



# CITY OF BETHLEHEM

## OFFICE OF THE CITY SOLICITOR

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### INTEROFFICE MEMORANDUM

To: Tad J. Miller, City Clerk

From: John F. Spirk, Jr., Esq., City Solicitor

Re: Lease Agreements

Bethlehem Tempo, LLC

Purpose: Use of Leased Premises (1) as an area for serving food and beverages, including alcoholic beverages, to patrons of a hotel located immediately adjacent to the Leased Premises; and (2) as a driveway area for pickup/drop-off of guests of the same hotel.

Date: January 14, 2026

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Attached is a proposed Resolution and associated Lease Agreements for Council's consideration.

Please place this matter on City Council's agenda for review and appropriate action.

John F. Spirk, Jr.  
John F. Spirk, Jr., Esq., Solicitor

Cc: J. William Reynolds, Mayor  
Laura Collins, Director of Community & Economic Development  
Michael Alkhali, Director of Public Works

RESOLUTION NO. 2026-\_\_\_\_\_

Authorization For Lease Agreement for Public Property

BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and the Controller and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute (1) a Lease Agreement with Bethlehem Tempo, LLC, and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, for the use of the Leased Premises as an area for serving food and beverages, including alcoholic beverages, to patrons of a hotel which is located immediately adjacent to the Leased Premises, according to the terms and conditions indicated therein and made a part hereof; and (2) a Lease Agreement with Bethlehem Tempo, LLC and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, for the use of the Leased Premises as a driveway area for pickup/drop-off of guests of the same hotel which is located immediately adjacent to the Leased Premises, according to the terms and conditions implicated therein and made a part hereof.

Sponsored by \_\_\_\_\_

\_\_\_\_\_

ADOPTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
City Clerk

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between BETHLEHEM TEMPO, LLC, a Pennsylvania limited liability company, with its principal place of business located at 1853 William Penn Way, Lancaster, Lancaster County, Pennsylvania 17601 (hereinafter referred to as the "Lessee");

-AND-

The CITY OF BETHLEHEM, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its offices and principal place of business situate at 10 East Church Street, Bethlehem, Northampton County, Pennsylvania, 18018 (hereinafter referred to as the "City").

1. Leased Premises. The City herein agrees to rent, lease, and demise to Lessee that portion of the City-owned real estate which, in its entirety, consists of a former railroad right of way, known as Northampton County Tax Parcel Number P6SE1A 9 1 0204E, said rented, leased, and demised portion of which is identified in Exhibit "A" attached hereto (the "Leased Premises").
2. Purpose. Lessee shall control, possess, and use the Leased Premises solely as an area for serving food and beverages, including alcoholic beverages, to patrons of a hotel located on properties identified as Tax Map Parcel Identification Nos. P6SE1A 10 1 0204E, P6SE1A 10 2 0204E, P6SE1A 10 3 0204E, P6SE1A 10 4 0204E, and P6SE1A 10 5 0204 (collectively, the "Benefited Property"), which is immediately adjacent to the Leased Premises and is owned by Lessee.
3. Term. The term of this Agreement shall be fifty (50) years, beginning on the effective date of this Agreement, which shall be the date of signing by the City, unless the Agreement is approved by City Council after signing by the City, in which case the Agreement shall become effective when approved by City Council (the "Effective Date").
4. Extension and Termination. This Agreement shall automatically be extended for five (5) ten (10) year terms unless Lessee terminates it at the end of the then current term by giving written notice of the intent to terminate to the City at least ninety (90) days prior to the end of the then current term. The initial term and all extensions shall be collectively referred to herein as the "Term".
5. Rent. Lessee agrees to pay to the City for the use of the Leased Premises rent in accordance with the following schedule:
  - (a) Years 1 to 25: Lessee shall make a one-time payment of \$100,000.00 within thirty (30) days of the Effective Date.
  - (b) Years 26 to 50: \$4,000.00, annually.
  - (c) Years 51 to 60: \$5,000.00, annually, if Term extended.
  - (d) Years 61 to 70: \$6,000.00, annually, if Term extended.

- (e) Years 71 to 80: \$7,000.00, annually, if Term extended.
- (f) Years 81 to 90: \$8,000.00, annually, if Term extended.
- (g) Years 91 to 100: \$9,000.00, annually, if Term extended.
- (h) Rent paid pursuant to paragraphs 5(b) through 5(g) of this Agreement shall be payable on the first day of each year to the City, or on such other due date as the City may direct in establishing a regular payment schedule, delivered at 10 E. Church Street, Bethlehem, Pennsylvania, 18018 or, at the City's request, by electronic payment.
- (i) A \$100.00 penalty shall be paid by Lessee with every rent payment that is received by the City more than ten (10) days after the due date.

6. Taxes. In addition to the payment of rent as provided above, Lessee shall pay any real estate taxes, assessments, or charges owed on the Leased Premises, including on any improvements thereon.

7. Security Deposit. On or before the Commencement Date, Lessee shall furnish the City with a security deposit in the amount of \$4,000.00. At the termination of this Agreement, the security deposit shall be applied to satisfy arrearages and damages for which Lessee is liable under the Agreement based on accounting by the City to be issued to Lessee by the City within thirty (30) days of Lessee's completion of removal of its equipment and business property and deck as per paragraph 19 from the Leased Premises. Net proceeds of the security deposit not withheld to satisfy the City's claims shall be returned to Lessee with the issuance of the accounting. Without prejudice to the City's rights, the security deposit may not be used or applied by Lessee as a means to avoid or satisfy rent.

8. No Alterations Without Prior Written Approval of the City. No alteration, addition, or improvement to the Leased Premises shall be made by Lessee without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In the event Lessee makes any capital improvement to the Leased Premises with the approval of the City, the cost of such improvements shall be the sole expense of Lessee.

9. Utilities. Lessee shall pay the cost of any utilities serving the Leased Premises, including, without limitation, electricity, heat, water and sewer service, air conditioning, television cable, telephone and internet service.

10. Trash. Lessee shall be responsible for and pay for the cost of trash receptacles and trash removal for and from the Leased Premises.

11. Parking. Parking of any kind of motor vehicle and/or trailers of any type on the Leased Premises is specifically prohibited.

12. Admission, food, beverage, concessionaire, and/or vendor charges. Lessee may charge potential or actual patrons of the Leased Premises as authorized by this Agreement. All charges and payments shall be retained by the Lessee.

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13. Security. Lessee shall provide security at Lessee's discretion for persons and property on or within the Leased Premises at Lessee's sole cost.
14. Portable toilets; plumbing fixtures. Lessee shall not place or allow the use of any portable toilets, sinks, or plumbing fixtures on or within the Leased Premises.
15. Cleaning. At Lessee's sole cost, Lessee shall ensure that all areas of the Leased Premises shall be kept in a clean and sanitary condition at all times.
16. Repairs and maintenance. Lessee shall ensure that all areas of and improvements made or found on or within the Leased Premises shall be kept in good repair and maintained at all times, at Lessee's sole cost, ordinary wear and tear, casualty (unless such casualty is caused by the intentional or negligent conduct of Lessee) and condemnation excepted. Lessee shall be responsible for such actions and costs regardless of cause during the Term of this Agreement, unless directly caused by the willful misconduct or gross negligence of the City. Either party to this Agreement shall have the right to video and/or photograph the Leased Premises prior and subsequent to, or during, the Term of this Agreement to document the conditions of the Leased Premises.
17. Itemized Written Statement of Damages and Cost of Repair. If Lessee fails to make any required repairs to or to perform any required maintenance or cleaning of the Leased Premises and, subject to Section 34 below, the City thereafter makes such repairs and/or performs such maintenance or cleaning on Lessee's behalf, Lessee shall pay the amount due within thirty (30) days of being invoiced in writing by the City for any itemized damages which have occurred to the Leased Premises and the cost of repairing, maintaining, or cleaning thereof. It is expressly agreed that Lessee shall be responsible for all damage except that directly caused by the gross negligence or willful misconduct of the City. If Lessee objects to the damage itemization, it shall so notify the City in writing within ten (10) days of receipt thereof. If Lessee fails to object within the stated period, it shall thereafter be deemed to have consented to the damage itemization and to have waived any objection thereto. If payment from Lessee is not received by the City within 30 days or by the specified due date, interest charges will accrue at an interest rate of 6% per annum.
18. Mobile Vendors. Lessee shall not allow any mobile or moving vendors or vendors of any kind at any locations on or within the Leased Premises unless approved by the City. Should Lessee propose to allow vendor(s) to operate on or within the Leased Premises, Lessee shall provide the City with a list of all such proposed vendors at least thirty (30) days prior to the placement of any equipment or property of the vendor on or within the Leased Premises. The list of vendors shall include the following information: Business Name/Vendor Name; Vendor Contact Person; Mailing Address; Telephone Number(s); E-mail Address; Website (if available); Current City of Bethlehem Business Privilege License Number; Description of what the vendor will be vending (i.e., retail, food, sampling, displaying information, etc.). The City shall retain the right to bar any vendor from the Leased Premises in the event the City determines such vendor is violating any law or City ordinance.
19. Restoration. At the termination of this Agreement, Lessee shall return the Leased Premises to the City in the same condition it was in at the Commencement Date, or better, reasonable wear and tear, casualty (unless such casualty is caused by the intentional or negligent conduct of Lessee) and condemnation excepted. In case of default by Lessee of this paragraph, Lessee agrees to pay to the City all actual and reasonable costs incurred by the City to return the Leased Premises to the condition required by this Section 19. The City shall invoice Lessee for such costs and Lessee shall pay the

