

RECLAIMING OUR BROWNFIELDS:

***HOW A BETTER
BETHLEHEM WAS BUILT***

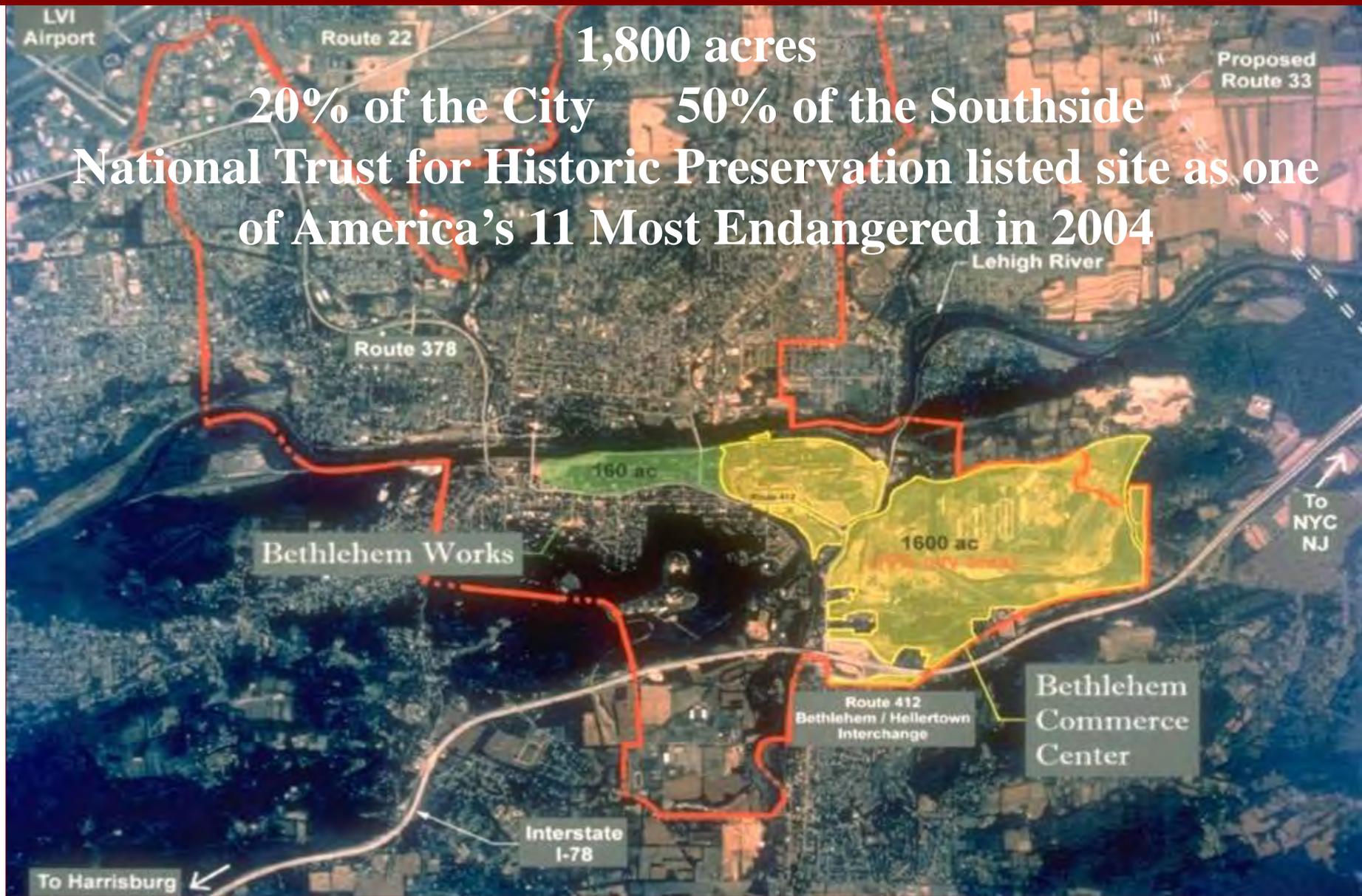
May 10, 2012





Comprehensive planning, flexibility to new opportunities and the ability to leverage private investment with public money have led to successful brownfield redevelopment in Bethlehem.

BETHLEHEM STEEL LEHIGH PLANT



SANDS BETHWORKS



Master Plan

Commercial / Residential

- Casino
- Hotel and Multi Purpose Space
- Retail and Restaurants
- Residential and Neighborhood Retail
- Steel Works Residential Lofts

Cultural / Educational

- SteelStax - Festival Hall
- SteelStax - Youth Performing Arts
- PBS 39 Broadcast Studio
- Northampton Community College

- National Museum of Industrial History (Smithsonian)
- Stockhouse Visitors Center

Other Historic Structures to be Preserved and Reused

- Iron Foundry, High House, Gas Blowing Engine House
- Blast Furnace, Hoover Mason Elevated Rail Trestle

2785 COMMERCE CENTER BOULEVARD



MAJESTIC BETHLEHEM CENTER: Phase 1:

RECLAIMING FORMER STEEL PROPERTIES & CREATING JOBS **\$100 Million**



- LEED Buildings**
- **Total Project Cost.....\$500 Million**
 - **Total Acres441**
 - **Projected Jobs 4,300+ Jobs**
 - **Size.....7 Million SF**

COMPREHENSIVE PLANNING

- Commitment of Bethlehem Steel Corp.
- Developed master plan for Bethlehem Works and Bethlehem Commerce Center
- Continued site clearance and cleanup despite declaring bankruptcy
- Did not allow “big box” development
- Plans by later owners are consistent with Steel’s original vision

FLEXIBILITY TO NEW OPPORTUNITIES

- Education: Northampton Community College's conversion of old office
- Housing: site is more than a tourist attraction; livability
- Gaming: legalized in Pennsylvania in 2006

LEVERAGING PRIVATE INVESTMENT WITH PUBLIC MONEY

- Local Economic Revitalization Tax Assistance (LERTA)
- Tax Incremental Financing district (TIF)
- Northampton County bond

LERTA

- Tax abatement program in a designated zone
- Creates graduated increase in tax payments on new construction and property rehabilitation
- Applies to owners of commercial, industrial and business properties

