

**REDEVELOPMENT AUTHORITY OF THE CITY OF BETHLEHEM
AUGUST 26, 2021**

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

MINUTES

The Board of the Redevelopment Authority of the City of Bethlehem met for a regular meeting on Thursday, August 26, 2021 at 5:00 P.M. This meeting occurred both in-person in Town Hall at Bethlehem City Hall; 10 East Church Street, Bethlehem, Pennsylvania as well as via GoToMeeting. 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:

Earl Bethel
Lea B. Grigsby
Tracy Oscavich
Christopher Spadoni

The Chairman called a quorum present.

Also present were: Tony Hanna, Executive Director (via GoToMeeting)
 Michael E. Riskin, Esq., Solicitor
 Heather M. Bambu-Weiss, Board Secretary

Guests Present: Alicia Karner, Director of City of Bethlehem DCED
 Levi Goins, Reporter for Bethlehem Press

APPROVAL OF MINUTES

Ms. Oscavich made a motion to approve the minutes of the July 22, 2021 regular meeting of the Redevelopment Authority. The minutes were emailed earlier to each member of the Board. Mr. Bethel seconded the motion. The motion carried unanimously and the minutes of the July 22, 2021 regular meeting of the Redevelopment Authority were approved.

COURTESY OF THE FLOOR

There were no guests present at Town Hall or via GoToMeeting. As a result, there were no comments during Courtesy of the Floor and the Chairman moved onto the next agenda item for the RDA meeting.

EXECUTIVE DIRECTOR REPORT

Mr. Heckman turned the meeting over to Mr. Hanna for his Executive Director Report. Mr. Hanna provided updates to the Board regarding RDA activities.

- 1) **TIF District Projects – Bethlehem Landing Visitor Center** – Mr. Hanna indicated that all masonry and all other work have been completed at the Bethlehem Landing Visitor Center. He added that the building is in good condition and should require minimal maintenance for years to come.

- 2) **TIF District Projects – Founders Way Entrance** – . Hanna reported that the Founders Way Entrance area is the only outstanding project left for completion at the Steel Stacks campus. He added that the City of Bethlehem has grant funds available to be used for the sculpture at this entrance area. He added that TIF funds will be used to complete the landscaping of this entrance island to complement the sculpture as well as provide low maintenance plantings and/or hardscaping to the site.

RESOLUTION NUMBER 1491

Mr. Heckman noted that the RDA has been asked to review and consider for approval Resolution Number 1491, which authorizes the RDA to enter into a contract with the City of Bethlehem to receive Community Development Block Grant (CDBG) funds from the City 2021 allocation of CDBG funds.

Ms. Oscavich asked what the CDBG funds are used for by the RDA. Ms. Bambu-Weiss explained that these funds reimburse the RDA for various administrative costs associated with the RDA providing support services to the City of Bethlehem CDBG program. She added that the 2021 allocation has been specified to reimburse the RDA for administrative costs associated with the Blight Remediation program.

Following this presentation and discussion, Mr. Spadoni presented the following resolution to the Board and moved for its adoption by the Board.

WHEREAS, the City of Bethlehem is undertaking and carrying out a Community Development Program utilizing funds made available by the Federal Government under the provisions of Title I of the Housing and Community Development Act of 1974, as amended; and

WHEREAS, the City has designated the Department of Community and Economic Development to undertake planning, execution and administration of eligible activities in conjunction with the Community Development Program; and

WHEREAS, the City, acting through the Director of the Department of Community and Economic Development, has previously authorized the Redevelopment Authority of the City of Bethlehem to act as its agent within certain redevelopment, housing and community development block grant eligible programs as requested by the Department of Community and Economic Development; and

WHEREAS, the City will provide reimbursement to the Authority pertaining to blight remediation program delivery costs.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Authority of the City of Bethlehem hereby approves the attached Agreement with the City of Bethlehem which provides funds up to \$20,000 for blight remediation program delivery costs and which the Chairman or Vice-Chairman shall be authorized to sign said Agreement, same to be attested to by the Secretary.

(Resolution Number 1491)

Mr. Bethel seconded the motion. The motion was unanimously passed. As a result, Resolution Number 1491 was unanimously adopted by the RDA Board.

UNUSED SICK TIME PAYMENT

Mr. Heckman noted that the RDA Board has been asked to review and consider the memorandum from the RDA Executive Director pertaining to the RDA Transition and payment of unused and earned sick time to Heather Bambu. He added that if this is found to be acceptable, the payment can be approved by motion.