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invoice of City within thirty (30) days of invoicing. If payment is not received within thirty (30) days, interest charges will accrue at an interest rate of 6% per annum or any portion of a year thereof, and the City shall have the right to recover all reasonable and actual attorney's fees and court costs incurred by the City necessary or incidental to recover those amounts attributable to Lessee's default.

20. Lessee in Exclusive Possession of Leased Premises. Except as otherwise provided in this Agreement, and subject to all applicable laws, Lessee shall be, and shall be deemed to be, in exclusive possession and control of the Leased Premises.

21. Obligation to comply with all laws, ordinances, rules, and regulations. Lessee shall comply with all laws and ordinances of every authority having jurisdiction over the Leased Premises. The City shall have the authority to enforce the ordinances of the City and laws of the Commonwealth of Pennsylvania on the Leased Premises during the Term of this Agreement. In addition to any powers, duties, or rights of inspection granted under any statute, ordinance, or any other law, the City, as lessor of the Leased Premises under this Agreement, shall have the right, upon at least 24 hours' notice to Lessee and during normal business hours, to enter upon and inspect the Leased Premises to ensure compliance with the terms of this Agreement. Where an emergency requires that the City enter upon the Leased Premises, no such notice is required.

22. Liquor License Use and Renewal.

- (a) Use: A liquor license (the "Liquor License") has been or will be transferred to Lessee in accordance with the Pennsylvania Liquor Code to serve liquor on and within the Leased Premises. Liquor may be served on the Leased Premises only in accordance with, and subject to limitations of, the Liquor License, the Pennsylvania Liquor Code, Pennsylvania Liquor Control Board regulations and further limiting terms of this Agreement. Lessee warrants full awareness of statutory and regulatory constraints on marketing and sale of liquor under the Liquor License.
- (b) Renewal: All costs of renewing and maintaining the Liquor License, including the expense of response and defense of regulatory notices and proceedings, shall be the sole responsibility of Lessee during the Term of this Agreement.

23. Liquor Liability Insurance. To the extent Lessee plans to serve liquor or allow the consumption of liquor on or within the Leased Premises, Lessee shall furnish a certificate of insurance to the Bureau of Law of the City of Bethlehem evidencing the existence of such in force coverage required by this paragraph at the time of Lessee's signing and delivery of this Agreement to the City for counter-signature, along with a copy of its Liquor License issued by the Pennsylvania Liquor Control Board. In addition, the certificate must evidence the existence of an in force Liquor Liability Insurance policy issued by a carrier authorized and licensed to do business in the Commonwealth of Pennsylvania on forms acceptable to the City which policy shall remain in effect throughout the Term of this Agreement. Such Liquor Liability Insurance shall be in an amount of not less than \$1,000,000 and shall name the "City of Bethlehem, its officers and employees" as additional insureds. A certificate naming the City as "certificate holder" only is non-compliant. The certificate must state that such insurance policy shall not be cancelled or any change made without thirty (30) days prior written notice to the City. Lessee shall provide updated certificates of insurance as the City Solicitor may direct to confirm such coverage is ongoing in the manner required by this Agreement.

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24. Licensing and Inspections. Lessee shall, at its sole cost and expense, procure and maintain all state and local governmental inspections, licenses, permits and employee certifications required for the sale or service of liquor on the Leased Premises, to include, without limitation, designated employee ServSafe and RAMP certifications.

25. Code Inspection and Compliance

- a. Temporary Structures and Overhead Cover. Any tent, canopy, membrane, or similar structure that Lessee erects or allows to be erected on City property in conjunction with this Agreement shall be subject to health, fire, safety, etc. inspections by the appropriate City departments including but not limited to the Code Enforcement Bureau. For purposes of this Agreement, each tent, canopy, membrane, or similar structure must comply with all pertinent provisions of the current Uniform Construction Code building and fire codes adopted by the City and other codes, guidelines, etc. deemed relevant by the City. The City shall issue a written approval to Lessee as it relates to each tent, canopy, membrane or other similar structure. Lessee hereby agrees to pay the City a fee in the amount of \$50.00 for the inspection of each tent, canopy or membrane subject to this provision.
- b. Cooking and Cooking Devices. If Lessee anticipates or allows cooking or heating any food on or within the Leased Premises, then Lessee shall obtain the necessary permit from the City's Fire Department and have any cooking or heating device or equipment to be used or anticipated to be used inspected by the City's Fire Department.

26. Nondiscrimination requirement. Lessee shall not discriminate among potential or actual patrons or visitors to, or employees of Lessee on, the Leased Premises, or permit the actions of others which do, on the basis of actual or perceived race, color, sex, religion, ancestry, genetic information, national origin, sexual orientation, gender identity or expression, familial status, marital status, age, veteran status, mental or physical disability, or use of guide or support animals and/or mechanical aids.

27. Intentionally deleted.

28. Insurance Coverage. Lessee shall bear the risk of loss by fire, theft, or other casualty of any of its business equipment or fixtures, inventory, or business-personal property, or personal or other contents brought upon the Leased Premises. Lessee shall procure and maintain a policy of tenant's liability insurance against public liability arising from the operation of the business, products liability, liquor liability, the condition of the Leased Premises, and for Lessee's negligence in causing damage or destruction of the Leased Premises, in an amount not less than One Million Dollars (\$1,000,000.00) per person, and One Million Dollars (\$1,000,000.00) per occurrence. Lessee will name as additional insureds "the City of Bethlehem and its officers and employees" on such insurance policies. A certificate of insurance naming the City as "certificate holder" only is non-compliant. Lessee also shall produce proof of Workers' Compensation insurance or proof of no employees for which such insurance is otherwise statutorily required. Lessee shall furnish to the City's Bureau of Law any certificates of insurance required by this Agreement in a form satisfactory to the City evidencing all such required insurance coverages prior to the execution of this Agreement, and shall be responsible for providing up-to-date certificates each year during the Term. Lessee shall provide updated certificates of insurance as the City Solicitor may direct in order to confirm that coverage is ongoing in the manner required by this Agreement. The certificates of insurance shall require thirty (30) days' written notice to the City before the policy of insurance required hereunder can be altered or canceled.

29. Indemnification of City. Except as set forth herein, Lessee shall indemnify, defend, save and hold harmless the City and its officers and employees from and against all suits or claims that may be based upon any damage or injury or death, to any person or property that may occur, or that may be alleged to have occurred, in the course of Lessee's use and possession of the Leased Premises by Lessee or any persons appearing on or within the Leased Premises or any structures found therein, regardless of whether such claims be made by an owner, officer, principal, employee, or a contractor or its employees of the Lessee, or by any third party or sublessee. Lessee shall, at Lessee's own expense, pay all actual and reasonable attorneys' fees and other costs and expenses arising therefrom or incurred in connection therewith, and if any judgment shall be rendered against the City and/or its officers and/or its employees in any such action, or actions, Lessee, at Lessee's own expense, shall satisfy and discharge the same. This paragraph shall not apply to require indemnification by Lessee for any liability, claims, suits, etc., attributable solely to the negligence or intentional conduct of the City. Nothing in this paragraph shall be interpreted as a waiver or relinquishment by the City of its rights, protections, and immunities under the Pennsylvania Subdivision Tort Claims Act, 42 Pa. C.S. § 8541 et seq, said rights, protections, and immunity being expressly reserved.

