



Redevelopment Authority of Lehigh County
August 1, 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), Kent Herman (KH); Michael Yeager (MY). Quorum obtained.

Also in attendance representing the Authority, Chris Gulotta (CG)

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

Public Guests: Grayson Golter (Morning Call)

ABSENT

Steve Neratko (SN), Frank Kane (FK)

AGENDA ITEMS

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

PUBLIC COMMENT ON AGENDA ITEMS – None.

Review and Approval of Minutes of July 11, 2024 Meeting

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

Financial Report and Approval of Bills – See Tab B

One invoice: The Gulotta Group \$3,555.37 with the Borough of Catasauqua billed, as per the RALC MOA, for \$1,093.75 for the Executive Director's time on the Iron Works project. CG reviewed the financial statement for the month ending June 30: Total Assets \$117,249.30; No Liabilities; Year-to-Date through June (6 months of revenue) \$30,278.14 includes the 2024 County of Lehigh grant \$25,000.00 and the \$4,258.60 in program services fees received from

Catasauqua for CG's time related to the Iron Works Project. Under Expenditures: Year-to-Date through June 30 \$25,216.64 bringing Net Income for the year to \$5,061.50. Entering 2024, RALC had a fund balance of \$112,187.80 with the net income for 6-months ending June 30 totaling \$117,249.30. CG asked OG whether the \$120,000.00 PA state grant came into the RALC money-market account. OG replied that the deposit of the grant funding has been made by the Commonwealth.

CG reported that he and OG have been working to open a second money-market account that will earn interest. CG is collecting signatures and plans to submit that paperwork to Embassy Bank today or tomorrow. The PA state funding of \$120,000.00 will be transferred into the new account to remain in compliance with the guidelines of the state grant. CG sent The Gulotta Group invoice to MY and OG yesterday evening. With that invoice, CG included his timesheet which is the basis for his invoicing showing the project worked on and the hours on each project.

MY asked if there were any questions; there were no questions, comments, or concerns. MY asked for a motion to approve payment of said bill; OG made the motion which was seconded by DW. Unanimous voice approval to pay one bill.

OLD BUSINESS

MY announced that he received a letter of resignation from SN on July 31, 2024, stating that he had to step off from the RALC Board for personal reasons. Said resignation letter was accepted by MY. MY, CG, and the County of Lehigh profusely thanked SN for his limited time on the Board and expressed their appreciation of everything that he was able to add to the Board. RALC is currently in a position to attempt to fill that vacancy. MY asked for questions, comments, or concerns; hearing none MY continued the meeting.

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

IRON WORKS PROJECT

MY and CG will be meeting on August 2, 2024 with VM Development Group to discuss the terms of the Exclusive Negotiating Agreement. KH prepared a draft agreement which has been forwarded to the VM group along with comments from CG. It is assumed these will be the starting point of discussions beginning tomorrow. CG believes the Agreement of Sale is 90-to-120-days away. The purpose of this Exclusive Negotiating Agreement is to obtain more information from the developer and to have them obtain more information from the RALC if they need it. Financial statements from VM Development will be obtained in this process which will document that they are financially able to undertake this project. CG stated that initially, Catasauqua is not involved in negotiating the Exclusive Negotiating Agreement as per the MOA approved in September 2023; therefore, consistent with the MOA, CG will share the final draft of the Exclusive Negotiating Agreement with the Iron Works Project Advisory Committee composed of representatives from the Borough and the RALC. Sharing this final

draft in this manner will take place before sharing it with the RALC Board for its approval. There were no questions.

MULTI-MUNICIPAL STATE GRANT “Blight-To-Bright”

CG reported that as of yesterday, the state notified him that it will release new guidelines for a program to replace the Keystone Communities program. However, the state’s website indicates that applications were being received from July 1 through August 31 for the Keystone Communities program. Therefore, the Blight-To-Bright project is delayed until application and/or reapplication can be made to the state. CG must review the new guidelines to see how this particular project measures up. To review: The Blight-To-Bright initiative would be applied for by the RALC to the state of Pennsylvania and funds would be matched with funding from the three interested municipalities (North Whitehall, Whitehall, and Catasauqua) along with the County of Lehigh which also provided match money. However, the initiative is in a holding pattern due to what CG learned yesterday and is asking the Board not to act on the Resolution (Tab D).