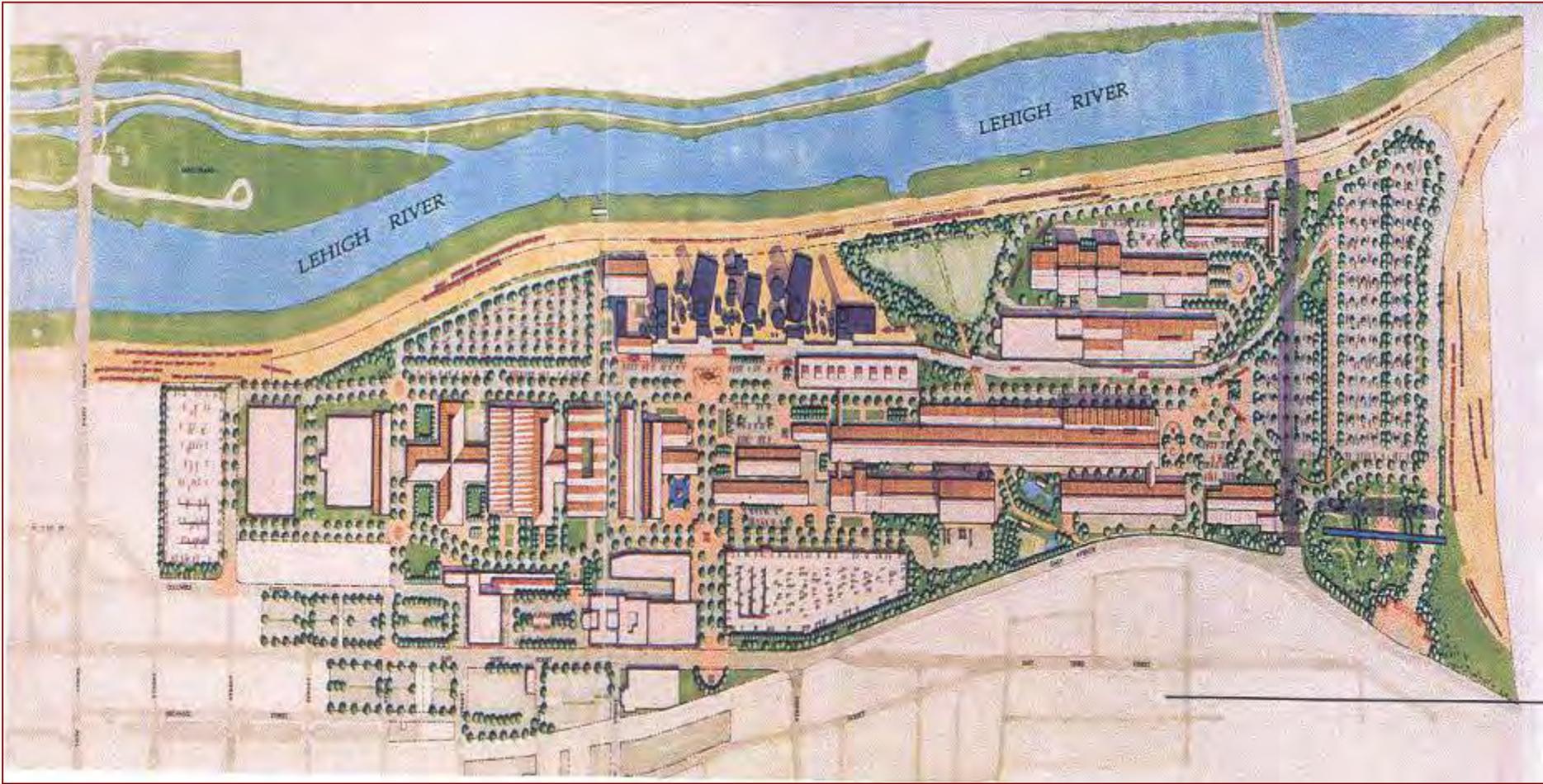
TIF

- Allowed City to build \$37.5 million infrastructure
- Four new streets
- Streetlights, Sidewalks, Pavilion
- I-beam benches, gear street sculptures
- Visitor Center
- Pavilion
- Greenway

NORTHAMPTON COUNTY BOND

- Allowed construction of Commerce Center Boulevard
- \$13 million of a \$111 million bond
- Approximately 4,200 linear feet of roadway
- Opened eastern portion of brownfield to development
- Increased access to intermodal

PROPOSED: BETHLEHEM WORKS



PROPOSED: BETHLEHEM WORKS

- Announced as \$450 million project in 1997
- 160 acres between Fahy and Minsi Trail bridges
- Expected to generate \$4 million annual taxes
- Expected to generate 2,400 jobs
- Shops, entertainment and cultural district
- Hotels, restaurants, upscale bars and shops
- Anchored by \$250 million National Museum of Industrial History

ACTUAL: SANDS BETHWORKS



2004: BethWorks Now purchased Bethlehem Works site and pledged to follow much of original development plan; partners include Las Vegas Sands Corp. and Newmark Knight Frank

2006: Gaming is legalized in Pennsylvania; Bethlehem City Council approves zoning to allow gaming on part of BethWorks Now site; state Gaming Control Board awards Sands BethWorks a license to open a slots parlor in Bethlehem

ACTUAL: SANDS BETHWORKS

- \$900 million plan
- Includes
 - Casino
 - new PBS-39 WLVT studio
 - ArtsQuest performing arts center
 - National Museum of Industrial History
 - condominiums and apartments

ACTUAL: SANDS CASINO RESORT BETHLEHEM

First proposal:

3,000 slot machines

300-room hotel

200,000-square-foot

upscale shopping

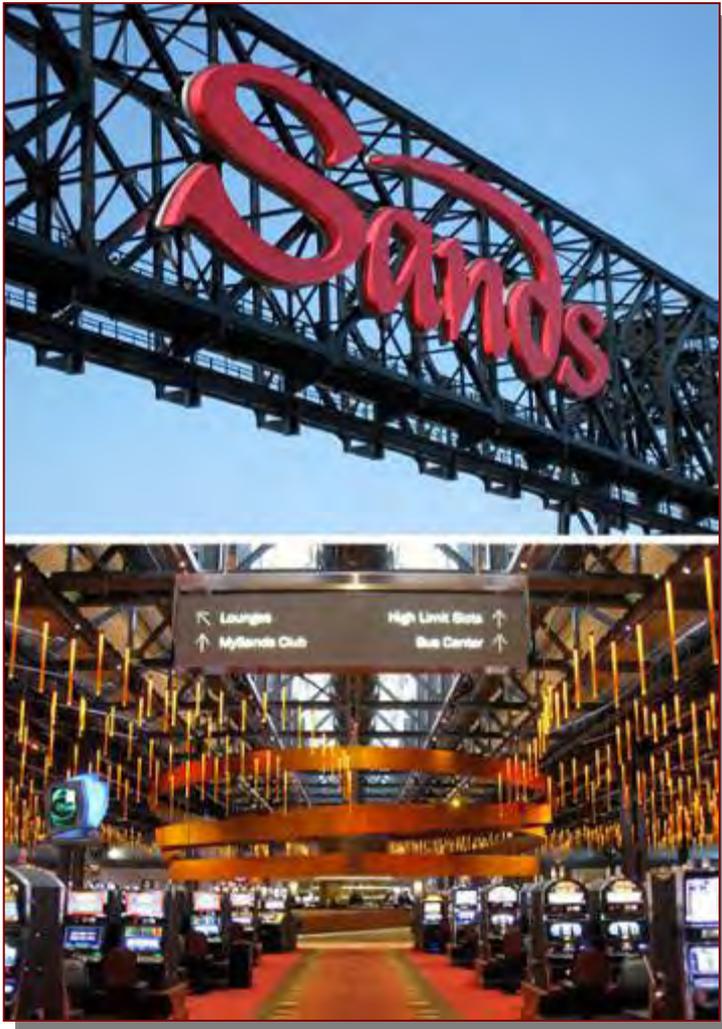
complex



Concert and events center to seat 3,700

3,300-space parking garage, 1,400 surface spots

ACTUAL: SANDS CASINO RESORT BETHLEHEM



- Open May 2009 with 3,000 slot machines, four restaurants, two lounges
- Expanded November 2009 with 250 slot machines, two restaurants, lounge
- Expanded July 2010 with 89 table games

