

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM  
AUGUST 25, 2022**

Town Hall at Bethlehem City Hall  
10 East Church Street  
Bethlehem, PA 18018

**MINUTES**

The Board of the Redevelopment Authority of the City of Bethlehem met for a regular meeting on Thursday, August 25, 2022 at 5:00 P.M. in Town Hall at Bethlehem City Hall; 10 East Church Street, Bethlehem, Pennsylvania. The place, the hour and the date duly noted for the holding of this meeting was publicized.

Chairman Ronald Heckman called the meeting to order and the following members were present:

Lea Grigsby  
Tracy Oscavich  
Christopher Spadoni

The Chairman called a quorum present.

Also present were:

Alicia Karner, Executive Director  
Tony Hanna, Consultant (via GoToMeeting)  
Heather M. Bambu-Weiss, Board Secretary  
Michael E. Riskin, Esq.  
Hillary Kwiatek, City Council Liaison to the RDA

RDA Board Member, Earl Bethel, was not in attendance at this meeting.

**APPROVAL OF MINUTES**

Ms. Oscavich made a motion to approve the minutes of the June 23, 2022 regular meeting of the Redevelopment Authority. The minutes were emailed earlier to each member of the Board. Mr. Spadoni seconded the motion. The motion carried unanimously and the minutes of the June 23, 2022 regular meeting of the Redevelopment Authority were approved.

**APPROVAL OF CASH REPORTS**

Ms. Grigsby made a motion to approve the cash reports for the month ended June 30, 2022. These cash reports were emailed earlier to each member of the Board. As there were no errors or changes reported, Mr. Spadoni seconded the motion. The motion carried unanimously and the cash reports for the month ended June 30, 2022 were approved.

**COURTESY OF THE FLOOR**

Since there were no members of the public in attendance, there were no comments during the Courtesy of the Floor portion of this meeting.

**EXECUTIVE DIRECTOR REPORT**

Mr. Heckman turned the meeting over to Ms. Karner for her Executive Director Report. Ms. Karner provided the following updates to the Board:

- 1) **1218 Center Street / 1220 Center Street** – Ms. Karner stated that while it was the hope to save 1218 Center Street, it appears that demolition of this property will be necessary. She reminded the Board of the temporary stabilization of the exterior wall that was done at the property some months ago and that five (5) reputable contractors reviewed the work specifications and structure but no bids were received to do the work.

Ms. Karner added that without being able to rebuild the exterior wall and due to the continued deterioration of the structure, the property now requires demolition. She noted that a more recent structural evaluation was done, which determined the property needs to be demolished, prior to the winter season, due to its severe deteriorated state and being a danger of collapsing.

Ms. Karner explained that the adjoining property, 1220 Center Street, has since been evaluated. She added that signs of deterioration and weakness were identified at 1220 Center Street due to the deterioration of 1218 Center Street. Ms. Karner explained this property was vacated approximately 10-days ago and currently the owner is working with their insurance company on this matter due to it being no fault of their own.

Ms. Karner stated that currently the RDA is working with the City to resolve this situation. She indicated that the City has the authority to address emergency situations, such as this, when a public safety matter is involved. Ms. Karner explained that demolition specifications need to be prepared and bid prior to demolition of the structure. She also noted the close proximity of this structure to the neighboring, non-adjoining, properties on either side of it.

Mr. Riskin added that the Pennsylvania Redevelopment Cooperation Act allows the RDA to act as an agent for the City to perform some City duties on their behalf. He noted that the agreement between the RDA and City, being considered at this meeting, provides the parameters of that relationship for this situation. Mr. Riskin noted the RDA would be responsible to pay for relocation and demolition costs using some of the PHARE funds the RDA received from the Commonwealth.

Both Mr. Riskin and Ms. Karner emphasized that this action is being done as part of the City's authority to perform such actions in an emergency situation when a public safety threat is present. It was also noted that post-demolition, the land would continue to be owned by the property owners with a lien being filed on each parcel for the cost of the demolition.

Ms. Grigsby asked about the status of the 1220 Center Street property owner. Ms. Karner indicated this owner has vacated the property. She added that relocation costs are currently being paid by their insurance company as the insurance company investigates the situation. Ms. Karner further noted that after the insurance company relocation period ends, she anticipates the RDA offering some relocation assistance to this property owner.