30. Compliance with Law. Lessee shall fully and completely comply with all ordinances, policies, rules and/or regulations of the City of Bethlehem, and all state and federal laws, rules and regulations pertaining to the Leased Premises and the uses thereof, and shall obtain all required permits. The City shall have the authority to enforce the ordinances of the City and laws of the Commonwealth of Pennsylvania at the Leased Premises during the Term of this Agreement.

31. Personal Property. Lessee shall be solely responsible for the safety and security of its personal property, and any damage or loss to items of personality shall be the sole and exclusive responsibility of Lessee, except to the extent caused by the gross negligence or willful misconduct of the City.

32. Removal of Personality. At the termination of this Agreement, Lessee shall remove all of its personal property from the Leased Premises and return the Leased Premises to its condition existing at the commencement of this Agreement. On termination, if Lessee fails to return the Leased Premises to its condition existing at the commencement of this Agreement (including, without limitation, removal of all of the Lessee's personality from the Leased Premises), Lessee agrees to pay to the City on demand all costs incurred by the City to return and restore the Leased Premises to its original condition.

33. Amendment, Waiver, and Modification. The terms of this Agreement may not be amended, waived, or modified except by agreement in writing duly executed by the parties. The failure of either party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity. The acceptance by the City of any late rent at any time after the same shall become due or the City's failure, delay, silence or inaction to enforce any of the rights or the penalties granted under this Agreement shall not in any way be asserted or enforceable by Lessee against the City as a waiver of the right to enforce the Agreement and any of its terms and remedies.

34. Default by Lessee. If (x) Lessee shall fail to pay rent, or any other sum when due and such default shall continue for ten (10) days following written notice thereof from the City to Lessee, or (y) Lessee shall violate any of the covenants or restrictions set forth in this Agreement and such default shall continue for thirty (30) days following written notice thereof from the City to Lessee (provided, however, that if

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such default cannot reasonably be cured within such thirty (30)-day period, Lessee shall not be in default of this Agreement if Lessee commences to cure such default within such thirty (30)-day period and thereafter diligently pursues such cure until completion having up to ninety (90) days from the City's written notice to Lessee of such default to cause such cure), then the City, in addition to all other remedies provided by law, may:

- (a) declare immediately due and payable and in arrears (i.e. accelerate) payment of the entire unpaid balance of the rent for the unexpired portion of the current term hereof, together with all other charges and expenses agreed herein to be paid by Lessee; and may
- (b) terminate this Agreement; and may
- (c) pursue the Confession of Judgment actions allowed under this Agreement.

35. Removal of Goods. Any business property or equipment removed from the Leased Premises either before or after the termination of this Agreement while any overdue portion of the said rent remains unpaid shall remain liable to distress for such rent for the period of thirty (30) days after removal of such business property or equipment, the same as though they remained on the Leased Premises.

36. Assignment for Benefit of Creditors. If Lessee shall be sold out at a Sheriff's or Constable's Sale, or make any assignment for the benefit of creditors, or commit any act of bankruptcy whatsoever, then the rent for the balance of the current term shall at once become due and payable, as if by the terms of this Agreement it were all payable in advance and may be collected by distress or otherwise, and shall be paid in full from the proceedings of any such assignment, sale or bankruptcy proceedings, any law, usage or custom to the contrary notwithstanding.

37. Prohibited Uses. Lessee shall not use or occupy, nor permit the Leased Premises or any part thereof to be used or occupied, for any unlawful business, use, or purpose, deemed disreputable or hazardous, nor for any purpose or in any manner which is in violation of any present or future governmental laws or regulations.

38. Governing Law, Venue and Limitation of Actions. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its principles on conflict of laws. The exclusive venue for resolution of all disputes, claims and actions shall be the Court of Common Pleas of Northampton County, Pennsylvania, only. Any and all civil actions by Lessee against the City pertaining to this Agreement and/or anything related thereto shall be subject to the following time limitation: civil actions must be commenced within six (6) months of the end of the event, it being the intent of the parties that this provision shall supersede any inconsistent statutory limitation period. This limitation of action provision shall not however apply to any civil actions by the City against Lessee.

39. Integration. This Agreement constitutes the sole and entire agreement between the parties with respect to the subject matters addressed in it, and supersedes all prior or contemporaneous agreements, understandings, and representations, oral and written, with respect to those subject matters.

40. Severability/Modification. The provisions of this Agreement are fully severable. Therefore, if any provision of this Agreement is for any reason determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability

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of any of the remaining provisions. Furthermore, any invalid or unenforceable provisions shall be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or, if such provision cannot under any circumstances be modified or restricted, it shall be excised from the Agreement without affecting the validity or enforceability of any of the remaining provisions. The parties agree that any such modification, restriction or excision may be accomplished by their mutual written agreement or, alternatively, by disposition of a court of competent jurisdiction.

41. Notices. Any notice under this Agreement must be in writing and must be sent by first class mail or delivered to the address of the party to whom the notice is to be given, as designated by such party in writing. The City hereby designates the City's address as:

Director of Community and Economic Development  
City of Bethlehem  
10 East Church Street  
Bethlehem, PA 18018.

Lessee hereby designates Lessee's address as:

1853 William Penn Way  
Lancaster, PA 17601.

42. Limitation on Damages. In the event of any claims, disputes, actions or arbitrations by and between the parties hereto, each party waives and relinquishes any and all claims for consequential damages, punitive damages, damages for delay and (except as expressly provided in Section 34 above) damages for acceleration.

43. Assignment, Sublease, and Termination.

(a) The City and Lessee acknowledge and agree that the Leased Premises is an integral part of the hotel to be operated on the Benefitted Property and is not intended to be operated independently of the Benefitted Property. Accordingly, for so long as this Agreement is in effect, upon a sale (including a foreclosure sale) of the Benefitted Property, Lessee's right, title and interest in and to this Agreement shall automatically be deemed to have been assigned to and assumed by each subsequent owner of the Benefitted Property, and the City and Lessee agree to execute and record (at Lessee's cost) a memorandum of lease acknowledging such agreement, among other things, which memorandum shall be in form and substance acceptable to the City and Lessee. Except as expressly authorized in this Section 43(a), Lessee may not assign its interest under this Agreement, nor may Lessee sub-let the Leased Premises, without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or delayed. A change of control of Lessee or transfer upon dissolution of Lessee shall constitute an assignment hereunder. Any assignment or sublease that is entered into by Lessee shall be subject to the provisions of this Agreement and shall be binding upon the successors, assigns, heirs and legal representatives of the respective parties hereto. Lessee shall remain fully responsible for the performance of all duties and obligations of Lessee under this Agreement. **Under no circumstances shall Lessee be permitted to assign its interest under this Agreement, or sub-let the Leased Premises, unless Lessee also intends to simultaneously assign or sub-let the Benefitted Property to the same intended assignee or sublessee. It shall be a default under this Agreement for the individual or entity bound by and benefitting from this Agreement to not also be the owner or lessee of the Benefited Property.**

(b) In the event that Lessee ceases to operate a hotel on the Leased Premises, this Agreement shall terminate.

44. Applicable Laws. During the Term, Lessee, at its sole costs and expense, shall maintain the Leased Premises in compliance with all applicable laws, statutes, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect.

45. Confession of Judgment for Liquidated Damages and Losses.

LESSEE HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OF THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY, PENNSYLVANIA, TO APPEAR AT ANY TIME FOR LESSEE AFTER A DEFAULT UNDER THIS AGREEMENT AND UPON COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST LESSEE FOR THE ENTIRE PRINCIPAL BALANCE OF THIS AGREEMENT AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY THE CITY RELATING TO THIS AGREEMENT AND ANY COLLATERAL SECURING THIS AGREEMENT, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF FIVE PERCENT (5%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED AND ACCRUING INTEREST AT FIVE PERCENT PER ANNUM (5% ANNUALLY) BUT IN ANY EVENT NOT LESS THAN ONE THOUSAND DOLLARS (\$1,000.00) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS AGREEMENT OR A COPY OF THIS AGREEMENT VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS AGREEMENT TO CONFESS JUDGMENT AGAINST LESSEE SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS AGREEMENT. LESSEE HEREBY WAIVES ANY RIGHT IT MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF THE CITY SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO LESSEE'S ATTENTION OR LESSEE HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL. LESSEE HEREBY ACKNOWLEDGES AND AGREES THAT ITS REASONABLE EXPECTATION WITH RESPECT TO THE AUTHORIZATION GRANTED PURSUANT TO ANY WARRANT OF ATTORNEY OR POWER OF ATTORNEY HEREUNDER, IS THAT THE CITY OR ITS ATTORNEY MAY CONFESS JUDGMENT AS SET FORTH HEREIN, SEEK TO FORECLOSE ON COLLATERAL AND TAKE ALL OTHER ACTIONS WITH RESPECT TO THE EXERCISE OF CITY'S RIGHTS HEREUNDER. LESSEE HEREBY WAIVES ALL OTHER DUTIES OF THE CITY THAT MAY ARISE UNDER 20 Pa. C.S.A. § 5601.3(b). LESSEE HEREBY REMISES, RELEASES, AND FOREVER DISCHARGES, AND WAIVES ALL CLAIMS, CAUSES OF ACTION AND ANY OTHER RIGHTS AGAINST THE CITY AND ITS LEGAL REPRESENTATIVES, AGENTS, EMPLOYEES, SERVANTS, SUCCESSORS IN INTEREST, AND ASSIGNS OF AND FROM ANY AND ALL CLAIMS, DEMANDS, DAMAGES, FEES, AND COSTS, SUMS OF MONEY, RIGHTS, CAUSES OF ACTION, OBLIGATIONS AND LIABILITIES OF ANY KIND OR NATURE WHATSOEVER

