

Redevelopment Authority of the City of Allentown
Monthly Meeting Minutes
January 13, 2021
2:00 PM

The following are meeting minutes of the Redevelopment Authority of the City of Allentown pertaining to the meeting held on Wednesday, January 13th, 2021 at 2:00 p.m. Via Teams Virtual Meeting.

Board in attendance:

Chair - Rebecca Williams
Vice Chair – Daniel Schmidt
Secretary – Constance Cowen
Tyrone Russell - Member

Staff in Attendance

Leonard Lightner
Kelly McEllroy
Megan Hart

Public in attendance:

Earl Endy

Determination of a Quorum

Rebecca Williams determined a quorum was in place and called the meeting to order at 2:00pm.

Approval of the Meeting Minutes

Connie Cowen requested a motion to approve the minutes of October 14, 2020 and October 29, 2020 meetings; Daniel Schmidt seconded and all in favor.

Old Business

Rebecca Williams asked if whether the board member vacancy is old business or new, Kelly McEllroy confirmed it would be new business since it was not discussed in December's meeting.

Kelly McEllroy mentioned a guest is in attendance for the meeting, after several requests for identification, no response, phone number of 610-394-4973.

New Business

Kelly McEllroy said the first order of business is approval and resolution for staff to acquire 2020 List A certified properties thru eminent domain if necessary. Rebecca Williams asked for confirmation these properties are listed on page 6 of the board packet and Kelly McEllroy confirmed. This list of 19 properties were certified, Allentown City Planning Commission determined best use and also went in front of City Council even though Council approval isn't necessary, the Authority wants to do everything with full transparency and for the good of the order. Tyrone Russell asked for verification of what the verbiage "if necessary" means. Kelly McEllroy answered the process starts with Building Safety & Standards with notification of the blight issue to the owner, then the property is determined blighted and is later certified as blighted. We continue the

process even if a property owner is working on the property because we don't want to start the entire process over but with that being said, we will not take any properties thru eminent domain that are actively being worked on. The Authority doesn't want to take properties, the Authority just wants compliance. Tyrone Russell said if necessary is vague, Kelly McElroy answered we can use different verbiage to be more defined instead of if necessary. Rebecca Williams stated when someone gets to this point, they have received multiple letters, multiple notifications, an invite to attend the Blighted Property Review Committee meeting and multiple opportunities to correct so when Kelly McElroy says "if necessary", she is referring to more of internal procedures. Rebecca Williams also stated we will work with owners that are working on the property. Tyrone Russell asked if the "if necessary" is just for the Authority's use, Rebecca Williams said yes then we can give authority to staff to continue the process and Tyrone Russell was in agreement and understands our standard operating procedure internally. Kelly McElroy stated the Authority was defunct for a long time, we have an influx of properties that we are trying to rectify and are trying to get the word out so people fully understand the process about what we do and want everything in plain language so there is complete understanding and no room left for interpretation.

Rebecca Williams asked when the next BPRC (Blighted Property Review Committee) meeting will be, in April? Kelly McElroy answered yes.

RESOLUTION Tyrone Russell motioned to approve the staff to follow the eminent domain process if necessary, for list a 2020 Certified List A if necessary, Dan Schmidt seconded and all were in favor.

Kelly stated the next order is approval for the Authority's staff to manage City of Allentown "At Risk Property Registration Program" which requires any property with a notice of default, pre foreclosure or foreclosure to be registered with this program. Currently a third party company handles the registration but the third party company only registers the property, there is no enforcement, there's money owed to the city, they don't file liens and have inaccurate information regarding vacancy. The Authority can start the management of at risk properties and it can potentially act as a pipeline of properties we may get in our inventory so it will be a useful tool. The Authority will have a MOA with the city, we will collect the fee, give the city their portion and will be able to get a handle on the properties and enforce the ordinance. In the future we would like to change the at risk ordinance to a true vacant ordinance because we currently require properties in default to register and it's not really fair if someone is already struggling to pay their mortgage and a true vacant ordinance would be more beneficial because we can only take vacant properties. The current third party contract expires the end of February, we have 45 days to get it under control and have a lot of things to do but we can do it. Rebecca Williams extended gratification to Kelly for taking this program on and applauds her to take it on with it being taxing on her time and resources. Rebecca Williams feels lenders are the biggest offenders with not taking care of their properties and a process to hold them more accountable will hopefully keep the properties out of the Authority's inventory.