Mr. Spadoni inquired as to the amount the RDA has spent to date on this situation. Ms. Bambu-Weiss responded that the stabilization of 1218 Center Street, as well as some engineering fees, cost approximately \$10,000 to date. Mr. Spadoni expressed great frustration that the RDA has spent these funds on a structure that is now requiring demolition.

Ms. Karner explained that an engineering study was done as a first step to initially evaluate 1218 Center Street. She added that in response to this initial evaluation, stabilization specifications were prepared in hopes of preventing further deterioration and to allow time for a permanent fix, of the exterior wall, to be done. She explained that the specifications for the wall repair were prepared; however, no bids were received due to the perceived danger by the contractors in repairing this wall. At that time, and as the stabilization appeared to deteriorate, another evaluation was done by a structural engineer who determined the deterioration had continued and occurred quicker than anticipated. Ms. Karner indicated it was at that time that demolition became the only resolution to the situation. Mr. Hanna added that neither the engineers or others involved in this matter anticipated the deterioration to occur as quickly as it had.

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Mr. Heckman questioned why a structural engineer could not identify that a greater issue existed so a more permanent resolution could be offered at the time of the initial property evaluation. He expressed extreme concern because this matter started as a fix and eventual repair of an exterior wall but is now resulting in the demolition of an entire structure.

Ms. Karner explained that the structural engineer did evaluate the property and at the time the proper remediation for the situation was provided. She added that the RDA took these recommendations and developed the plan to first stabilize the exterior wall with a full exterior wall repair occurring after the work specifications and bidding process were completed. Ms. Karner indicated that no one involved was able to project the quick deterioration that occurred at the property when the initial evaluation and work plan occurred.

Mr. Hanna indicated that the engineering firm used to evaluate this property is one he considers to be a good firm, and is one that has experience working with both municipalities on building issues. He added that the issues present at this property were unforeseen subsurface issues that became larger than originally thought. He explained that a geotechnical evaluation and report would need to be done to determine the larger issues involved but noted that such an evaluation and report is expensive and is something that may not fully determine the cause of the situation.

Mr. Hanna noted that the RDA and City are only addressing the current emergency situation due to structure being in danger of collapse, making it a public safety issue. He noted that after the demolition has been completed, the property owners can have additional evaluation done at the site, such as a geotechnical evaluation, to determine why this property was compromised and required the demolition. Such additional evaluations would be the decision and financial responsibility of the property owners.

Mr. Heckman inquired as to the status of the neighboring properties. Ms. Karner and Mr. Hanna explained that any neighboring properties which, per the structural engineer quick review, were visually showing early signs of similar deterioration were sent a letter from the City regarding the situation at 1218 and 1220 Center Street with the recommendation to have an evaluation done on these properties. All such evaluations and addressing any issues identified at any neighboring properties would be the sole responsibility of those property owners. It was reiterated that the City and RDA were only involved in the situation at 1218 and 1220 Center Street due to the emergency nature of a total collapse of the structure and the City's requirement to address issues threatening public safety.

Mr. Spadoni asked for an estimate to demolish 1218 and 1220 Center Street as well as information about the source of the funds to be used to pay this cost. Ms. Karner explained that there is not yet a true cost assessed for the demolition due to the specifications needing to be prepared and bids needing to be received for such a cost to be determined. She indicated her understanding is that this work could cost approximately \$100,000 but cautioned the Board that this is just an estimated cost. Ms. Karner also noted that the RDA will be using PHARE funds it received as a grant award from the Commonwealth to address blight in the City. She added that these funds are through the Pennsylvania Housing Finance Agency (PHFA). Mr. Riskin added that the RDA received written authorization from PHFA to use a portion of the RDA PHARE award for this emergency situation.

Mr. Spadoni and the Board asked if the demolition of these structures will be the end of this situation. Ms. Karner indicated that, at this time, this demolition appears to resolve the current situation of 1218 and 1220 Center Street and will alleviate the current emergency situation present there. Ms. Karner cautioned that while she cannot guarantee she will not present other emergency blight situations to the RDA Board in the future, she can assure the RDA Board that any PHARE funds used on this or any other projects in the future will be done in a manner to address blight in the City of Bethlehem and will be done in full compliance with the requirements of the funding.

Ms. Grigsby and the RDA Board indicated these discussions were due to their desire to ensure tax payer funds, from all levels of government, are being spent in responsible ways and in a way to support the community in which they are spent.

