



Redevelopment Authority of Lehigh County
January 18, 2024 Meeting

The 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), Steve Neratko (SN), Michael Yeager (MY). Quorum obtained.

Also attending representing the Authority, Chris Gulotta (CG) and Kent Herman (KH)

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

Public Guests: David Bernini, Holly, and Janice

ABSENT

David Weinstein (DW)

AGENDA ITEMS

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

PUBLIC COMMENT ON AGENDA ITEMS – David Bernini, Catasauqua resident interested in Iron Works Project updates; Holly, and Janice.

Review and Approval of Minutes of December 7, 2023 Meeting

No questions or concerns; motion for approval made by RG; seconded by OG. Minutes approved.

Financial Report and Approval of Bills – See Tab B

CG received bills totaling \$3,117.97 which included invoices from King Spry for legal services, The Gulotta Group for professional consulting services, and Zelenkofske Axelrod, LLC, for accounting services. The County of Lehigh will be reimbursed for legal advertising done in conjunction with the Catasauqua Iron Works Project; Chris Gulotta advanced costs for check printing (Safeguard) and printing of letterhead and business cards (Minuteman Press-Bethlehem). The amount for costs advanced (\$389.69) is included in The Gulotta Group invoice. CG asked OG whether Catasauqua Borough paid the latest invoice for [King Spry] and [The Gulotta Group] work done in November; OG checked and replied that payment had been received and was deposited. The financial statement is also attached and included in Tab B. CG reviewed the Financial Statement, August 7 through November 30, 2023 and noted that MY and OG reviewed the detail on these invoices and authorized these for payment. CG asked if there were any questions. MY asked for questions and there were none.

OLD BUSINESS – None

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

IRONWORKS PROJECT

CG prepared the report on the day before the RFPs were due. No proposals for the redevelopment of the Iron Works site were received by the January 12 deadline. Developers were contacted in December to determine how many proposals might be received. One developer who attended the pre-proposal conference indicated he would submit a proposal. In early January, another developer indicated to the Borough their intention to submit a proposal; however, none were received. CG sent the RFP to about twenty (20) developers. This week, the Iron Works Advisory Committee composed of MY, KH, CG, and Borough representatives met and decided to focus on “next steps.” Taking place in the next two weeks, CG and Chad Helmer (Borough’s consultant) will have conversations with developers who attended the pre-proposal conference and obtain input and insight on their concerns and will look at ways the RFP might be revised to obtain a more robust response when it is reissued. After these debriefings take place, the Advisory Committee will convene again with Chad Helmer and CG sharing information learned from the developers; the Advisory Committee will decide on revisions for the RFP with the goal of reissuing the RFP in the next thirty (30) days. There is a solid plan for moving ahead. CG asked for questions. RG inquired whether, in CG’s extensive

experience in this [type] of work, he has encountered a situation such as this and if so, upon further dialogue with the developers and perhaps further revisions to the RFP, has [the project] successfully turned around and received proposals? CG replied, “Yes.” CG explained that it is a process wherein the RALC tries to “get inside the mind of a developer” and get an idea whether this [project] will be something of interest and it is a process, too, of “hitting a sweet spot” looking at many components to the project such as the market, subordinate financing, zoning (which the Borough has had) and other incentives which might be brought [forward]. CG also said that when an RFP is issued, the components are compiled based on one’s own understanding of how developers think and [their presumed] responses. No responses were received; the sweet spot was not hit. CG believes this debriefing with the developers within the next two weeks will provide enough information that there will be success when the Iron Works Project RFP is reissued. MY asked for questions; there were none so CG continued with his Executive Report.

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

This is the Pennsylvania Grant for \$500,000 which includes three municipalities (North Whitehall Township, Whitehall Township, and Catasauqua) which funds would be used to demolish or rehabilitate blighted properties in those respective municipalities. Senator Nick Miller’s office reported that decisions on the grant awards will be made by the end of January. CG has kept those municipalities updated on the schedule of this grant. CG is encouraged that the State will have a favorable rating of the RALC grant application because the three municipalities and Lehigh County have provided in excess of \$500,000 matching funds thereby showing the extent which local government in the county are willing to support this venture. As soon as CG receives notification from the state, he will make the RALC aware.

MISCELLANEOUS

Attached to Tab C is the most recent Legislative Report from the Housing Alliance of Pennsylvania. Some points of interest:

1. PHARE (Pennsylvania Housing Affordability & Rehabilitation Enhancements) Act has 60-million dollars of State funding available. Demolition is an eligible activity. Working with municipalities dealing with blighted properties, CG sees some potential [for the future] for the RALC to submit an application and partner with a nonprofit organization interested in developing affordable housing. The RALC would prepare

the application and use funds from the application for the PHARE funds to demolish properties and then make these properties available to a nonprofit housing corporation for new construction. As the year progresses, CG will get a better idea of whether there is an opportunity for the RALC.