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INCLUDING ATTORNEYS' FEES, ARISING UNDER OR RELATING TO ANY DUTIES OF AN AGENT UNDER 20 Pa. C.S.A. § 5601.3 OR OTHERWISE UNDER PENNSYLVANIA LAW.

46. Confession of Judgment in Ejectment and to Relinquish Possession.

IN THE EVENT OF DEFAULT BY LESSEE HEREUNDER, AND TERMINATION OF THIS AGREEMENT BY LESSOR UNDER PARAGRAPH 34 ABOVE, OR UPON THE TERMINATION OF THIS AGREEMENT, THE CITY MAY CAUSE JUDGMENT IN EJECTMENT TO BE ENTERED AGAINST LESSEE FOR POSSESSION OF THE LEASED PREMISES, AND FOR THAT PURPOSE, LESSEE DOES HEREBY AUTHORIZE AND EMPOWER THE CITY, OR ANY PROTHONOTARY, CLERK OF COURT OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR LESSEE AND CONFESS JUDGMENT AGAINST LESSEE IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES, AND LESSEE AGREES THAT A WRIT OF POSSESSION PURSUANT THERETO MAY ISSUE FORTHWITH. LESSEE FURTHER AGREES THAT, IF FOR ANY REASON WHATSOEVER AFTER THE COMMENCEMENT OF SAID ACTION, THE SAME SHALL BE TERMINATED AND POSSESSION OF THE LEASED PREMISES SHALL REMAIN IN OR BE RESTORED TO LESSEE, THE CITY SHALL HAVE THE RIGHT, AT ANY SUBSEQUENT TIME WHEN OCCASION SHALL ARISE, TO CAUSE THE ENTRY OF SUCCESSIVE JUDGMENTS BY CONFESS IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES. LESSEE AGREES THAT THIS AGREEMENT OR A TRUE AND CORRECT COPY THEREOF SHALL BE SUFFICIENT AUTHORIZATION AND WARRANT TO CONFESS JUDGMENT AND FOR THE ISSUANCE OF A WRIT OF POSSESSION PURSUANT THERETO. LESSEE HEREBY WAIVES ANY AND ALL NOTICES REQUIRED BY ANY ACT OF ASSEMBLY CONCERNING NOTICES TO QUIT, TO RELINQUISH POSSESSION AND VACATE THE PREMISES.

47. Survival. The provisions of the Agreement relating to indemnification shall survive any termination of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination of this Agreement shall also survive such termination.

48. Captions. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

49. Intentionally deleted.

50. “As Is” Condition. The Leased Premises are leased to Lessee in their as-is condition, the City making no warranties whatsoever regarding the same.

51. City Council Approval. This Agreement is subject to approval by resolution adopted by Bethlehem City Council and shall not be valid or enforceable absent such approval notwithstanding execution by a party or by the parties before Council's approval.

52. Release of Covenants Contingency. This Agreement's effectiveness is contingent upon the release of, or agreement not to enforce, any easements or restrictive covenants burdening the Leased Premises running to the benefit of the Pennsylvania Department of Conservation and Natural Resources, the

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County of Northampton, or the Pennsylvania Department of Transportation as set forth in a certain deed, recorded in the Office of the Recorder of Deeds of Northampton County, Instrument No. 2008021470, Book 2008-1, Page 160923 on May 30, 2008.

53. Damage to Leased Premises by Fire. In the case of damage by fire or any other casualty to the Leased Premises or any improvements thereon, when not caused by the intentional or negligent conduct of Lessee, if the damage is so extensive as to amount practically to the total destruction of the Leased Premises or any improvements thereon, Lessee shall have the option to terminate this Agreement, in which case the rent shall be apportioned to the time of the damage. In no case shall the City be required to make repairs or restore the Leased Premises or any improvements thereon that are damaged or destroyed by fire or other casualty unless such damage or destruction was caused by the negligent or intentional conduct of the City.
54. Similar lease contingency. This Agreement is contingent upon Lessee and the City entering into a similar lease agreement for a pick-up/drop-off driveway area on City-owned land abutting the Benefitted Property.

[SIGNATURES ON FOLLOWING PAGE.]

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IN WITNESS WHEREOF, and intending to be legally bound hereby, Lessee and the City, have caused this Agreement to be duly executed the day and year first above written.

ATTEST:

BETHLEHEM TEMPO, LLC

Witness

By: \_\_\_\_\_ (SEAL)  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Certificate of Insurance Naming "City of Bethlehem And Its Officers and Employees" Has Been Provided: Yes/No  
(NOTE: THIS CONTRACT WILL NOT BE PROCESSED FOR SIGNATURE BY CITY UNLESS REQUIRED  
CERTIFICATE OF INSURANCE HAS BEEN PROVIDED!!)

ATTEST:

CITY OF BETHLEHEM

George H. Yasso, City Controller  
Date: \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
J. William Reynolds, Mayor  
Date: \_\_\_\_\_

The within Agreement is certified to be needed, necessary and appropriate.

By: \_\_\_\_\_  
Laura Collins,  
Director of Community & Economic Development

**EXHIBIT A**

**METES AND BOUNDS LEGAL DESCRIPTION OF LEASED PREMISES**

**(Patio Area)**

All that certain area, lying and being in the City of Bethlehem, County of Northampton, Commonwealth of Pennsylvania, as shown on a plan entitled "LEASE AREA #2, 3<sup>RD</sup> STREET MIXED USE BUILDING, CITY OF BETHLEHEM, NORTHAMPTON COUTNY, PA" prepared by Langan Engineering and Environmental Services, LLC., Drawing No. EX-2, dated 05/05/25, and being more particularly bounded and described as follows:

Beginning at a point along the southerly right-of-way line of West 3rd Street (60' wide) said point being the following courses and distances from the northwesterly corner of PAR ID: P6SE1A 10 1 0204E lands now or formerly Bethlehem Economic Development Corporation and running; thence

