



Redevelopment Authority of Lehigh County  
October 3, 2024 Meeting

The regular meeting of the Redevelopment Authority of Lehigh County was held at 9:00 a.m. by Zoom video conference. A recording of this meeting is available at:

<https://www.lehighcounty.org/Departments/Community-Economic-Development/Lehigh-County-Redevelopment-Authority>.

**ATTENDING**

**Board Members:** Oscar Ghasab (OG), Ricky Gower (RG), David Weinstein (DW); Michael Yeager (MY). Quorum obtained.

Also in attendance representing the Authority, Chris Gulotta (CG) and Kent Herman (KH) with King Spry

County Staff: Virginia Haas (VH), Cyndi King (CK)

Public Guests: Deb Mellish, Historic Catasauqua Preservation Society; David Bernini, Catasauqua resident

**ABSENT**

Frank Kane (FK); Jill Seitz (JS)

**AGENDA ITEMS**

**CALL TO ORDER at 9:00 a.m. by MY**

**PUBLIC COMMENT ON AGENDA ITEMS - None**

**Review and Approval of Minutes of September 5, 2024 Meeting**

No questions or concerns; motion for approval made by DW; seconded by RG. No opposition; all in favor. Minutes approved.

**Financial Report and Approval of Bills – See Tab B**

Prior to the meeting, CG sent the bills to MY and OG and those bills were approved. Three invoices totaling \$4,306.99: The Gulotta Group \$2,196.99 with the Borough of Catasauqua being billed, as per the RALC MOA, for \$468.75 for the Executive Director's time on the Iron Works project; King Spry \$510.00 with \$255.00 being billed to the Borough of Catasauqua for the Solicitor's time on the Iron Works project as per the RALC MOA; and Zelenkofske Axelrod \$1,600.00 for August and September accounting services. CG stated that approximately \$300.00 of the Gulotta Group billing is for a Verizon cell phone used by the Executive Director for RALC business which bill spans a 6-month period.

CG reviewed the financial statement for the period ending August 31: Total Assets \$229,962.04; Revenues Year-to-Date \$155,691.49 with the lion's share coming from a \$120,000.00 grant from the Commonwealth of Pennsylvania; funding is also coming from the County of Lehigh and also from reimbursements from the Borough of Catasauqua which show as the Program Service Fees \$8,951.47. CG stated that a grants payable has been booked as an Account Payable for the commitment of grant money (\$67,000) that will be provided to Elias Property Group for the Phase II work conducted at the former L.V. Dairy site. Expenditures: Year-to-Date including the grant payable \$103,357.05 bringing Net Income for the year to \$52,334.44. There was a fund balance beginning January 1, 2024 of \$112,187.80; the fund balance with the net income through August is currently \$164,522.24.

MY asked OG whether Catasauqua continued to timely pay; OG responded, "Yes, absolutely."

MY asked if there were any questions; there were no questions, comments, or concerns. MY asked for a motion to approve the financial report and the bills. OG made the motion which was seconded by DW. Unanimous voice approval.

**OLD BUSINESS - None**

**STATUS REPORTS - Executive Director's Report - See Tab C**

### **IRON WORKS PROJECT**

CG reported there is a draft letter of intent has been received from VM Development Group which has been shared and which will be discussed in Executive Session because it involves potential purchase of real estate by the RALC.

### **MULTI-MUNICIPAL STATE GRANT "Blight-To-Bright"**

CG reported last month that all three municipalities expressed interest in reapplying for state funding which due date is November 15. New program guidelines have been issued by the state for this program which is now known as the Main Street Matters program. CG has confirmed with the state's DCED regional director that the Blight-To-Bright project is still eligible. CG

followed up with the municipalities informing them of what is needed to timely apply and when he needs to receive those documents. CG is looking for a list of blighted properties that would be demolished or rehabilitated with these funds. CG also needs a resolution from each municipality pledging the matching of 1:1 funds. CG also followed up with all Lehigh County municipalities, with the exception of Allentown, Bethlehem, and Lower Milford Township, about the availability of Community Development Block Grant (CDBG) funds. CG had a conversation with two municipalities about using these funds. CG is hopeful that something will develop within the next 30-days to display compliance with expenditure of that CDBG funding. At this point, there is \$150,000.00 that the RALC is looking to spend.