The contents of the memorandum referenced above and prepared by Mr. Hanna to the RDA Board has been included below for completeness of the records on this matter and for this meeting:

Under the terms of the recently executed Intergovernmental Cooperation Agreement, effective August 19, 2021, Heather Bambu-Weiss will become a City employee on August 30, 2021. The RDA will be responsible for 100% of her compensation until year's end, per the agreement. Starting in January 2022, we will be responsible for 30% of the cost with the City making up the rest from several budgetary sources.

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The transitional items have all been negotiated and put in place except for one outstanding issue - Sick Time. Heather took a cut in pay moving to a City position, but there were some compensating offsets. Vacation time is the same as she had with the RDA with a few extra personal days added. The RDA doesn't provide any personal days. The City also has a better medical and prescription drug plan through Capital Blue Cross, than the RDA was providing to Heather.

Additionally, Heather's current pension with the RDA is fully vested and will be frozen until such time as Heather chooses to start payments, any time after she turns 55. Heather will have a comparable City pension, through PMRS, starting with her City employment. Upon retirement from the City, she will be able to collect benefits on both her RDA pension and City pension. Finally, the City offers a deferred compensation plan, which the match. The RDA did not have a similar arrangement.

Heather currently has 170 unused sick days with the RDA. We do not pay employees for unused sick days upon retirement or termination of employment. The City had no mechanism for Heather to move those days to the City service, nor did the City have any mechanism for providing her with a comparable number of sick days. All new employees start at zero and accumulate days monthly.

The City does have a policy where they pay for unused sick days upon retirement or severance. The City pays \$15 per day up to a 200 days and then \$20 per day for every day over 200. I am recommending that we pay Heather for her unused sick days using the City formula. Based on 170 days at \$15 per day, our pay out would be \$2550 dollars. I believe this is a fair compromise since she will be giving up the safety net of the accumulated sick days.

I will place this item on the Agenda for discussion and approval at our meeting next week. Please let me know if you have any questions or if you want to discuss further. Thank you.

Ms. Grigsby indicated she would have liked this information provided to the Board at the time they were asked to review and consider the Intergovernmental Agreement between the RDA and City of Bethlehem. She also expressed her surprise that the existing RDA Personnel Policy does not have any type of unused sick time payment policy in place for RDA employees. Ms. Grigsby recommended that if the RDA has future employees the Personnel Policy be updated to include such a sick time payment policy.

Mr. Hanna recognized the comments by Ms. Grigsby and noted that the Intergovernmental Agreement was based upon the personnel policies of both the RDA and City of Bethlehem existing at the time of the agreement. He added that in fairness to Ms. Bambu-Weiss he made the offer of this reimbursement to allow this reimbursement to be provided. He also noted that the reimbursement is based upon the City of Bethlehem procedures for paying employees for their unused sick time when they exit a position. Mr. Hanna also indicated that, if desired by the Board, a sick time reimbursement policy can be added to the RDA Personnel Policy; however, he noted that it would only impact any future RDA employees should that situation arise.

Mr. Heckman stated that over these past months the virtual meeting setting has frustrated him since he found having important discussion such as this difficult to do without in-person meetings. Mr. Heckman added that he has spoken with Mr. Hanna numerous times regarding the RDA transition plans and while he recognized the reduction in salary for Ms. Bambu-Weiss he did learn of some other benefits which were improved with this position change. In addition, he indicated he spoke with Mr. Hanna about future job security for Ms. Bambu-Weiss in this change of positions.

Mr. Hanna responded by recommending the RDA take activities month-to-month. He added that while Ms. Bambu-Weiss will continue to work with the RDA, the job she will have as a City employee is one that if she were to leave the position a new employee could be hired for the job and that new person would assume duties involving the RDA as indicated in the job description.

Mr. Spadoni indicated that much of the discussion occurring at this meeting involves matters out of the scope of the payment of unused sick time. He stated that is upset that Ms. Bambu-Weiss is losing something that she earned from her many years of being an RDA employee. He added that while her position is being changed to a City of Bethlehem employment position, this was not something she had any control over occurring and he did not like her becoming collateral damage as a result of this transition.