North Whitehall and Whitehall have some complications in terms of utilizing their Community Development Block Grant (CDBG) funds which have been approved by the County in the past and funding that will be approved by the County in the future. A letter received by CG from the County within the last 30-days, indicated that preliminarily and subject to HUD approvals and Environmental Reviews, there may another \$75,000.00 available to the RALC in CDBG funding. CG proposed the idea of taking the Blight-To-Bright initiative county-wide and using the RALC’S CDBG funds of \$150,000.00 plus the \$75,000.00 and offering to Lehigh County municipalities (excluding City of Allentown, City of Bethlehem which have their own CDBG funding and Lower Milford Township which has opted out for the next three-years). CG believes expanding the initiative county-wide is a good idea because that allows the RALC to spend the funding and also gives the RALC exposure to other municipalities [outside of the three which initially showed interest]. CG proposes to send an email to the township and borough managers; he has drafted guidelines for the Board’s consideration. As a reminder, CG stated that as a redevelopment authority, the RALC is not demolishing properties but rather providing funds to municipalities that would be demolishing properties [in instances] where the municipality has mainly been unsuccessful getting compliance through their property maintenance code; the situation has become such that it has become a dangerous condition and/or a health and safety issue; and under the provisions of most property maintenance codes allows the municipality, after giving notice to the owner, to go in and have the municipality demolish the property. This is another tool (i.e. the CDBG grant funds) that is available to Lehigh County municipalities with the exceptions of the three earlier named municipalities. Laurie Moyer, Grants Management Specialist for Lehigh County, has reviewed and approved the proposed program guidelines. MY opened it up for questions; no questions. CG continued by reviewing the guidelines he created which topics include eligible structures, eligible funding recipients, program objective, and eligible costs which are demolition and debris removal. The municipality places a lien against the property after they demolish the property; when the property is sold, the funds come back and funds received from the lien

proceeds which are attributable to the eligible costs must be returned to the RALC. This particular fund has the potential to revolve. CG suggests the applications come in on a first-come first-served basis. Further, in the proposed guidelines, there is an application fee of \$500.00 to cover RALC's costs which would cover M&L's environmental work costing \$400.00 per property. Basically, there is boilerplate language that the applicant must comply with all the program requirements. There are also application procedures and an application form. CG requested if the Board is comfortable with the guidelines, to vote on this today so that he can move forward over the next few weeks with contacting the municipalities. MY offered his thoughts on this wonderful opportunity for the RALC to partner with local communities, circulate the RALC's mission, and to "do good." DW made a motion to approve the guidelines; RG seconded the motion. No questions, comments, or concerns. Unanimous voice approval of the motion.

REDEVELOPMENT OF THE FORMER LEHIGH VALLEY DAIRY PROPERTY

CG met the L.V. Dairy owner on July 15, 2024, and he signed the grant agreement for the \$67,000.00 to fund the environmental assessment which should be completed in 120-days. It is CG's understanding that substantial progress has been made in the demolition work. Once the Phase II Environmental Review has been completed, any existing environmental issues will be disclosed and which need remediation. It is possible that the balance of the \$120,000.00 state grant (minus the \$67,000 given for Phase II) could be used for remediation at the site.

MY noted there was a situation surrounding the Art Deco mosaic tiles which adorned the front entrance of the former Dairy and with CG'S "extreme efforts" in conjunction with effort from Jeff Warren of Whitehall Township and the Whitehall Historic Preservation Society, saved those tiles which will be preserved. The tiles will be displayed at various sites and funds are being raised through a GoFundMe campaign.

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

RESOLUTIONS – None

EXECUTIVE SESSION - None

NEW BUSINESS OR OTHER BUSINESS – None

COMMENTS OR ANNOUNCEMENTS

MY reminded the Board that he and CG will be in Easton tomorrow to negotiate the Exclusive Negotiating Agreement on the Iron Works Project with VM Development, the preferred land

developer for the property. MY took the opportunity to reinforce his pleasure with CG's transparency and they have worked well together over the last months. MY continues to be very happy with CG's performance moving forward. MY is proud to be part of the RALC and of the job that CG is doing on behalf of the Board.

VH took the opportunity to thank both MY and CG for their efforts saying that the two projects have been on the County's punch-list and are very important. The County is very pleased that both projects are moving forward to be completed.

MY noted that Governor Shapiro referenced the two projects, Iron Works Project in Catasauqua and the former L.V. Dairy site, during his recent visit to the area. MY asked CG whether the Governor addressed any further funding possibilities. CG stated a program recently approved in the state budget called "Pennsylvania Strategic Investments To Enhance Sites" or (PA SITES) wherein funding was boosted to \$400,000,000.00. These funds may be used for the infrastructure related to the development of previously utilized sites such as the Iron Works and the former L.V. Dairy which are a fit for this new program's guidelines. CG plans to discuss further with VM Development tomorrow and views this new program as a positive development.

PUBLIC COMMENT ON NON-AGENDA ITEMS – None

MY called for questions or comments from the board and the public; there were none. The next meeting of the RALC is Thursday, September 5, 2024, at 9:00 a.m. via Zoom. MY entertained a motion made by DW and seconded by OG to adjourn the meeting. Unanimous voice approval; meeting adjourned.

Respectfully submitted,
Cynthia L. King