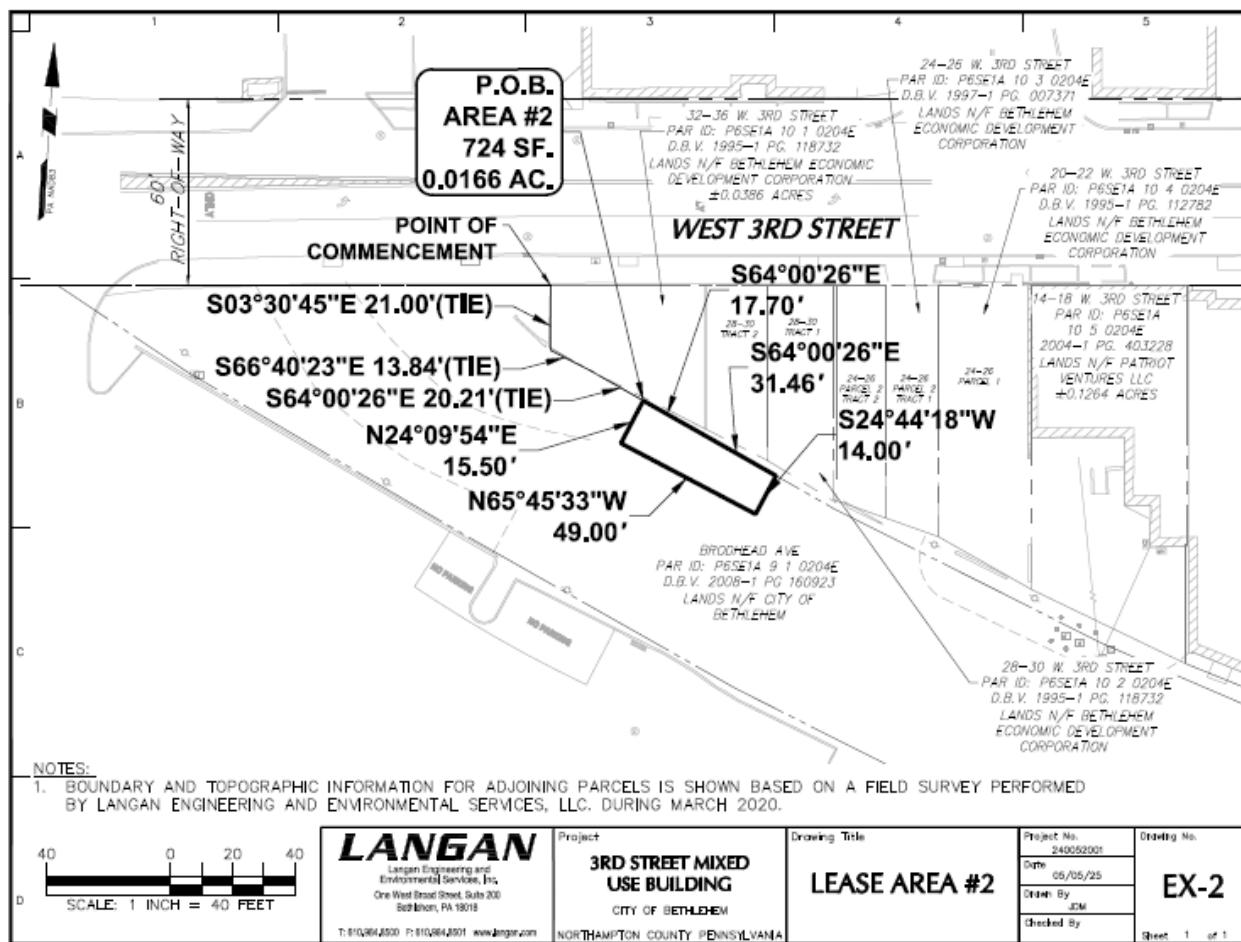
- a) Along westerly line of PAR ID: P6SE1A 10 1 0204E lands now or formerly Bethlehem Economic Development Corporation, South 03° 30' 45" East, a distance of 21.00 feet, thence
- b) Along the southerly line of same, South 66° 40' 23" East, a distance of 13.84 feet, thence
- c) Along the same, South 64° 00' 26" East, a distance of 20.21 feet to the Point of Beginning; thence
  1. Along the southerly property line of PAR ID: P6SE1A 10 1 0204E lands now or formerly Bethlehem Economic Development Corporation, South 64° 00' 26" East for a distance of 17.70 feet to a point, thence
  2. Along the southerly property lines of PAR ID: P6SE1A 10 1 0204E & P6SE1A 10 2 0204E lands now or formerly Bethlehem Economic Development Corporation South 64° 00' 26" East for a distance of 31.46 feet to a point, thence
  3. Leaving said line and extending through a portion of PAR ID: P6SE1A 9 1 0204E lands now or formerly of City of Bethlehem, South 24° 44' 18" West for a distance of 14.00 feet to a point, thence
  4. Through the same, North 65° 45' 33" West for a distance of 49.00 feet to a point, thence
  5. Through the same, North 24° 09' 54" East a distance of 15.50 feet to the Point of Beginning.

The above-described area encompassing 724 Square Feet or 0.0166 Acres, more or less.

*[depiction of Leased Premises on the following page]*

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## EXHIBIT "A" (continued)



LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between BETHLEHEM TEMPO, LLC, a Pennsylvania limited liability company, with its principal place of business located at 1853 William Penn Way, Lancaster, Lancaster County, Pennsylvania 17601 (hereinafter referred to as the "Lessee");

-AND-

The CITY OF BETHLEHEM, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its offices and principal place of business situate at 10 East Church Street, Bethlehem, Northampton County, Pennsylvania, 18018 (hereinafter referred to as the "City").

1. Leased Premises. The City herein agrees to rent, lease, and demise to Lessee that portion of the City-owned real estate which, in its entirety, consists of a former railroad right of way, known as Northampton County Tax Parcel Number P6SE1A 9 1 0204E, said rented, leased, and demised portion of which is identified in Exhibit "A" attached hereto (the "Leased Premises").
2. Purpose. Lessee shall control, possess, and use the Leased Premises solely as an driveway area for pickup/drop-off of guests a hotel located on properties identified as Tax Map Parcel Identification Nos. P6SE1A 10 1 0204E, P6SE1A 10 2 0204E, P6SE1A 10 3 0204E, P6SE1A 10 4 0204E, and P6SE1A 10 5 0204 (collectively, the "Benefited Property"), which is immediately adjacent to the Leased Premises and is owned by Lessee.
3. Term. The term of this Agreement shall be fifty (50) years, beginning on the effective date of this Agreement, which shall be the date of signing by the City, unless the Agreement is approved by City Council after signing by the City, in which case the Agreement shall become effective when approved by City Council (the "Effective Date").
4. Extension and Termination. This Agreement shall automatically be extended for five (5) ten (10) year terms unless Lessee terminates it at the end of the then current term by giving written notice of the intent to terminate to the City at least ninety (90) days prior to the end of the then current term. The initial term and all extensions shall be collectively referred to herein as the "Term".
5. Rent. Lessee agrees to pay to the City for the use of the Leased Premises rent in accordance with the following schedule:
  - (a) Years 1 to 50: \$1,000.00, annually.
  - (b) Years 51 to 60: \$1,250.00, annually, if Term extended.
  - (c) Years 61 to 70: \$1,500.00, annually, if Term extended.
  - (d) Years 71 to 80: \$1,750.00, annually, if Term extended.

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- (e) Years 81 to 90: \$2,000.00, annually, if Term extended.
- (f) Years 91 to 100: \$2,500.00, annually, if Term extended.
- (g) Rent paid pursuant to paragraphs 5(b) through 5(g) of this Agreement shall be payable on the first day of each year to the City, or on such other due date as the City may direct in establishing a regular payment schedule, delivered at 10 E. Church Street, Bethlehem, Pennsylvania, 18018 or, at the City's request, by electronic payment.
- (h) A \$100.00 penalty shall be paid by Lessee with every rent payment that is received by the City more than ten (10) days after the due date.

6. Taxes. In addition to the payment of rent as provided above, Lessee shall pay any real estate taxes, assessments, or charges owed on the Leased Premises, including on any improvements thereon.

7. Security Deposit. On or before the Commencement Date, Lessee shall furnish the City with a security deposit in the amount of \$1,000.00. At the termination of this Agreement, the security deposit shall be applied to satisfy arrearages and damages for which Lessee is liable under the Agreement based on accounting by the City to be issued to Lessee by the City within thirty (30) days of Lessee's completion of removal of its equipment and business property and deck as per paragraph 19 from the Leased Premises. Net proceeds of the security deposit not withheld to satisfy the City's claims shall be returned to Lessee with the issuance of the accounting. Without prejudice to the City's rights, the security deposit may not be used or applied by Lessee as a means to avoid or satisfy rent.

8. No Alterations Without Prior Written Approval of the City. No alteration, addition, or improvement to the Leased Premises shall be made by Lessee without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In the event Lessee makes any capital improvement to the Leased Premises with the approval of the City, the cost of such improvements shall be the sole expense of Lessee. Lessee shall be permitted to erect a canopy, with any necessary ground supports, in, on, upon and over the Leased Premises, subject to compliance with all applicable laws, codes, and City ordinances. The canopy shall be erected in a way such that it shall not contribute to the structural support or integrity of the hotel on the Benefitted Property and shall be safely removable upon termination of this Agreement. Lessee shall be responsible for the removal of the canopy, including, without limitation, the costs thereof.

9. Utilities. Lessee shall pay the cost of any utilities serving the Leased Premises, including, without limitation, electricity, heat, water and sewer service, air conditioning, television cable, telephone and internet service.

10. Trash. Lessee shall be responsible for and pay for the cost of trash receptacles and trash removal for and from the Leased Premises.