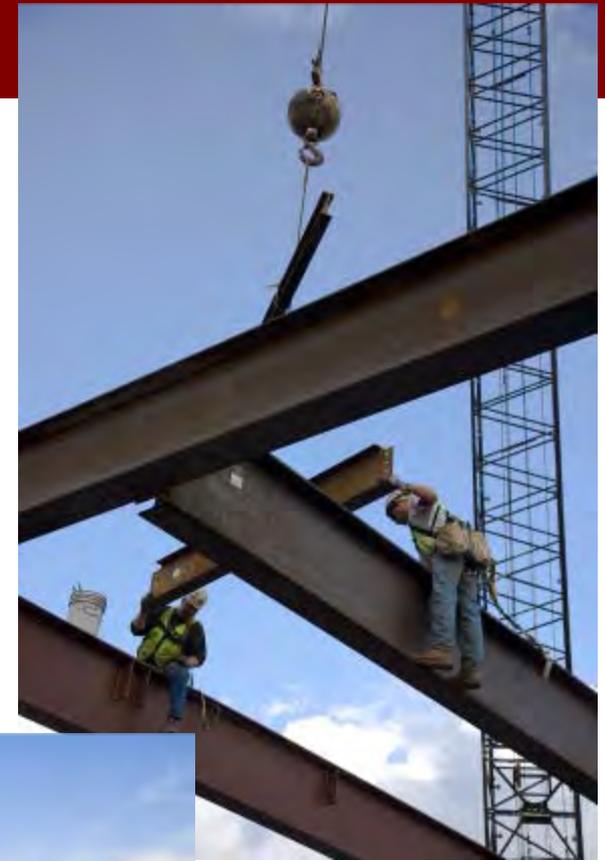
SANDS BETHLEHEM WORKS – PHASE 1

SOUTHSIDE BETHLEHEM CENTRAL BUSINESS DISTRICT



CITY OF BETHLEHEM

*Preserving The Past...
Creating The Future...*







Sands



HOTEL AT SANDS







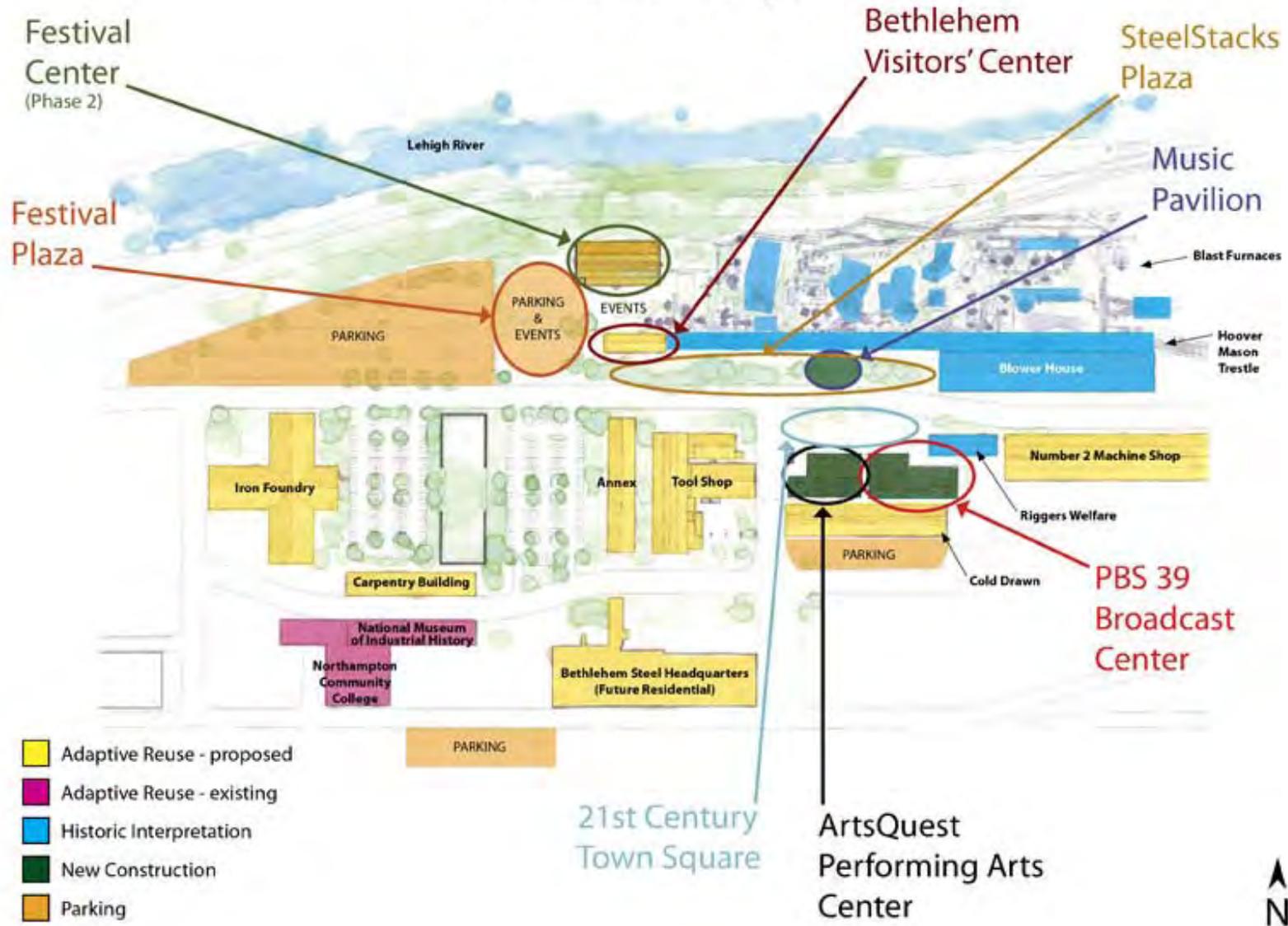
SHOPPES AT SANDS



SANDS EVENT CENTER



STEELSTACKS CAMPUS



STEELSTACKS CAMPUS

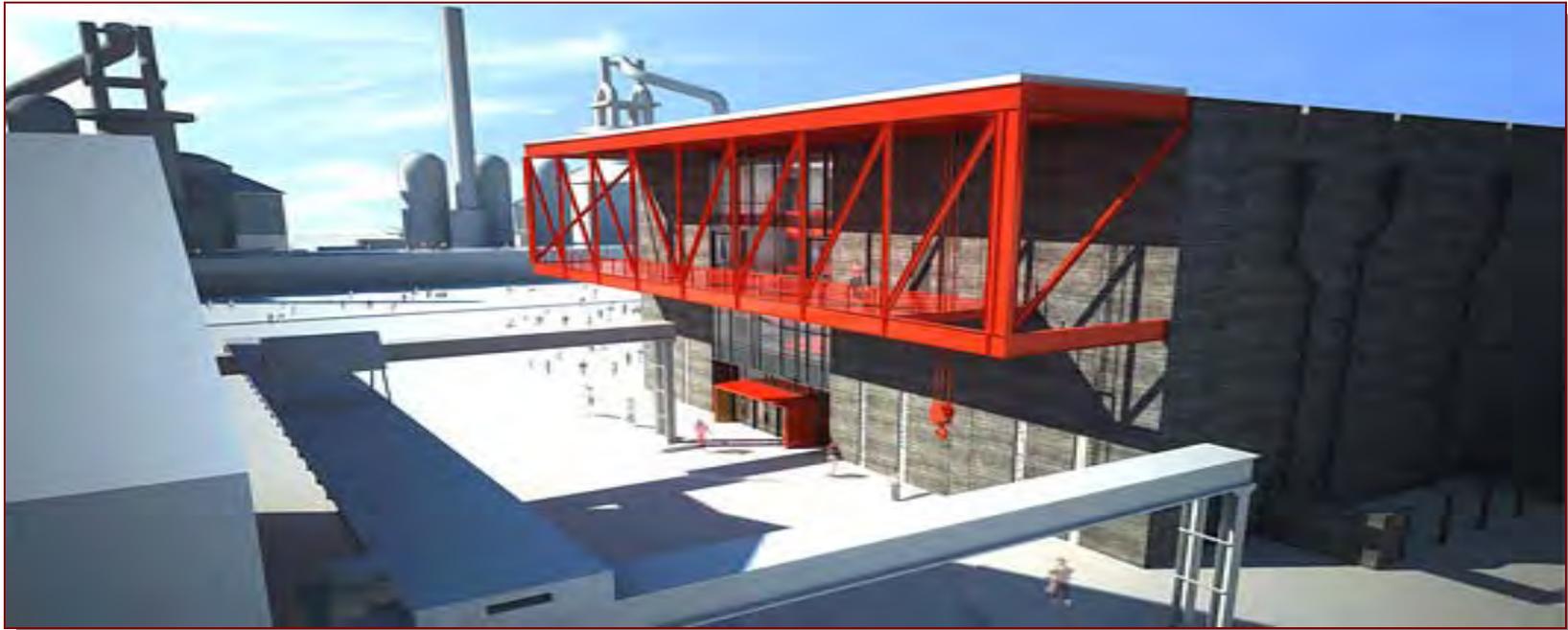


ACTUAL: 21ST CENTURY TOWN SQUARE



- Iconic blast furnaces serve as backdrop
- Centerpiece Levitt Pavilion to accommodate 2,500
- Outdoor plazas
- Picnic grove and playground
- Road realignment
- 370 parking spots

ACTUAL: ARTSQUEST CENTER AT STEELSTACKS



- \$26 million project
- Expected to create 100 full-time jobs
- Home to Musikfest Café, cinema, farmers market, arts & antique market
- Over 300 live performances a year

ARTSQUEST CENTER/TOWN SQUARE





Martin Guitar Lobby

Photograph by Ryan Hulvat



Photograph by Joe Ledva



Frank Banko Alehouse Cinemas

MUSIKFEST CAFÉ

PRESENTED BY YUENGLING



LEVITT PAVILION AT STEELSTACKS



- **50 FREE family-friendly concerts**
- **Lawn seating for 2,500**
- **Much needed green space**