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- 2) **Wawa / PennDOT Project** – Ms. Karner reminded the Board that at the last RDA meeting the purchase of the PennDOT land at this Wawa project site was approved. She added that, since that time, the agreement between the RDA and PennDOT has been signed by the RDA and returned to PennDOT for execution. She noted that the RDA is waiting for a copy of the fully executed agreement to be returned to the RDA so the property transfer can be scheduled.

Ms. Karner also noted that the Wawa project continues to progress as the City is ready to issue an excavation permit so the project can move forward.

Mr. Heckman asked about recovery of the fees incurred by the RDA as part of this project. Ms. Karner indicated that all such fees will be recovered when the property is sold to the developer.

**RESOLUTION NUMBER 1501**

Mr. Heckman noted that the RDA Board has been asked to review and consider for approval Resolution Number 1501, which authorizes the RDA to enter into an agreement with the City of Bethlehem for the demolition of the properties located at 1218 Center Street and 1220 Center Street.

Ms. Oscavich asked if the City or RDA would enter into the contract with the Contractor for the demolition of these properties. Ms. Karner explained that the demolition contract would be between the City and the demolition contractor. She added that the RDA will be paying the demolition costs from the PHARE funds as previously discussed.

Ms. Karner also indicated that this demolition needs to occur prior to the winter months due to the instability of this structure. She added that it is anticipated the specification to be prepared and issued during September 2022 so that the demolition can occur prior to the winter.

As there was no further discussion, Ms. Oscavich presented the following resolution to the Board and moved for its adoption by the Board.

**AUTHORIZING THE EXECUTION OF AN AGREEMENT BY AND BETWEEN THE CITY OF BETHLEHEM AND THE REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM**

**WHEREAS**, the properties located at 1218 (vacant) and 1220 (occupied) Center Street, Bethlehem, Northampton County, Pennsylvania, have deteriorated to such an extent that they are blighted and must be demolished as soon as possible; and

**WHEREAS**, the City of Bethlehem (“City”) is in the process of planning the demolition of those properties; and

**WHEREAS**, the owners/occupants of 1220 Center Street (the Wilson’s) will have to relocate because of the demolition; and

**WHEREAS**, the Redevelopment Authority of the City of Bethlehem (“RDA”) has a Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund Grant which may allow for payment of certain relocation expenses of the Wilson’s; and

**WHEREAS**, the City and the RDA will enter into an Agreement to have the RDA act as the Agent for the City under the Pennsylvania Redevelopment Cooperation Act to coordinate and cooperate between them to provide relocation assistance to the Wilson’s; and

**WHEREAS**, it is anticipated that the Pennsylvania Housing Finance Agency will allow the RDA to pay the demolition cost of the City directly to the demolition contractor to the extent of the Grant money allocated to this project; and

**WHEREAS**, the City will file a demolition lien or other appropriate lien against the properties and any money received in payment of such a lien by the City will be paid to the RDA.

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**NOW, THEREFORE, BE IT RESOLVED**, that the Redevelopment Authority of the City of Bethlehem approves and ratifies the Agreement attached.

**BE IT FURTHER RESOLVED, THAT**, the Chairperson or Vice-Chairperson is authorized to execute this Agreement on behalf of the Redevelopment Authority of the City of Bethlehem, same to be attested to by the Secretary and the Officers of the Redevelopment Authority are authorized to execute any and all documentation and take any and all action which may be required to implement this resolution.

(Resolution Number 1501)

Mr. Spadoni seconded the motion. The motion was unanimously approved. As a result, Resolution Number 1500 was unanimously adopted by the RDA Board.

**BANK SIGNATURE CARDS**

Mr. Heckman noted that the RDA is in the process of updating its signature cards with Fulton Bank and, as a result, Fulton has requested the updating of these signatures be authorized by the RDA Board at its next meeting. He added that this authorization can be approved via motion.

Mr. Spadoni made a motion to authorize the updating of the signature cards for all RDA accounts with Fulton Bank to reflect the current Board members as authorized signers on these accounts. Ms. Grigsby seconded the motion. The motion was unanimously approved. As a result, the RDA Board authorized the updating of the signature cards in the records of Fulton Bank for all RDA accounts with Fulton Bank to reflect the current Board members as authorized signers on these accounts.

**ADJOURNMENT**

As there was no further business, Ms. Oscavich made a motion to adjourn the August 25, 2022 RDA Board meeting. Mr. Spadoni seconded the motion and the motion was unanimously carried. As a result, the meeting adjourned at 5:45 P.M.

Submitted by,

Heather M. Bambu-Weiss  
Board Secretary