### **REDEVELOPMENT OF THE FORMER LEHIGH VALLEY DAIRY PROPERTY**

Phase II Environmental Study work is underway and that report should be received by the end of October or early November. This report will give the RALC an idea of what remains to be done in terms of additional funding and whether there are any identifiable environmental conditions identified. A discussion with the Elias Property Group will need to take place to determine what, if any, financial assistance they might need from the RALC. CG is encouraged that the environmental work and the demolition are moving ahead.

### **LEHIGH COUNTY DEMOLITION AND REHABILITATION FUND**

This is an action item in today's agenda. CG had a discussion with County staff about the possibility of creating a Demolition and Rehabilitation Fund. CG requests the RALC recommend that the County move ahead with legislation establishing such fund. More discussion on CG's proposal to the Board to follow.

No further questions or comments on the Executive Director's Report.

### **RESOLUTIONS – None**

### **NEW BUSINESS OR OTHER BUSINESS – TAB D**

### **LEHIGH COUNTY DEMOLITION AND REHABILITATION FUND**

CG called attention to TAB D which includes CG's memo to VH beginning the discussion about this fund with the County. CG reminded the Board of last month's conversation about the relatively new state law passed in July which permits counties to levy a \$250 fee from all purchasers of delinquent tax sale properties as well as properties that are sold at sheriff sale. There are exceptions to who pays that fee; non-profit entities, land banks, and the Pennsylvania Housing Finance Agency (PHFA) would not pay that fee. Lehigh County would need to pass an ordinance that would impose a fee not to exceed \$250.00. CG recommends the County

consider the \$250.00 fee. The funds would be deposited in a fund controlled by the County. Act 48 of 2024 indicates that the funds may be provided to enumerated organizations including redevelopment authorities. CG's suggestion comes as recommendation to the County that it approve the RALC as administrator of this fund. This is a source of funding available to the RALC for the demolition of properties or the rehabilitation of blighted properties located within Lehigh County. This fee would also provide funding available to RALC to match funds for state grants. There are about 60 properties that are annually sold in Lehigh County sheriff sales which would raise about \$15,000.00 for the demolition or rehabilitation of blighted properties. Average yearly upset and judicial sales in Lehigh County are about 45 properties which would raise about \$11,250.00 for the demolition or rehabilitation of blighted properties. These two combined amounts would raise about \$25,000.00 per year. It positions the RALC to work with municipalities to leverage other funds to work with them moving forward. CG asked for any questions. MY asked CG whether he was aware of any associations such as the Realtor's Association or a banking association which might be opposed to the creation of this fee. CG was not aware of any [historic or specific] opposition and asked RG whether, from a banking perspective, he was aware of any opposition [to this type of fee being imposed]. RG agreed that he is not aware of any opposition which would impede [moving forward with this fee]. MY asked for a motion for a recommendation by the RALC to the Lehigh County Board of Commissioners to institute this county demolition and rehabilitation fund fee legislation. DW made the motion which was seconded by RG. Unanimous voice approval. My asked CG to notify the County that the RALC recommends it create fund legislation.

## **COMMENTS OR ANNOUNCEMENTS**

MY called for questions or comments from the board; there were none.

## **PUBLIC COMMENT ON NON-AGENDA ITEMS**

Deb Mellish asked for additional updates on the Iron Works Project. CG told Ms. Mellish that there is a letter of intent received last week which would be the basis for an agreement of sale between the Borough, the RALC, and the developer and which will be discussed in Executive Session. The parties are working through a variety of issues which are discussed in the letter of intent. The hope is to connect with the developer as soon as next week to clarify some issues referenced in the letter of intent. There may be more to report next month.

David Bernini asked if the next step following the letter of intent would be the negotiation of the agreement of sale. CG said, "Yes." Mr. Bernini thanked CG for his attention to this project and everything else affecting Catasauqua saying it is very much appreciated. MY added that transparency is key to this entire organization and the intent is to keep everyone informed as best as possible.

## **EXECUTIVE SESSION – Real Estate Matter**

MY asked for a motion to go into Executive Session. RG made the motion which was seconded by DW. With unanimous voice approval, only members of the RALC, Solicitor, and Executive Director went into Executive Session.

There was no action taken by the Board in Executive Session.

The next meeting of the RALC is Thursday, November 7, 2024, at 9:00 a.m. via Zoom. MY entertained a motion made by DW and seconded by RG to adjourn the meeting. Unanimous voice approval; meeting adjourned.

Respectfully submitted,  
Cynthia L. King