11. Parking. Long-term or overnight parking of any kind of motor vehicle and/or trailers of any type on the Leased Premises is specifically prohibited. Short-term parking for purposes of hotel check-in and check-out and pick-up and drop-off shall be permitted on the Leased Premises.

12. Prohibition on food and beverages sales. The selling, distribution, and service of food or beverages

(including non-alcoholic beverages) on the Leased Premises is prohibited.

13. Security. Lessee shall provide security at Lessee's discretion for persons and property on or within the Leased Premises at Lessee's sole cost.
14. Portable toilets; plumbing fixtures. Lessee shall not place or allow the use of any portable toilets, sinks, or plumbing fixtures on or within the Leased Premises.
15. Cleaning. At Lessee's sole cost, Lessee shall ensure that all areas of the Leased Premises shall be kept in a clean and sanitary condition at all times.
16. Repairs and maintenance. Lessee shall ensure that all areas of and improvements made or found on or within the Leased Premises shall be kept in good repair and maintained at all times, at Lessee's sole cost, ordinary wear and tear, casualty (unless such casualty is caused by the intentional or negligent conduct of Lessee) and condemnation excepted. Lessee shall be responsible for such actions and costs regardless of cause during the Term of this Agreement, unless directly caused by the willful misconduct or gross negligence of the City. Either party to this Agreement shall have the right to video and/or photograph the Leased Premises prior and subsequent to, or during, the Term of this Agreement to document the conditions of the Leased Premises.
17. Itemized Written Statement of Damages and Cost of Repair. If Lessee fails to make any required repairs to or to perform any required maintenance or cleaning of the Leased Premises and, subject to Section 32 below, the City thereafter makes such repairs and/or performs such maintenance or cleaning on Lessee's behalf, Lessee shall pay the amount due within thirty (30) days of being invoiced in writing by the City for any itemized damages which have occurred to the Leased Premises and the cost of repairing, maintaining, or cleaning thereof. It is expressly agreed that Lessee shall be responsible for all damage except that directly caused by the gross negligence or willful misconduct of the City. If Lessee objects to the damage itemization, it shall so notify the City in writing within ten (10) days of receipt thereof. If Lessee fails to object within the stated period, it shall thereafter be deemed to have consented to the damage itemization and to have waived any objection thereto. If payment from Lessee is not received by the City within 30 days or by the specified due date, interest charges will accrue at an interest rate of 6% per annum.
18. Mobile Vendors. Lessee shall not allow any mobile or moving vendors or vendors of any kind at any locations on or within the Leased Premises unless approved by the City. Should Lessee propose to allow vendor(s) to operate on or within the Leased Premises, Lessee shall provide the City with a list of all such proposed vendors at least thirty (30) days prior to the placement of any equipment or property of the vendor on or within the Leased Premises. The list of vendors shall include the following information: Business Name/Vendor Name; Vendor Contact Person; Mailing Address; Telephone Number(s); E-mail Address; Website (if available); Current City of Bethlehem Business Privilege License Number; Description of what the vendor will be vending (i.e., retail, food, sampling, displaying information, etc.). The City shall retain the right to bar any vendor from the Leased Premises in the event the City determines such vendor is violating any law or City ordinance.
19. Restoration. At the termination of this Agreement, Lessee shall return the Leased Premises to the City in the same condition it was in at the Commencement Date, or better, reasonable wear and tear, casualty (unless such casualty is caused by the intentional or negligent conduct of Lessee) and condemnation excepted. In case of default by Lessee of this paragraph, Lessee agrees to pay to the

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City all actual and reasonable costs incurred by the City to return the Leased Premises to the condition required by this Section 19. The City shall invoice Lessee for such costs and Lessee shall pay the invoice of City within thirty (30) days of invoicing. If payment is not received within thirty (30) days, interest charges will accrue at an interest rate of 6% per annum or any portion of a year thereof, and the City shall have the right to recover all reasonable and actual attorney's fees and court costs incurred by the City necessary or incidental to recover those amounts attributable to Lessee's default.

20. Lessee in Exclusive Possession of Leased Premises. Except as otherwise provided in this Agreement, and subject to all applicable laws, Lessee shall be, and shall be deemed to be, in exclusive possession and control of the Leased Premises.

21. Obligation to comply with all laws, ordinances, rules, and regulations. Lessee shall comply with all laws and ordinances of every authority having jurisdiction over the Leased Premises. The City shall have the authority to enforce the ordinances of the City and laws of the Commonwealth of Pennsylvania on the Leased Premises during the Term of this Agreement. In addition to any powers, duties, or rights of inspection granted under any statute, ordinance, or any other law, the City, as lessor of the Leased Premises under this Agreement, shall have the right, upon at least 24 hours' notice to Lessee and during normal business hours, to enter upon and inspect the Leased Premises to ensure compliance with the terms of this Agreement. Where an emergency requires that the City enter upon the Leased Premises, no such notice is required.

22. Liquor Prohibition. The selling, distribution, service, or consumption of liquor on the Leased Premises is prohibited.

23. Code Inspection and Compliance

a. Temporary Structures and Overhead Cover. Any tent, canopy, membrane, or similar structure that Lessee erects or allows to be erected on City property in conjunction with this Agreement shall be subject to health, fire, safety, etc. inspections by the appropriate City departments including but not limited to the Code Enforcement Bureau. For purposes of this Agreement, each tent, canopy, membrane, or similar structure must comply with all pertinent provisions of the current Uniform Construction Code building and fire codes adopted by the City and other codes, guidelines, etc. deemed relevant by the City. The City shall issue a written approval to Lessee as it relates to each tent, canopy, membrane or other similar structure. Lessee hereby agrees to pay the City a fee in the amount of \$50.00 for the inspection of each tent, canopy or membrane subject to this provision.

24. Nondiscrimination requirement. Lessee shall not discriminate among potential or actual patrons or visitors to, or employees of Lessee on, the Leased Premises, or permit the actions of others which do, on the basis of actual or perceived race, color, sex, religion, ancestry, genetic information, national origin, sexual orientation, gender identity or expression, familial status, marital status, age, veteran status, mental or physical disability, or use of guide or support animals and/or mechanical aids.

25. Intentionally Deleted.

26. Insurance Coverage. Lessee shall bear the risk of loss by fire, theft, or other casualty of any of its business equipment or fixtures, inventory, or business-personal property, or personal or other contents

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brought upon the Leased Premises. Lessee shall procure and maintain a policy of tenant's liability insurance against public liability arising from the operation of the business, products liability, liquor liability, the condition of the Leased Premises, and for Lessee's negligence in causing damage or destruction of the Leased Premises, in an amount not less than One Million Dollars (\$1,000,000.00) per person, and One Million Dollars (\$1,000,000.00) per occurrence. Lessee will name as additional insureds "the City of Bethlehem and its officers and employees" on such insurance policies. A certificate of insurance naming the City as "certificate holder" only is non-compliant. Lessee also shall produce proof of Workers' Compensation insurance or proof of no employees for which such insurance is otherwise statutorily required. Lessee shall furnish to the City's Bureau of Law any certificates of insurance required by this Agreement in a form satisfactory to the City evidencing all such required insurance coverages prior to the execution of this Agreement, and shall be responsible for providing up-to-date certificates each year during the Term. Lessee shall provide updated certificates of insurance as the City Solicitor may direct in order to confirm that coverage is ongoing in the manner required by this Agreement. The certificates of insurance shall require thirty (30) days' written notice to the City before the policy of insurance required hereunder can be altered or canceled.