LEVITT PAVILION @ STEELSTACKS



VISITOR'S CENTER

South West View

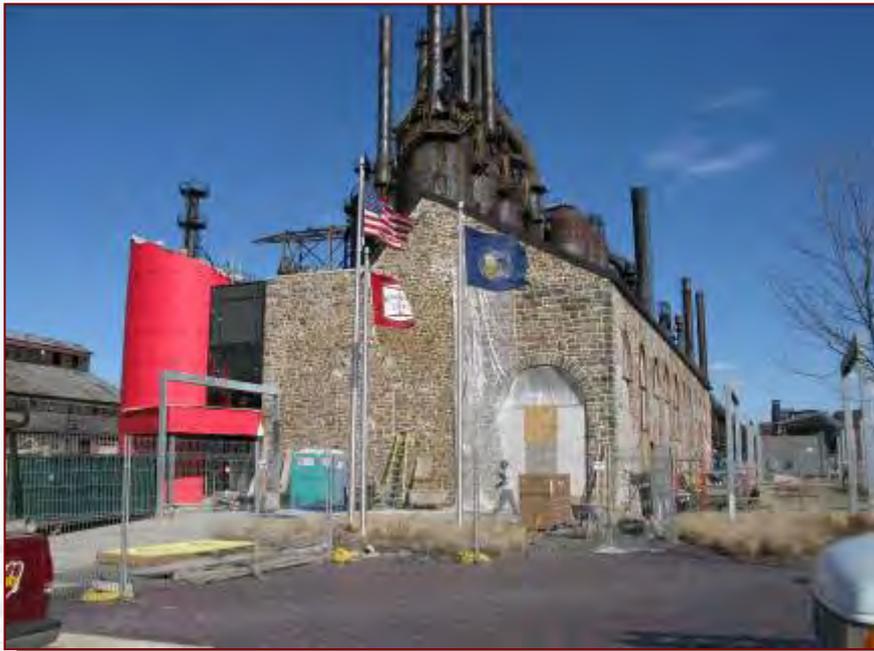


ACTUAL: VISITORS CENTER

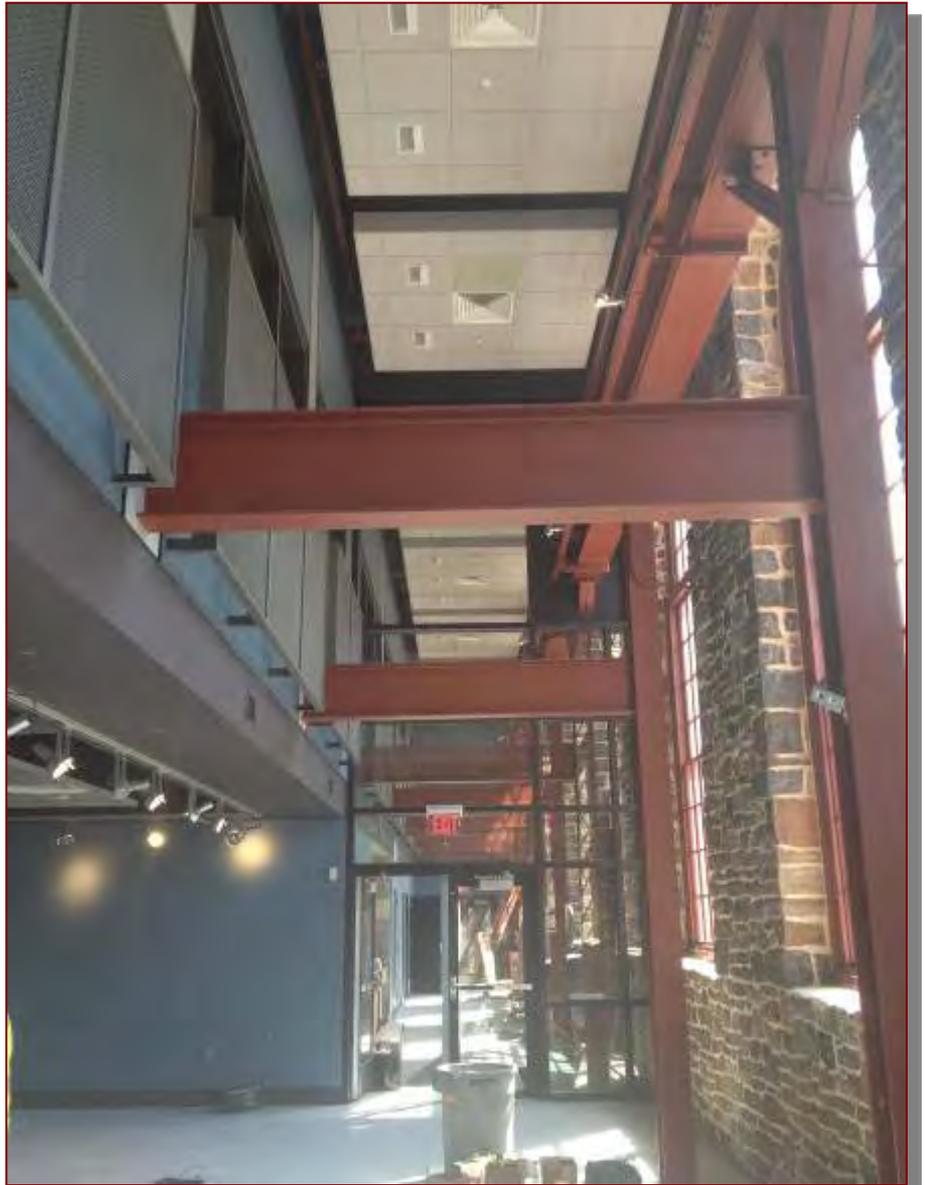


- Conversion of 1862 Stock House
- Oldest building on site
- Center will be operated by Discover Lehigh Valley, regional tourism group





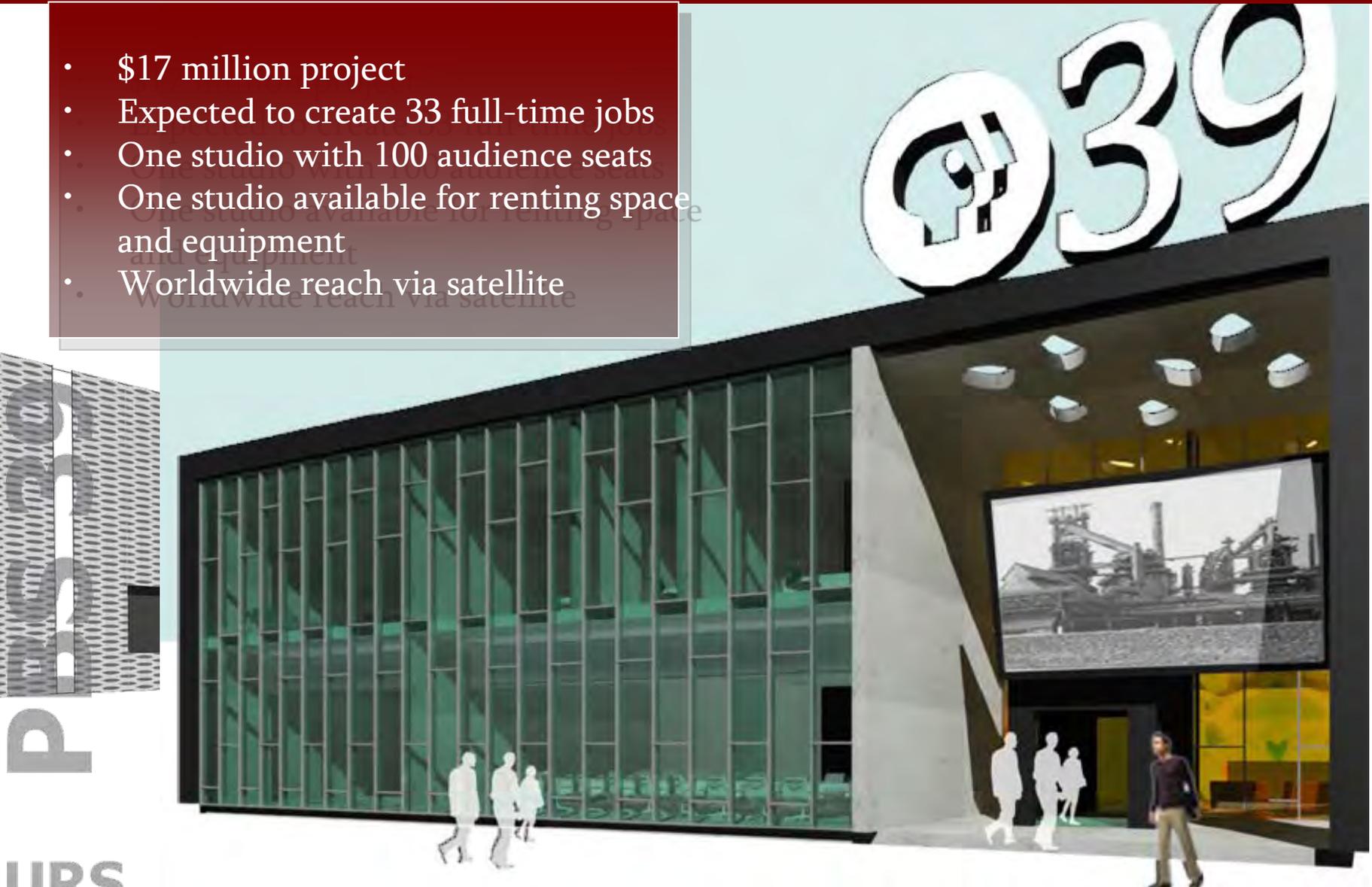




ACTUAL: PBS39: “CONVENING THE COMMUNITY”

STATE OF THE ART PUBLIC BROADCAST CENTER

- \$17 million project
- Expected to create 33 full-time jobs
- One studio with 100 audience seats
- One studio available for renting space and equipment
- Worldwide reach via satellite