2. House Bill 1347 making long-term loans available to authorities at a low interest rate in order to acquire blighted residential or commercial properties and to redevelop or rehabilitate them. Money would be paid back to the Commonwealth and returned to the fund for other redevelopment authorities to utilize. This bill is still being vetted in the legislature. CG sees this bill as an aid to tap into additional sources of funding to accomplish demolition of blighted properties.

CG asked for any questions on the Executive Director's Report. MY asked for any questions. There being no questions, the meeting continued.

RESOLUTIONS – None

EXECUTIVE SESSION - None

NEW BUSINESS

Reappointment of Solicitor

KH of King Spry, Bethlehem, Pennsylvania, is the current solicitor. KH has served the RALC well; MY is looking for any questions, comments, or concerns relative to any motion to reappoint KH. FK pointed out that it would make sense to move from a one-year appointment of solicitor to a multi-year appointment. FK referenced that other authorities utilize a multi-year engagement. CG agreed with FK and suggested a three-year agreement with KH and King Spry. FK and MY asked for KH's counsel on the matter. KH agreed that many authorities do use multi-year contracts. KH noted that no adjustments to their rates for 2024 have been requested and if the economy [necessitates it,] there may have to be consideration at some point in time to see if adjustments to the rate would be appropriate. Otherwise, KH is agreeable to serving as solicitor for three-year term. MY thanked FK for his comment and KH for his counsel. MY asked for a motion to renew the solicitor's contract on a three-year basis and for him to remain solicitor for the RALC for a three-year term. SN made the motion which was seconded by OG. No questions or comments. Unanimous voice vote in favor. Motion passed.

Review and Approval of Annual Report

MY stated he hoped everyone had a chance to read through the report. MY thought CG did a wonderful job of capturing the highlights of the RALC's year. CG reflected that it was an important year, a formative year for the RALC accomplishing a great deal together [beginning with] bringing a professional team together to get things done. CG thanked the Board members for their engagement and involvement in this venture where [much action has taken place] especially in terms of process... the process of getting the RALC going again. A mission statement was developed; Lehigh County was generous with start-up funding; there were a number of activities that will yield dividends [such as] the processes for redevelopment of the Iron Works Project in Catasauqua and issuing an RFP with the hope of concluding this process in 2024; the Blight-To-Bright [program;] and possible interest in the redevelopment of several former industrial sites. GC acknowledged the support received from the County of Lehigh. 2023 was a busy year and CG looks forward to other ventures and continued strengthened relationships with The County of Lehigh, other local governments, as well as nonprofit and public sectors. Beyond accomplishing specific projects as referenced in the annual report, CG sees relationship building as one of the major goals. Accomplishing that outreach to engage our partners (municipalities, private developers, and nonprofit organizations) is outlined in the report. CG would like to cap-off the year's work by putting on a Blight Summit cohosted by the County and RALC. CG appreciates the opportunity to be of service to the RALC and thanked everyone for their support. MY called for questions or comments. CG will post the annual report on the website in addition to emailing it to the Lehigh County municipalities, program partners such as Lehigh Valley Planning Commission, Housing Authorities, Community Action of L.V., and other nonprofits involved in housing activities where there may be an opportunity for partnership although CG views RALC's role as blighted property remediation or demolition; he does not see the need to develop affordable housing because there are so many very qualified organizations doing it. However, a partnership to develop that affordable housing is an area to be explored in 2024. MY called for any further questions or comments. There being none, the meeting continued.

COMMENTS OR ANNOUNCEMENTS

CG mentioned another RALC Board meeting scheduled for February 1 which is only two-weeks away and which he is tentatively keeping that date for the meeting with the understanding that his goal is for a February reissue of the Iron Works RFP which would require a RALC meeting to approve the reissuance of the RFP. Therefore, CG predicts that the February 1 meeting will be rescheduled. MY

understands and when it is appropriate to do so, asked CG to do a group request to narrow down another meeting date.

PUBLIC COMMENT ON NON-AGENDA ITEMS

David Bernini asked CG about reissuing the Iron Works RFP to a broader audience than just the parties that attended the pre-proposal conference. CG plans to send the reissued RFP to a broader audience which is everyone on the original RFP distribution list. The two-week period to debrief the developers which showed interest in bidding is to ascertain specific reasons why they ultimately decided not to bid. Mr. Bernini thanked the RALC for the work it is undertaking on behalf of Catasauqua. No additional comments or questions from the public.

MY asked for a motion to adjourn the first meeting of 2024. SN made the motion; seconded by RG. Motion passed by unanimous voice approval.

Next regular meeting is tentatively February 1, 2024 at 9:00 a.m. via Zoom.

Respectfully submitted,
Cynthia L. King