27. Indemnification of City. Except as set forth herein, Lessee shall indemnify, defend, save and hold harmless the City and its officers and employees from and against all suits or claims that may be based upon any damage or injury or death, to any person or property that may occur, or that may be alleged to have occurred, in the course of Lessee's use and possession of the Leased Premises by Lessee or any persons appearing on or within the Leased Premises or any structures found therein, regardless of whether such claims be made by an owner, officer, principal, employee, or a contractor or its employees of the Lessee, or by any third party or sublessee. Lessee shall, at Lessee's own expense, pay all actual and reasonable attorneys' fees and other costs and expenses arising therefrom or incurred in connection therewith, and if any judgment shall be rendered against the City and/or its officers and/or its employees in any such action, or actions, Lessee, at Lessee's own expense, shall satisfy and discharge the same. This paragraph shall not apply to require indemnification by Lessee for any liability, claims, suits, etc., attributable solely to the negligence or intentional conduct of the City. Nothing in this paragraph shall be interpreted as a waiver or relinquishment by the City of its rights, protections, and immunities under the Pennsylvania Subdivision Tort Claims Act, 42 Pa. C.S. § 8541 et seq, said rights, protections, and immunity being expressly reserved.
28. Compliance with Law. Lessee shall fully and completely comply with all ordinances, policies, rules and/or regulations of the City of Bethlehem, and all state and federal laws, rules and regulations pertaining to the Leased Premises and the uses thereof, and shall obtain all required permits. The City shall have the authority to enforce the ordinances of the City and laws of the Commonwealth of Pennsylvania at the Leased Premises during the Term of this Agreement.
29. Personal Property. Lessee shall be solely responsible for the safety and security of its personal property, and any damage or loss to items of personality shall be the sole and exclusive responsibility of Lessee, except to the extent caused by the gross negligence or willful misconduct of the City.
30. Removal of Personality. At the termination of this Agreement, Lessee shall remove all of its personal property from the Leased Premises and return the Leased Premises to its condition existing at the commencement of this Agreement. On termination, if Lessee fails to return the Leased Premises to its condition existing at the commencement of this Agreement (including, without limitation, removal of all of Lessee's personality from the Leased Premises), Lessee agrees to pay to the City on demand all costs incurred by the City to return and restore the Leased Premises to its original

condition.

31. Amendment, Waiver, and Modification. The terms of this Agreement may not be amended, waived, or modified except by agreement in writing duly executed by the parties. The failure of either party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity. The acceptance by the City of any late rent at any time after the same shall become due or the City's failure, delay, silence or inaction to enforce any of the rights or the penalties granted under this Agreement shall not in any way be asserted or enforceable by Lessee against the City as a waiver of the right to enforce the Agreement and any of its terms and remedies.
32. Default by Lessee. If (x) Lessee shall fail to pay rent, or any other sum when due and such default shall continue for ten (10) days following written notice thereof from the City to Lessee, or (y) Lessee shall violate any of the covenants or restrictions set forth in this Agreement and such default shall continue for thirty (30) days following written notice thereof from the City to Lessee (provided, however, that if such default cannot reasonably be cured within such thirty (30)-day period, Lessee shall not be in default of this Agreement if Lessee commences to cure such default within such thirty (30)-day period and thereafter diligently pursues such cure until completion, having up to ninety (90) days from the City's written notice to Lessee of such default to cause such cure), then the City, in addition to all other remedies provided by law, may:
  - (a) declare immediately due and payable and in arrears (i.e. accelerate) payment of the entire unpaid balance of the rent for the unexpired portion of the current term hereof, together with all other charges and expenses agreed herein to be paid by Lessee; and may
  - (b) terminate this Agreement; and may
  - (c) pursue the Confession of Judgment actions allowed under this Agreement.
33. Removal of Goods. Any business property or equipment removed from the Leased Premises either before or after the termination of this Agreement while any overdue portion of the said rent remains unpaid shall remain liable to distress for such rent for the period of thirty (30) days after removal of such business property or equipment, the same as though they remained on the Leased Premises.
34. Assignment for Benefit of Creditors. If Lessee shall be sold out at a Sheriff's or Constable's Sale, or make any assignment for the benefit of creditors, or commit any act of bankruptcy whatsoever, then the rent for the balance of the current term shall at once become due and payable, as if by the terms of this Agreement it were all payable in advance and may be collected by distress or otherwise, and shall be paid in full from the proceedings of any such assignment, sale or bankruptcy proceedings, any law, usage or custom to the contrary notwithstanding.
35. Prohibited Uses. Lessee shall not use or occupy, nor permit the Leased Premises or any part thereof to be used or occupied, for any unlawful business, use, or purpose, deemed disreputable or hazardous, nor for any purpose or in any manner which is in violation of any present or future governmental laws or regulations.
36. Governing Law, Venue and Limitation of Actions. This Agreement shall be governed by and

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construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its principles on conflict of laws. The exclusive venue for resolution of all disputes, claims and actions shall be the Court of Common Pleas of Northampton County, Pennsylvania, only. Any and all civil actions by Lessee against the City pertaining to this Agreement and/or anything related thereto shall be subject to the following time limitation: civil actions must be commenced within six (6) months of the end of the event, it being the intent of the parties that this provision shall supersede any inconsistent statutory limitation period. This limitation of action provision shall not however apply to any civil actions by the City against Lessee.

37. Integration. This Agreement constitutes the sole and entire agreement between the parties with respect to the subject matters addressed in it, and supersedes all prior or contemporaneous agreements, understandings, and representations, oral and written, with respect to those subject matters.
38. Severability/Modification. The provisions of this Agreement are fully severable. Therefore, if any provision of this Agreement is for any reason determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any of the remaining provisions. Furthermore, any invalid or unenforceable provisions shall be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or, if such provision cannot under any circumstances be modified or restricted, it shall be excised from the Agreement without affecting the validity or enforceability of any of the remaining provisions. The parties agree that any such modification, restriction or excision may be accomplished by their mutual written agreement or, alternatively, by disposition of a court of competent jurisdiction.

39. Notices. Any notice under this Agreement must be in writing and must be sent by first class mail or delivered to the address of the party to whom the notice is to be given, as designated by such party in writing. The City hereby designates the City's address as:

Director of Community and Economic Development  
City of Bethlehem  
10 East Church Street  
Bethlehem, PA 18018.

Lessee hereby designates Lessee's address as:

1853 William Penn Way  
Lancaster, PA 17601.

40. Limitation on Damages. In the event of any claims, disputes, actions or arbitrations by and between the parties hereto, each party waives and relinquishes any and all claims for consequential damages, punitive damages, damages for delay and (except as expressly provided in Section 32 above) damages for acceleration.

41. Assignment, Sublease, and Termination.

- (a) The City and Lessee acknowledge and agree that the Leased Premises is an integral part of the hotel to be operated on the Benefitted Property and is not intended to be operated independently of the Benefitted Property. Accordingly, for so long as this Agreement is in effect, upon a sale (including a foreclosure sale) of the Benefitted Property, Lessee's right, title and interest in and to this

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Agreement shall automatically be deemed to have been assigned to and assumed by each subsequent owner of the Benefitted Property, and the City and Lessee agree to execute and record (at Lessee's cost) a memorandum of lease acknowledging such agreement, among other things, which memorandum shall be in form and substance acceptable to the City and Lessee. Except as expressly authorized in this Section 41(a), Lessee may not assign its interest under this Agreement, nor may Lessee sub-let the Leased Premises, without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or delayed. A change of control of Lessee or transfer upon dissolution of Lessee shall constitute an assignment hereunder. Any assignment or sublease that is entered into by Lessee shall be subject to the provisions of this Agreement and shall be binding upon the successors, assigns, heirs and legal representatives of the respective parties hereto. Lessee shall remain fully responsible for the performance of all duties and obligations of Lessee under this Agreement. **Under no circumstances shall Lessee be permitted to assign its interest under this Agreement, or sub-let the Leased Premises, unless Lessee also intends to simultaneously assign or sub-let the Benefitted Property to the same intended assignee or sublessee. It shall be a default under this Agreement for the individual or entity bound by and benefitting from this Agreement to not also be the owner or lessee of the Benefited Property.**

(b) In the event that Lessee ceases to operate a hotel on the Leased Premises, this Agreement shall terminate.

42. Applicable Laws. During the Term, Lessee, at its sole cost and expense, shall maintain the Leased Premises in compliance with all applicable laws, statutes, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect.

