



Redevelopment Authority of Lehigh County
August 7, 2025 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), David Weinstein (DW), Michael Yeager (MY). Quorum obtained.

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

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

ABSENT

Jill Seitz (JS), Frank Kane (FK)

Public Guests - None

AGENDA ITEMS

CALL TO ORDER at 9:01 a.m. by MY.

Review and Approval of Minutes of July 3, 2025 Meeting

No questions or concerns on minutes from the previous meeting; motion for approval of minutes made by DW; seconded by RG. No opposition; all in favor. Minutes approved.

Financial Report and Approval of Bills – See Tab B

Four invoices totaling \$6,113.38 to be paid: The Gulotta Group \$5,324.90 with the Borough of Catasauqua billed, as per the RALC MOA, for \$562.50 for the Executive Director's time on the Iron Works project; Elias Property Group also

will be billed \$1,592.50 for technical services rendered by the Executive Director on the MacArthur Road project pursuant to the agreement, and the balance of the total time spent on this project, \$1,470, will be charged to the state grant for technical services rendered; King Spry \$391.00 with \$51.00 billed, as per the RALC MOA, to the Borough of Catasauqua for the Solicitor's time on the Iron Works project; Iron Works Development Group \$331.31 to be paid from state grant funds; and T-Mobile \$66.17 phone bill for the Executive Director's use specifically for RALC business. CG provided these invoices to the chairman and treasurer as per RALC protocol and both signed-off on these invoices for payment.

MY asked for a motion to approve the bills. OG made that motion which was seconded by DW. No opposition; all in favor. Four invoices approved for payment.

CG reviewed the Financial Statement ending June 30, 2025. Assets totaling \$224,778.01 which include \$131,240.64 in the Money Market Account, \$13,611.67 in the Checking Account, \$25,363.65 in the account funded by the Elias Property Group, and \$71,408.45 in LV Dairy Project Grant/State Grant Account. Revenues \$106,718.47, Expenditures \$32,239.42 Net income for the month ending June 30, 2025 \$74,479.05 added to the Fund Balance of January 1, 2025 totals \$224,778.01. Operating Fund Balance is the Money Market Account \$131,240.64 minus \$50,000.00 grant received for Iron Works minus remaining amounts which have not been paid to VM Development Group for engineering work which then is \$82,387.65 and add in the cash in checking. There is about \$96,000.00 in operating reserve.

MY asked for questions, comments, or concerns relative to the financial report. RG questioned the rate received on the money market funds. CG asked OG to check the rate and get back to the Board. DW questioned \$16,846.40 in Accounts Payable. CG stated that this is the amount remaining under the terms of the agreement with Elias Property Group for the Phase II Environmental Phase. A change will be reflected in next month's financial statement because Elias did not use the entire \$67,000.00 to complete the Phase II. MY noted that RALC is now working with Campbell Rappold & Yurasitz (CR&Y). CG noted that CR&Y have requested the general ledger and bank statements which OG will provide and it appears to be a smooth transition. CR&Y will produce their first financial statement for the RALC for the month ending July 31. Hearing no other questions, comments, or concerns, MY asked for a motion to approve payment of the four invoices and acceptance of the financial report ending June 1. OG made that motion which was seconded by DW. No opposition; all in favor.

OLD BUSINESS – None

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

IRON WORKS PROJECT

VM has been advised by their consultant there is a need for No-Rise Study to move ahead with the project. This study would document a specific portion of the site that is in the special flood plain hazard area would not make any flooding worse if they would develop and build in this area. PA DCED submitted an amendment which would provide VM Development Group with \$45,000.00 of the \$120,000.00 originally awarded by the state. CG will submit a \$1,000,000.00 Main Street Matters grant application to PA DCED which would provide for site improvements and utilities. Phase I will include underground utilities, roads, and also demolition of existing structures. It would also include not less than 10 townhomes and also renovation of the depot building (which is located next to Municipal Hall) to be utilized for mixed use, commercial, and residential. RALC would provide the million-dollar grant funding to VM minus about \$5,000.00 which would be used for an audit with the remaining \$995,000.00 for VM to undertake underground utilities, sidewalks, curbs, roads, and demolition in conjunction with Phase I.

REDEVELOPMENT OF THE FORMER LEHIGH VALLEY DAIRY PROPERTY

A pre-proposal conference was held July 9 with six firms in attendance in regard to the Request for Proposals (RFPs) which was sent. Several firms are interested. Originally, proposals were due on September 4 but that date was moved to September 19, 2025 in part because of holidays and summer vacations by the staff of firms which are interested in providing proposals; so it was helpful to move the due date ahead. CG will circle back mid-month to make certain the firms which are interested in submitting proposals have everything they need to submit those proposals. MY asked whether Gus Elias is pleased with the progress. CG believes that he is because he has not heard otherwise. Both men include the other in telephone conferences they hold with prospective firms interested in submitting proposals. MY asked what happens after proposals are received. CG will rank proposals based on the criteria of the RFP. Mr. Elias is not bound by RALC's recommendation but he does want and appreciate RALC's input. MY noted that Senator Nick Miller is being apprised of everything going on with the RFPs and is pleased with the progress. CG agreed and included that the township is pleased, too. CG spoke with Whitehall Township mayor earlier this week saying there is a real appreciation of the RALC work being done in helping to move this project ahead. CG added that he received a question at the July 9 pre-proposal conference