PBS 39

Studio A



ACTUAL: NATIONAL MUSEUM OF INDUSTRIAL HISTORY

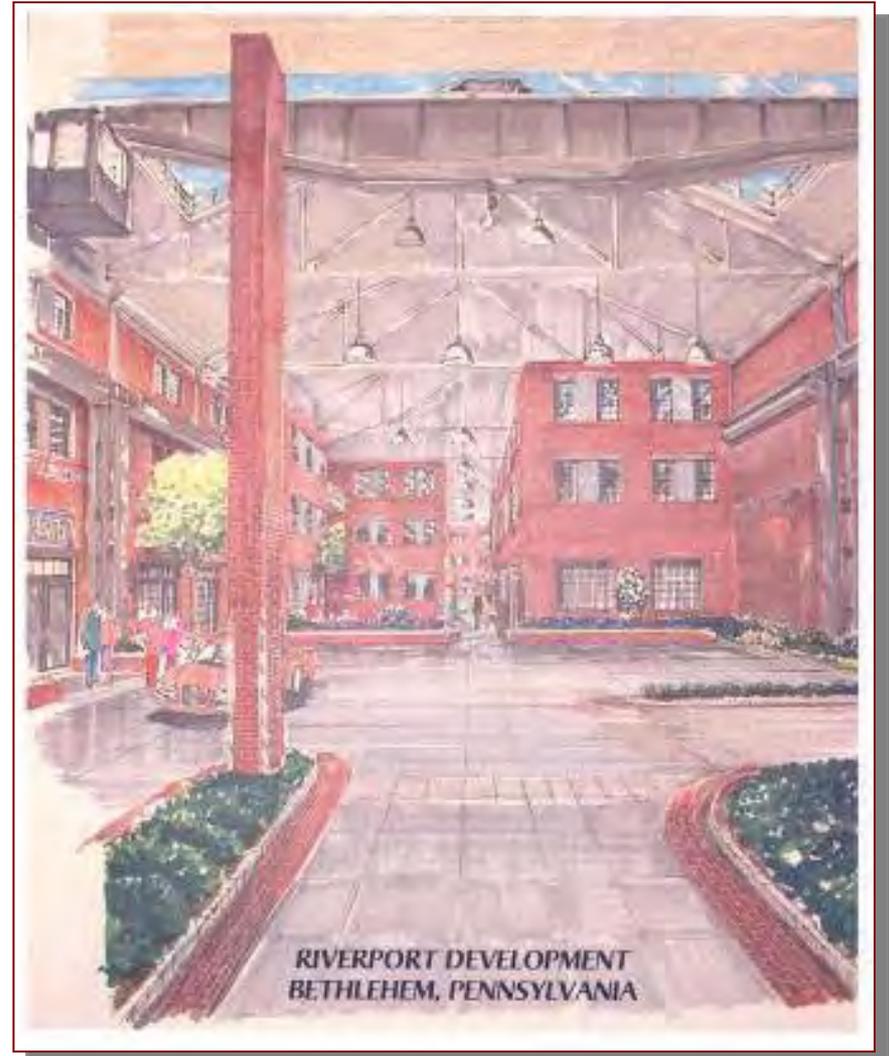
- \$26 million project
- Rehabilitation of Steel electric shop
- External work complete
- Smithsonian affiliation



LEHIGH RIVERPORT

Lehigh Riverport

- 172 luxury condos
- Starters Pub
- Steel Force Fitness



LEHIGH RIVERPORT



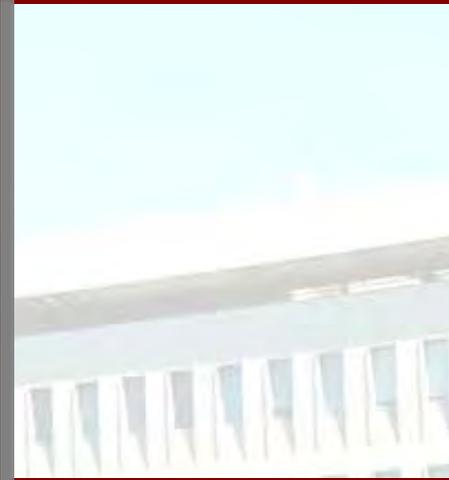
SOUTH BETHLEHEM GREENWAY: SKATE PLAZA



SOUTH BETHLEHEM GREENWAY: *PHASE II*



SOUTH BETHLEHEM GREENWAY: *PHASE II*



BEN FRANKLIN TECHVENTURES² EXPANSION

ACCELERATING GROWTH & INNOVATION IN OUR TECHNOLOGY ECONOMY



- **Size.....47,000SF**
- **Project Jobs Created.....200**
- **Projected Jobs Retained....100**
- **\$6M in American Recovery & Reinvestment Act funds**

BEN FRANKLIN TECHVENTURES²

- ~\$17 million addition
- >80,000 s.f. combined
- 130 space parking deck
- Conference facilities
- LEED certified
- 40+ company capable



PROPOSED: BETHLEHEM COMMERCE CENTER

Illustrative Development Plan



Legend

- Gateway
- Warehouse/Distribution
Light/Heavy Manufacturing
- Intermodal

PROPOSED: BETHLEHEM COMMERCE CENTER

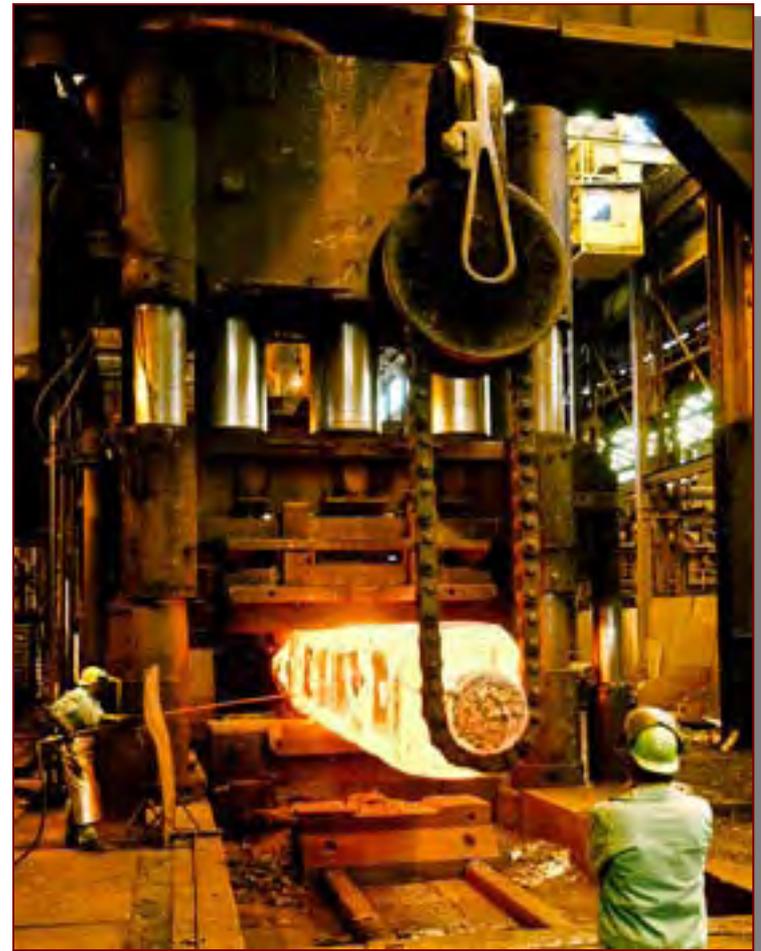
- Announced as \$600 million project in 1999
- 1,600 acres east of Minsi Trail Bridge
- Capable of drawing \$1 billion in private investment
- Office buildings
- Warehouse, light industrial
- Built-in rail system