RESOLUTION Connie Cowen motioned for approval for staff to manage the city's "At Risk Property Registration Program", Tyrone Russell seconded and all were in favor

Kelly McEllroy said the awardee of the project for 509 N 7th Street has some changes from the original proposal. Earl Endy said his original proposal included TMobile to extend their cell phone store into the first floor of 509 N 7th but TMobile has since changed their mind. Earl Endy said he would like to use the first floor for space for his personal business No Limit Construction Fire & Water Restoration. Rebecca Williams asked Kelly McEllroy if the change would require any zoning revisions or any restrictions to which Kelly McEllroy answered no there would not be any issues with zoning or funding restrictions.

Tyrone Russell asked Earl Endy if he was looking for other tenants for the first floor of 509 N. 7th Street, Earl Endy said he decided to hold off and just put his own business in there for right now.

RESOLUTION Dan Schmidt motioned for approval for the awardee of 509 N. 7th Street to revise the original plan previously submitted, Connie Cowen seconded and all approved.

Kelly McEllroy said the Authority is holding Earl's Endy's escrow deposit for 509 N. 7th Street, he is still in his due diligence period and once the plans are finalized, settlement will occur and the Authority will monitor the progress until it's finished and once finished, a certificate of completion will be issued and recorded with the county. Rebecca Williams asked what the anticipated settlement date is, Kelly McEllroy said we didn't have a definite settlement period, he was given 90 days for due diligence so we should be able to have settlement mid to end of February.

Executive Director Report

428-436 N 6th Street – Funeral Home that has been in our inventory since 2011. All utilities were removed including the sewer lateral and electric service. The demolition was pretty fast, it only took about a week. The Authority is in the process of obtaining estimates for a fence around the property as per the Certificate Of Appropriateness, we have 2 quotes and are waiting on additional estimates. The cost for fence \$20-\$30k because of the size of lot.

318 N 13th Street – The rehab contract is signed. This was previously a 5 unit and is being de-converted to a single home. There were some structural issues in the house and detached garage. Completion will hopefully be mid to end of March. We have talked to a non profit organization called "Self" and they will most likely be submitting a proposal next month.

532 W. Allen Street – The Authority amicably acquired this property for \$4000. The interior demo bid was awarded, the clean out and stabilization is being started, we'll work on the specs and get the rehab underway

326 N 9th Street- This property was returned to us by Pennrose. The rehab contract has been signed. This property is located in the historic district, There's façade issues, the top portion was sagging, the porch fell and is in the process of being stabilized. The fenced yard was overgrown, the site was graded and will be a parking pad for the property. Rebecca Williams asked how many cars can fit on the parking pad, Kelly McElroy answered she believes 2 spaces. This property has CDBG funding along with 323 N 9th Street grant money thru PHARE which is being used for the rehab and either 326 or 323 9th Street will need to meet 30% of area income but we haven't made the decision yet of which one. Rebecca Williams asked when it was first rewarded to Pennrose, Kelly answered it was 2011 and we got them back in our inventory 2019.

Ara Staff Updates and 2021 Goals

A discussion took place of the Redevelopments financial position, goals, investing for long term financial sustainability and growth. The Authority has 62 certified properties and will need to determine how we are going to get them into our inventory and then get them out for disposition whether we keep them in our inventory, work with some non profits and which ones will go out for public RFP. Every property that goes thru the eminent domain process is very unique and takes a long period of time, easily more than one year so we are trying to purchase some properties amicably. We're also looking for non profits to dispose these properties to so we can help with their community needs as well and look to promote home ownership versus investment. The Authority also has the power now to become a Landbank which we would like to start this year. Rebecca Williams mentioned setting up a workshop in the spring would be helpful and useful. Leonard Lightner agreed especially because we'll be getting a new member or two on the board. Kelly McElroy mentioned Chuck Smith, the solicitor, has resigned and will reach out to the firm handling our other matters to see if they would be interested in filling the position. Megan Hart updated the board regarding the redesign of the website which should be completed in the next month and will launch in collaboration with Facebook, Instagram and Twitter.

Public Comment

None

Meeting Adjourned

3:09