about whether any state funding was approved for this project beyond the \$120,000.00 which was received through Senator Miller. CG answered “no.” However, Redevelopment Capital Assistance Program (RCAP) funding has been associated with the Iron Works Project. Through a staff member in Senator Miller’s office, CG learned that a member of Rep. McNeil’s staff was putting together a list of projects for the state capital budget bill and agreed to include a \$4-million-dollar line item for the RALC for redevelopment assistance in conjunction with the redevelopment of the Lehigh Valley Dairy property. The RALC would provide these funds to the preferred developer if they documented a need for these funds.

COUNTY DEMOLITION AND REHABILITATION FUND

Lehigh County Board of Commissioners (BOC) approved the establishment of the fund and also approved the guidelines for the program at the July 23 meeting. This ordinance allows the County to take advantage of a state law establishing filing fees for mortgage foreclosures, sheriff sales, and delinquent tax sales and to charge a \$250 fee to the buyer. CG calculated the number of delinquent tax sales and mortgage foreclosures in Lehigh County and discovered that there aren’t that many but that this filing fee would raise between \$30,000 and \$35,000 annually to be put into a fund for use by the RALC for the renovation or demolition of vacant residential blighted properties. The guidelines include a provision of \$15,000.00 available to public and private nonprofit organizations along with other redevelopment authorities which would allow them to apply for that funding through the RALC as the administering agency. In about 10-months, CG will send a notice to organizations that are eligible to apply, inviting them to submit an application for the funds. RALC would make recommendations to the Board of Commissioners (BOC) but ultimately it would be the BOC’s decision as to which organization would receive funding. Once the funding decision is made, RALC will administer the funds and receive 12.5% fee for all funds expended from the fund. CG added that the BOC is very positive about the work of the RALC and has good support from them.

RESOLUTIONS

CG provided the RALC Board with a resolution approving the submission of the 1-million-dollar grant application for the Main Street Matters program for Phase I of the Iron Works Project which is a 5.9-million-dollar phase. RALC would administer these funds with the exception of \$5,000.00 to conduct an audit and all other funds would be provided to VM Development Group for the site and demolition work. If this resolution is approved, RALC will enter into a subrecipient agreement with Iron Works Development Group, which is the spin-off

of VM Development Group, specifically formed for this project. CG pointed out the stipulation in the resolution that guarantees the availability of matching funds by VM thereby insuring they can fund the balance of the project. A representative from VM Development Group is working on a bank letter for the balance of the funds. MY asked for questions or comments. Hearing none, MY asked for a motion approving the resolution authorizing submission of the 1-million-dollar Main Street Matters grant application. DW made the motion which was seconded by RG. No opposition; all in favor.

EXECUTIVE SESSION - None

NEW BUSINESS

CG directed the Board to Tab E of the board packet and the Approval of Administrative Agreement with Lehigh County for the County Demolition and Rehabilitation Fund. MY asked for questions, comments, or concerns. MY asked for a motion to approve this administrative agreement with the County of Lehigh regarding the Demolition and Rehabilitation Fund. DW made the motion which was seconded by RG. No opposition; all in favor.

Next, CG read over the agreement which essentially shifts \$45,000 of the \$120,000 state grant originally earmarked for Elias Property Group and the former Lehigh Valley Dairy site to VM Development Group or Iron Works Development Group for the completion of the No-Rise Study. KH signed off on this agreement. CG received the amendment from the State. MY asked for questions, comments, or concerns. MY asked for a motion to approve the amended funding agreement with the Elias Property Group. DW made that motion and OG seconded. No opposition; all in favor.

MY spoke for the Board in saying that the need for the completion of a No-Rise Study was a bit of a surprise and asked CG to comment. CG stated that this study was totally unforeseen on the part of VM Development Group and the RALC. MY asked for questions, comments, or concerns. MY asked for a motion to approve the funding agreement with the Iron Works Development Group. RG made the motion seconded by DW. No opposition; all in favor.

PUBLIC COMMENT ON NON-AGENDA ITEMS - None

COMMENTS OR ANNOUNCEMENTS

Next meeting will be a Zoom meeting on September 4, 2025 at 9:00 a.m.. CG would like to have another in-person meeting. Discussion ensued. November 6

will be the in-person meeting in Room 436 at the Lehigh County Government Center.

MY asked for any other information for the good of the order. MY asked for a motion to adjourn the meeting. OG made that motion which was seconded by RG. Unanimous voice approval. Meeting is adjourned.

The next regularly scheduled Zoom meeting of the RALC is September 4, 2025, at 9:00 a.m.. Meeting is adjourned.

Respectfully submitted,
Cynthia L. King