ACTUAL: BETHLEHEM COMMERCE CENTER



ACTUAL: LEHIGH VALLEY HEAVY FORGE

- Last active Lehigh Valley production plant that once belonged to Bethlehem Steel
- Purchased by West Homestead Engineering & Manufacturing Co. in 1997
- About half of 180 workers used to work at Bethlehem Steel



ACTUAL: LEHIGH VALLEY HEAVY FORGE



- Home to a \$20 million, 10,000-ton die press, the largest in North America
- Roof-mounted cranes which weigh 200 tons lift massive ingots of hot iron
- Makes products for power generation, shipbuilding and mining industries
- The only U.S. company to make certain driveshaft parts for nuclear submarines and aircraft carriers

ACTUAL: LEHIGH VALLEY INDUSTRIAL PARK



- Non-profit economic development corporation
- Established in 1959
- Operate seven parks which house 300 companies in and around Bethlehem
- Over 17,000 jobs

ACTUAL: LEHIGH VALLEY INDUSTRIAL PARK VII

Project	Investment
Brandenburg	\$10 million
Eastern Engineered Wood Products	\$13 million
Receivable Management Services	\$12 million
Foulk Warehousing	\$4.3 million
LVIP Office Building	\$8 million
U.S. Cold Storage Phase III	\$10 million
Synchronoss Technologies	\$18 million
Cigars International	\$10 million
Total	\$85.3 million

LIBERTY PROPERTY TRUST

Total Project Cost: \$75 million

Projected Jobs: 500

Size: 1.2 million sq. ft.



LIBERTY PROPERTY TRUST



A LIBERTY PROPERTY

Prime Industrial
Space Available
For Lease



CUSHMAN &
WAKEFIELD

Steve Cooper or Jeff Williams
610-772-2000

LIBERTY
PROPERTY TRUST

LIBERTY PROPERTY TRUST



ACTUAL: BETHINTERMODAL

- Operated by Lehigh Valley Rail Management
- Property purchased in December 2003
- 75 miles of track
- 9,000 feet of unloading track
- Daily access for Norfolk Southern and Canadian Pacific railroads
- Located less than 1 mile from Interstate 78



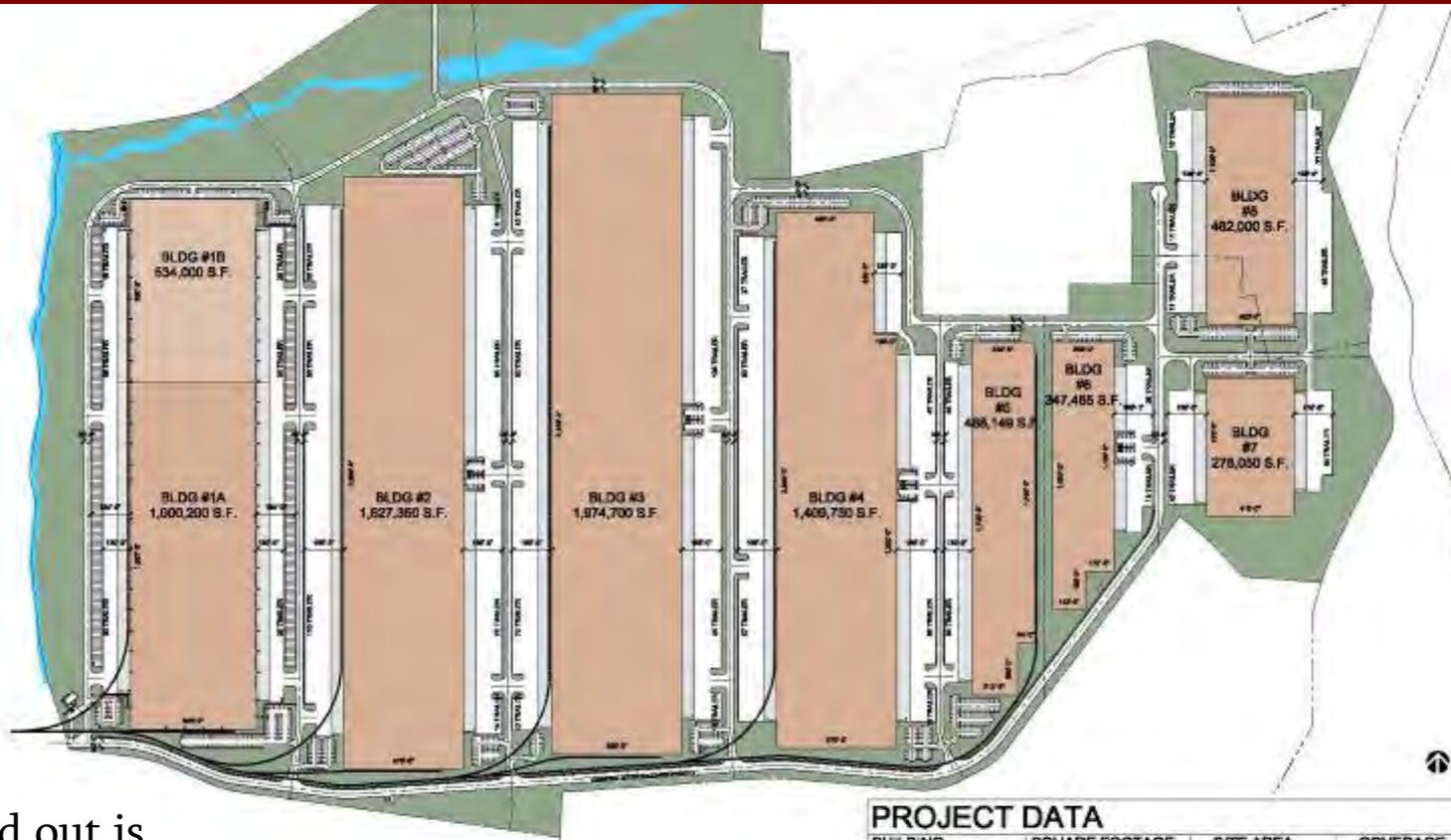
BETH **INTERMODAL**
Inc.

