

Redevelopment Authority of the City of Allentown
Monthly Meeting Minutes
March 8th, 2023
2:00 PM

The following are meeting minutes of the Redevelopment Authority of the City of Allentown pertaining to the meeting held on **Wednesday, March 8th, 2023** at 2:00 pm Via Teams Virtual Meeting.

Board in Attendance

Daniel Schmidt, Chair
Rodney Bushe, Vice Chair
Tyrone Russell, Secretary
Jessica Ortiz, Treasurer

Staff in Attendance

Megan Hart
Scotty Smith
Joshua Gildea, Solicitor

Public in Attendance:

Hasshan Batts
Shaheed Hasan
Karen Nazarewych

Determination of a Quorum

Daniel Schmidt determined a quorum was in place and called the meeting to order at 2:07.

Approval of Meeting Minutes

Jessica Ortiz made a motion to approve the minutes from the March 8th, 2023 meeting, Rodney Bushe seconded, and all were in favor.

Old Business

Megan Hart provided an inventory update including no new inventory has been added since the last meeting, the RFP will be going out in the next few weeks for the property located at 332 N. Front Street and we will need to determine the scoring procedure and we are still in litigation regarding 540 Hamilton and 802 W. Walnut. Jessica Ortiz asked why the process takes so long. Megan Hart said the eminent domain process is a long process and even longer when objections are filed. Joshua Gildea added there were some initial delays with the court system due to covid and depending on appeals made can cause further delays.

New Business

Megan Hart stated a letter of intent was received from Hasshan Batts, Chairman of the Board of Directors on behalf of the Islamic Society of Greater Allentown to purchase the property at 725 N. 10th Street. Megan Hart stated there was not a public RFP issued, this letter of intent and additional request to rent were unsolicited. Megan Hart asked the board members if there were any questions regarding the letter of intent to purchase to which Jessica Ortiz asked for confirmation regarding the request for the Authority to hold the mortgage for 10 years to which Megan Hart confirmed that is the request. Jessica Ortiz stated and asked for confirmation regarding the Authority being in the financial position to hold the mortgage to which Megan Hart answered based on all of our previous conversations regarding the Authority not generating sustainable income, this would not be an ideal financial position for the Authority. Megan Hart introduced Hasshan Batts and Shaheed Hasan. Hasshan Batts provided an

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overview of the letter of intent including purchase price of \$600,000, \$2400 yearly finance fee and balloon payment due in 10 years. Hasshan Batts explained the project would entail opening a mosque, having community space and 4-8 market rate rentals. Shaheed Hasan reiterated that the objective is to have it paid off earlier than the 10 years. Tyrone Russell asked what it looks like for the Authority to hold a mortgage to which Joshua Gildea answered the Authority would basically act as a lender and hold a first lien position on the property and would be able to foreclose if the financing terms are not met. Rodney Bushe asked if the Authority is holding any mortgages currently to which Megan Hart stated the Authority is the lienholder of a property on 7th Street however there weren't actual funds of the Authority used for that. Jessica Ortiz asked for confirmation regarding market rent being charged to which Hasshan Batts answered yes it would be market rate rent. Megan Hart explained to the Board of Directors that they have the option to impose deed restrictions relating to income and Hasshan Batts added they would be open to that.

Megan Hart introduced Karen Nazarewych from Lehigh Valley P4P Boxing Inc.. Karen Nazarewych explained the nonprofit, Lehigh Valley P4P Boxing Inc. currently 40 kids in the program and are in dire need of a new space to move into because the owner of their current space wants to rent it out for market rate. Karen Nazarewych stated a slightly larger space would allow them to grow their program. Karen Nazarewych stated this program has a direct affect on these kids as you can read in the letters sent by them and they are worried about the program being discontinued if a space isn't found. Daniel Schmidt asked about how much space they would need to which Karen Nazarewych they have about 3000 square feet and are outgrowing it so a little more space would be great so they can grow into it and she extended an invitation to all the Board Members to come and meet the kids to see the program for themselves. Jessica Ortiz asked what an affordable budget is and if there are community partners involved. Karen Nazarewych said they only charge \$25 monthly for 18 years and under, \$25 for 19 years and older and do not want to be in a position of having to increase those amounts and have it burden the kids since some can't even afford that now. Tyrone Russell commented the letters sent in from the kids in the program were excellent and commend Karen Nazarewych for her work.

Megan Hart asked if there were any questions to which there were none.

Daniel Schmidt made a motion for **Executive Session** at 2:46 to discuss the sale of real property, seconded by Rodney Bushe, all were in favor.

Executive Session ended at 3:15pm.

Megan Hart reviewed February's Profit and Loss and asked for any questions to which there were none.

Public Comment

None

Jessica Ortiz motioned to adjourn, Rodney Bushe seconded and all were in favor.

Adjournment

3:19 pm