43. Confession of Judgment for Liquidated Damages and Losses.

LESSEE HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OF THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY, PENNSYLVANIA, TO APPEAR AT ANY TIME FOR LESSEE AFTER A DEFAULT UNDER THIS AGREEMENT AND UPON COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST LESSEE FOR THE ENTIRE PRINCIPAL BALANCE OF THIS AGREEMENT AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY THE CITY RELATING TO THIS AGREEMENT AND ANY COLLATERAL SECURING THIS AGREEMENT, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF FIVE PERCENT (5%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED AND ACCRUING INTEREST AT FIVE PERCENT PER ANNUM (5% ANNUALLY) BUT IN ANY EVENT NOT LESS THAN ONE THOUSAND DOLLARS (\$1,000.00) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS AGREEMENT OR A COPY OF THIS AGREEMENT VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS AGREEMENT TO CONFESS JUDGMENT AGAINST LESSEE SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS AGREEMENT. LESSEE HEREBY WAIVES ANY RIGHT IT MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND

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STATES THAT EITHER A REPRESENTATIVE OF THE CITY SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO LESSEE'S ATTENTION OR LESSEE HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL. LESSEE HEREBY ACKNOWLEDGES AND AGREES THAT ITS REASONABLE EXPECTATION WITH RESPECT TO THE AUTHORIZATION GRANTED PURSUANT TO ANY WARRANT OF ATTORNEY OR POWER OF ATTORNEY HEREUNDER, IS THAT THE CITY OR ITS ATTORNEY MAY CONFESS JUDGMENT AS SET FORTH HEREIN, SEEK TO FORECLOSE ON COLLATERAL AND TAKE ALL OTHER ACTIONS WITH RESPECT TO THE EXERCISE OF CITY'S RIGHTS HEREUNDER. LESSEE HEREBY WAIVES ALL OTHER DUTIES OF THE CITY THAT MAY ARISE UNDER 20 Pa. C.S.A. § 5601.3(b). LESSEE HEREBY REMISES, RELEASES, AND FOREVER DISCHARGES, AND WAIVES ALL CLAIMS, CAUSES OF ACTION AND ANY OTHER RIGHTS AGAINST THE CITY AND ITS LEGAL REPRESENTATIVES, AGENTS, EMPLOYEES, SERVANTS, SUCCESSORS IN INTEREST, AND ASSIGNS OF AND FROM ANY AND ALL CLAIMS, DEMANDS, DAMAGES, FEES, AND COSTS, SUMS OF MONEY, RIGHTS, CAUSES OF ACTION, OBLIGATIONS AND LIABILITIES OF ANY KIND OR NATURE WHATSOEVER INCLUDING ATTORNEYS' FEES, ARISING UNDER OR RELATING TO ANY DUTIES OF AN AGENT UNDER 20 Pa. C.S.A. § 5601.3 OR OTHERWISE UNDER PENNSYLVANIA LAW.

**44. Confession of Judgment in Ejectment and to Relinquish Possession.**

IN THE EVENT OF DEFAULT BY LESSEE HEREUNDER, AND TERMINATION OF THIS AGREEMENT BY LESSOR UNDER PARAGRAPH 32 ABOVE, OR UPON THE TERMINATION OF THIS AGREEMENT, THE CITY MAY CAUSE JUDGMENT IN EJECTMENT TO BE ENTERED AGAINST LESSEE FOR POSSESSION OF THE LEASED PREMISES, AND FOR THAT PURPOSE, LESSEE DOES HEREBY AUTHORIZE AND EMPOWER THE CITY, OR ANY PROTHONOTARY, CLERK OF COURT OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR LESSEE AND CONFESS JUDGMENT AGAINST LESSEE IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES, AND LESSEE AGREES THAT A WRIT OF POSSESSION PURSUANT THERETO MAY ISSUE FORTHWITH. LESSEE FURTHER AGREES THAT, IF FOR ANY REASON WHATSOEVER AFTER THE COMMENCEMENT OF SAID ACTION, THE SAME SHALL BE TERMINATED AND POSSESSION OF THE LEASED PREMISES SHALL REMAIN IN OR BE RESTORED TO LESSEE, THE CITY SHALL HAVE THE RIGHT, AT ANY SUBSEQUENT TIME WHEN OCCASION SHALL ARISE, TO CAUSE THE ENTRY OF SUCCESSIVE JUDGMENTS BY CONFESSION IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES. LESSEE AGREES THAT THIS AGREEMENT OR A TRUE AND CORRECT COPY THEREOF SHALL BE SUFFICIENT AUTHORIZATION AND WARRANT TO CONFESS JUDGMENT AND FOR THE ISSUANCE OF A WRIT OF POSSESSION PURSUANT THERETO. LESSEE HEREBY WAIVES ANY AND ALL NOTICES REQUIRED BY ANY ACT OF ASSEMBLY CONCERNING NOTICES TO QUIT, TO RELINQUISH POSSESSION AND VACATE THE PREMISES.

**45. Survival. The provisions of the Agreement relating to indemnification shall survive any termination of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination of this Agreement shall also survive such termination.**

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46. Captions. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.
47. Intentionally Deleted.
48. “As Is” Condition. The Leased Premises are leased to Lessee in their as-is condition, the City making no warranties whatsoever regarding the same.
49. City Council Approval. This Agreement is subject to approval by resolution adopted by Bethlehem City Council and shall not be valid or enforceable absent such approval notwithstanding execution by a party or by the parties before Council’s approval.
50. Release of Covenants Contingency. This Agreement’s effectiveness is contingent upon the release of, or agreement not to enforce, any easements or restrictive covenants burdening the Leased Premises running to the benefit of the Pennsylvania Department of Conservation and Natural Resources, the County of Northampton, or the Pennsylvania Department of Transportation as set forth in a certain deed, recorded in the Office of the Recorder of Deeds of Northampton County, Instrument No. 2008021470, Book 2008-1, Page 160923 on May 30, 2008.
51. Damage to Leased Premises by Fire. In the case of damage by fire or any other casualty to the Leased Premises or any improvements thereon, when not caused by the intentional or negligent conduct of Lessee, if the damage is so extensive as to amount practically to the total destruction of the Leased Premises or any improvements thereon, Lessee shall have the option to terminate this Agreement, in which case the rent shall be apportioned to the time of the damage. In no case shall the City be required to make repairs or restore the Leased Premises or any improvements thereon that are damaged or destroyed by fire or other casualty unless such damage or destruction was caused by the negligent or intentional conduct of the City.
52. Contingency. This Agreement is contingent upon Lessee and the City entering into a similar lease agreement for a patio area on City-owned land abutting the Benefitted Property.

[SIGNATURES ON FOLLOWING PAGE.]

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IN WITNESS WHEREOF, and intending to be legally bound hereby, Lessee and the City, have caused this Agreement to be duly executed the day and year first above written.

ATTEST:

BETHLEHEM TEMPO, LLC

Witness

By: \_\_\_\_\_ (SEAL)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Certificate of Insurance Naming "City of Bethlehem And Its Officers and Employees" Has Been Provided: Yes/No  
(NOTE: THIS CONTRACT WILL NOT BE PROCESSED FOR SIGNATURE BY CITY UNLESS REQUIRED  
CERTIFICATE OF INSURANCE HAS BEEN PROVIDED!!)

ATTEST:

CITY OF BETHLEHEM

George H. Yasso, City Controller  
Date: \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

J. William Reynolds, Mayor

Date: \_\_\_\_\_

The within Agreement is certified to be needed, necessary and appropriate.

By: \_\_\_\_\_  
Laura Collins,  
Director of Community & Economic  
Development

**EXHIBIT A**

METES AND BOUNDS LEGAL DESCRIPTION OF LEASED PREMISES

**(Driveway Area)**

All that certain area, lying and being in the City of Bethlehem, County of Northampton, Commonwealth of Pennsylvania, as shown on a plan entitled "LEASE AREA #1, 3<sup>RD</sup> STREET MIXED USE BUILDING, CITY OF BETHLEHEM, NORTHAMPTON COUTNY, PA" prepared by Langan Engineering and Environmental Services, LLC., Drawing No. EX-1, dated 05/05/25, and being more particularly bounded and described as follows:

Beginning at a point on the southerly right-of-way line of West 3rd Street (60' wide), said point being the northwesterly corner of PAR ID: P6SE1A 10 1 0204E, lands now or formerly of Bethlehem Economic Development Corporation, and running; thence

1. Along the westerly line of PAR ID: P6SE1A 10 1 0204E, lands now or formerly of Bethlehem Economic Development Corporation, South 03° 30' 45" East for a distance of 21.00 feet to a point, thence
2. Leaving said line and extending through a portion of PAR ID: P6SE1A 9 1 0204E, lands now or formerly of City of Bethlehem, South 66° 07' 39" West for a distance of 26.76 feet to the beginning of a tangent curve, thence
3. Through the same, on a curve to the right having a radius of 70.00 feet, an arc length of 61.87 feet, a central angle of 50° 38' 26", being subtended by a chord bearing North 88° 33' 08" West, a chord distance of 59.87 feet to a point at the end of a curve, thence
4. Through the same, North 63° 13' 55" West for a distance of 49.84 feet to a point, thence
5. Along the southerly right-of-way line of West 3rd Street (60' wide), North 86° 29' 15" East a distance of 127.78 feet to the Point of Beginning.

The above-described area encompassing 3,109 Square Feet or 0.0714 Acres, more or less.

*[depiction of Leased Premises on the following page]*

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## EXHIBIT "A" (continued)

