

CITY OF BETHLEHEM

Department of Community and Economic Development Interoffice Memorandum

Date: May 21, 2025
To: Michael G. Colon, President of City Council
From: Sean Ziller, Deputy Director of Economic Development
Re: RACP Council Resolutions

The Redevelopment Assistance Capital Program (RACP) is a Commonwealth of Pennsylvania grant program for construction projects exceeding \$1 million in cost. To the benefit of the residents of the City of Bethlehem, many projects have received RACP grants through the years. Previous projects include the ArtsQuest Center, Historic Bethlehem Museums & Sites, the City's parking facilities, Majestic Realty, and the Farr Building. Active RACP projects in the City include the Goodman Building, National Museum of Industrial History's 2nd Floor expansion, and the LVH- Muhlenberg ICU. The City typically acts as the pass-through entity of these funds and the projects are carefully monitored by the Commonwealth of Pennsylvania.

Attached is a resolution for consideration. The resolution is related to the redevelopment of the "Martin Tower Project", located at the 1100 block of 8th Avenue. Previously, in 2009, Council had approved a resolution for this grant award, however, additionally funded has since been received. The proposed resolution includes this additional funding, encompassing a total \$9.075 million RACP award. In October 2024, Lot 1 was transferred from the original Tenant-In-Common owners to MT-LVHN 60 LLC and Lot 2 was transferred from the original Tenant-In-Common owners to MT-LVHN 40 LLC. Regarding the project, construction on the site continues and subsequent inspection and occupancy is anticipated in Q3 2025. An updated resolution is a requirement of the program and the draft has been reviewed by Commonwealth staff for appropriateness.

I respectfully request that this item be placed on an upcoming Council agenda for consideration. In the meantime, I am available for any questions regarding this project.

RESOLUTION NO. 2025- __

WHEREAS, the City of Bethlehem at the request of MT-LVHN 40 LLC and MT-LVHN 60 LLC is desirous of obtaining funds from the Redevelopment Assistance Capital Grant Program of the Commonwealth of Pennsylvania in the amount of \$9,075,000, appropriated under Capital Budget Project Itemization Act of 2008-041, for the purpose of assisting MT-LVHN 40 LLC and MT-LVHN 60 LLC with the Martin Tower project in the City of Bethlehem, Lehigh County, Pennsylvania; and

WHEREAS, the City of Bethlehem considers that this project will assist in reducing unemployment and provide economic benefits to the City of Bethlehem, Northampton County and the Lehigh Valley region;

BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and Controller, of said municipality, be authorized and directed to execute all application forms necessary to apply for the \$9,075,000 grant which will be passed through the City of Bethlehem to MT-LVHN 40 LLC and MT-LVHN 60 LLC for the purpose of their project;

AND BE IT FURTHER RESOLVED, that the Mayor and City Controller be authorized to enter into a Cooperation Agreement with MT-LVHN 40 LLC and MT-LVHN 60 LLC for the project administration of said project;

AND BE IT FURTHER RESOLVED, that the City of Bethlehem has been assured by MT-LVHN 40 LLC and MT-LVHN 60 LLC that the entities will assume the full local share of the project costs, which will be in excess of the \$9,075,000 grant, and also assume responsibility for the project's ongoing operating and maintenance costs;

AND BE IT FURTHER RESOLVED, that the City Clerk of the City of Bethlehem is directed to execute a certificate attesting to the adoption of this Resolution and to furnish a copy of the Resolution to the Commonwealth of Pennsylvania.

Sponsored by _____

ADOPTED by Council this day of , 2025.

President of Council

ATTEST:

City Clerk