge. There was a limitation of funds associated with planning and engineering professional services and about \$1,000,000 was received for construction activities. Ms. Karner provided the Authority with a copy of a Request for Proposal from WRT showing the South New Street streetscape enhancement concept design dated February 22, 2019. The City of Bethlehem is the lead entity of the project and Lehigh University has provided funding. The Parking Authority also provided funding and the 3rd and New Street project continues to provide funding directly through CRIZ or through private contribution to help with the costs of the South New Street streetscaping reimaging. She noted that there were two public meetings on the project. Ms. Karner expressed the uniqueness of the South New Street corridor and that it is an important connector between Lehigh University and the Fahey Bridge. She also mentioned that it could use greater pedestrian amenities and use. There is evaluation of a bus stop in the RFP but no guarantee whether it will come to fruition due to congestion in the area. After there is an agreement on what the sidewalks, lighting and amenities will look like, the City will begin Phase 1 of the project. She noted that if BRIA can provide \$106,667 toward the total WRT contract of \$248,000 then more money can go to construction activities. Since the money was generated in this area, she believes that this would be the best place to return the funds. Ms. Karner asked if there were any questions. Ms. McHale asked if Ms. Karner has been in contact with LANTA with regards to the bus shelter. Ms. Karner stated that there was communication with LANTA and there was vision to potentially do this with caution of congestion issues. LANTA and Lehigh University have showed interest. Mr. Kelly asked if there are any further questions

Mr. Filipos asked if the project is just for New Street. Ms. Karner indicated that at this time it is due to the cost of implementing such projects. Mr. Filipos then asked about changes at Farrington Square. Ms. Karner noted that it would be up to Lehigh University to determine if they want to make changes. Mr. Kelly expressed his excitement in being able to use CRIZ increment money to help the City and is looking forward to help the City move along. He believes funding this is a good idea. Ms. Karner indicated that this is the first year that the Authority did not have debt to pay. Mr. Kelly requested a motion to accept the disbursement of \$106,667 provided by Ms. Karner. A motion was made by Ms. McHale and seconded by Mr. Filipos. Being no other comments or concerns, the disbursement of \$106,667 was approved as presented by Ms. Karner.

9.0 Solicitor's Report
None

10.0 Executive Director's Report

10.1 2018 Audit

Ms. Karner stated that BRIA has an obligation to provide the audit to the Commonwealth by April 1, 2019 and also place it on the CRIZ website which has been done. Ms. Karner then asked Mr. Jones to provide additional details on the 2018 audit. Mr. Jones went over the opinion which is clean and the most important portion of the audit. He indicated that there was only cash and the fund balance on the balance sheet. Mr. Jones also stated that of the \$170,000 that BRIA had at the end of 2018, \$136,667 is mandated by the state that we use and the approx. \$34,000 is residual from the last two years from different fees that were collected for closing costs and other items along that line. Mr. Jones then went over the operating statement for the year and the foot notes. Mr. Jones then referenced the standard management letter from Baker Tilly which he reviewed in detail and everything looks fine.

Ms. Karner noted that the state approved the transfer of property to the Wilbur Mansion project. An application was submitted in February to have the project approved but she has not heard back from the state. She expects to hear back from them soon.

11.0 Next Meeting Date – April 18, 2019

12.0 Adjournment

There being no further business to come before the Board, a motion was made by Ms. McHale and seconded by Mr. Filipos to adjourn the meeting. The motion was unanimously approved at 3:57 PM.

Signed by: 

Print Name: ANNE McHALE

Print Title: Vice Chairperson /
Assistant Secretary