MAJESTIC BETHLEHEM CENTER: Phase 1: RECLAIMING FORMER STEEL PROPERTIES & CREATING JOBS \$100 Million



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 - Total Acres441
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 - Size.....7 Million SF

ACTUAL: MAJESTIC BETHLEHEM CENTER



Full build out is
8.12 million square
feet of industrial space

PROJECT DATA

BUILDING	SQUARE FOOTAGE	SITE AREA	COVERAGE
BLDG. #1A	1,000,200	56.94 Ac	41.05%
BLDG. #1B	534,000	30.97 Ac	39.58%
BLDG. #2	1,827,350	88.34 Ac	42.29%
BLDG. #3	1,974,700	102.27 Ac	44.33%
BLDG. #4	1,409,730	86.39 Ac	48.75%
BLDG. #5-8	1,575,864	97.80 Ac	37.05%
TOTAL	8,121,644	441.54 Ac	42.23%

MAJESTIC BETHLEHEM CENTER



AVAILABLE 8,000,000 SF - 441 Acres

MAJESTIC BETHLEHEM CENTER

Park Amenities

- 6,000 Sq. Ft. Amenities
- Street Ready - Permits & Utilities in Place
- Adjacent to Shopping & Free Trade Zone
- On-Site Sewerage Treatment System
- Private Beach, Motor Courts are Allowed

MAJESTIC REALTY

MajesticBethlehem.com

D KONJOYAN 610-625-1700 EKonjoyan@MajesticRealty

The sign features a map of the site with various zones and a 'PARK' label. It also includes the Majestic Realty logo and contact information for D. Konjoyan.

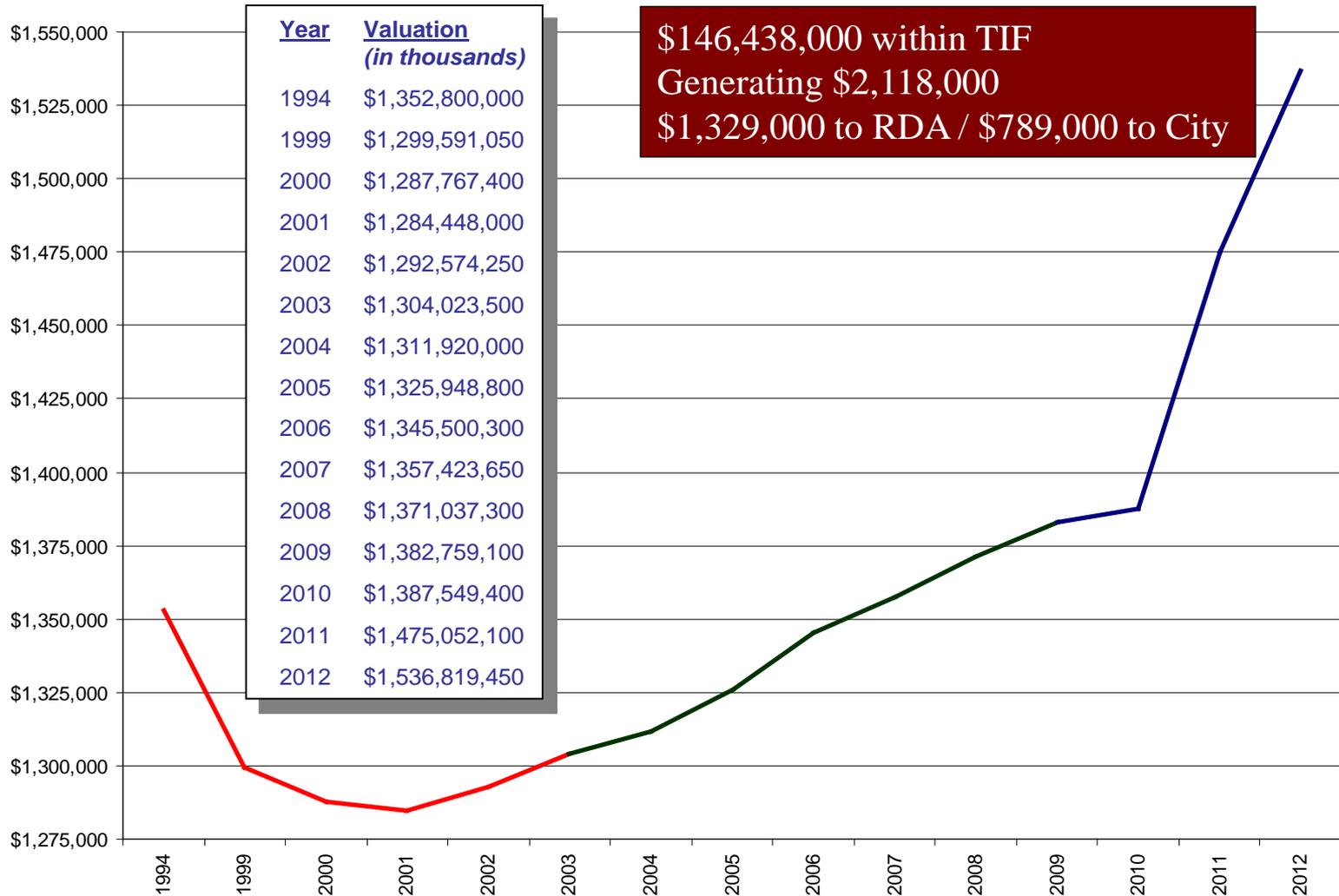




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REAL ESTATE

Assessed Valuations



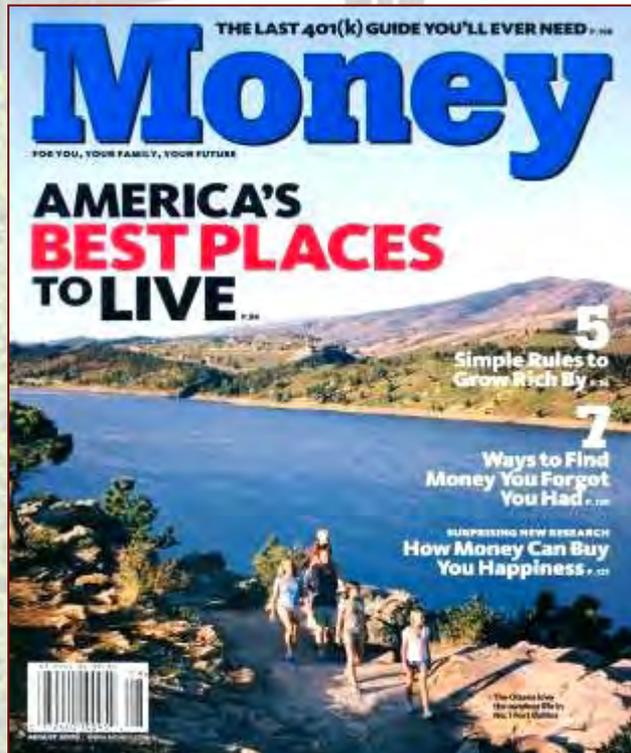
Ranked # 58

Live and Launch



"100 great towns that will feed your soul and nurture your business."

-Fortune Magazine



"The city welcomes new businesses with open arms.... In addition, Ben Franklin Technology Partners, an internationally recognized, state-funded program based at Lehigh University, links early-stage technology firms and established manufacturers with funding, employees, technology, and universities.

-Peter MacDougall, Money Magazine