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Mr. Hanna responded that the City did a review of their system and was unable to find a mechanism to transfer any of the unused sick time Ms. Bambu-Weiss had accumulated with the RDA to her position when it is transitioned to the City of Bethlehem. He noted that Ms. Bambu-Weiss was able to keep her same number of vacation days as part of this transition, and noted some of other benefits of working for the City compared to benefits the RDA provided its employees.

Mr. Riskin noted that the decision about paying Ms. Bambu-Weiss for unused sick time is an RDA matter and did not involve the City of Bethlehem. As a result, it is his opinion that such a matter did not need to be included in the Intergovernmental Agreement between the RDA and City.

Mr. Heckman added that he is still unclear about the role of the RDA in the future as a result of this Intergovernmental Agreement since it now appears the RDA is ‘working for’ the City rather than being a ‘partner’ with the City. He also added that as time goes on new projects and funds may be available for the RDA yet recognized the current uncertainty of that at this time. Mr. Heckman noted that while there are many questions and some uncertainty about the exact path forward for the RDA, its projects and such, he hopes that all will work out as being envisioned.

Mr. Hanna noted that the payment of unused sick time has been updated to the final gross amount of \$2,570.25 and requested that the record be updated to reflect that final number.

Following this discussion, Ms. Oscavich made a motion to approve the RDA issue payment to Heather Bambu for her unused and earned sick time in the gross amount of \$2,570.25 due to her transition from being an RDA to a City of Bethlehem employee. This motion was seconded by Mr. Bethel and was unanimously accepted by the RDA Board. As a result, the RDA Board unanimously approved payment to Heather Bambu for her unused and earned sick time, in the gross amount of \$2,570.25, due to her transition from being an RDA to a City of Bethlehem employee.

APPROVAL OF INVOICES – AUGUST 2021

Mr. Heckman stated that the RDA Board has been asked to review and consider for approval the invoices and reimbursements as detailed on the invoice summary for August 2021.

Mr. Spadoni made a motion to approve of the payments / invoices as outlined on the August 2021 invoice summary. Ms. Oscavich seconded the motion. The motion was unanimously approved and the following payments were approved:

- 1) \$38,532.35 represents costs associated with On-Going and Maintenance Costs and payment of such costs to be made from the Authority Fund.
- 2) \$533.15 represents reimbursement to the RDA from the Authority Fund account for various costs related to the Bethlehem Works / TIF District.

RESOLUTION NUMBER 1492

Mr. Heckman noted that the RDA has been asked to review and consider for approval Resolution Number 1492, which authorizes the RDA to pay funds into court to acquire the blight certified property located at 401-403 and 405 East Fourth Street as part of the eminent domain process to acquire this property.

Mr. Riskin explained that the RDA and City have been working with this property owner for 10+ years regarding this property and its condition. He stated that in response to the RDA filing a Declaration of Taking for this property, her attorney requested a delay in the RDA proceeding so the owner could fix the property. Mr. Riskin indicated that the RDA gave the property owner 45-days for certain steps to be taken toward renovating the property, including providing a Construction Contract and timeline for the project; a structural engineer report of the property; contractor information including having secured a performance bond for the project; evidence of funds available for completion of project; and escrow account information for the project funds prior to any project work being done. Mr.

Riskin noted that the expiration date to comply with the request is September 20, 2021. He further noted that if these conditions are not met by that deadline, the resolution being considered at this meeting would allow the RDA to move forward with the next step of acquiring the property through eminent domain and the payment of funds into court.

Mr. Hanna added that this property has been a challenging one due to its longevity of trying to resolve its issues and the owner inability to bring this property to code during this extended period of time. He also noted that the property is located in a City historic district, requiring work to be code compliant as well as done in accordance with historic standards. Mr. Hanna also noted that the owner is a resident of Virginia which presents an additional challenge to this property.

Following this presentation, Mr. Spadoni presented the following resolution to the Board and moved for its adoption by the Board.

**RESOLUTION OF THE REDEVELOPMENT AUTHORITY OF
THE CITY OF BETHLEHEM**

RE: CONDEMNATION OF LAND AT 401-403 EAST FOURTH STREET AND 405 EAST FOURTH STREET, BETHLEHEM, NORTHAMPTON COUNTY, PENNSYLVANIA (HEREINAFTER REFERRED TO AS “CONDEMNED LAND”) OWNED BY KALAVATHI SHUNMUGAM (HEREINAFTER REFERRED TO AS “CONDEMNEE”)

WHEREAS, a Declaration of Taking was filed June 2021 in the Court of Common Pleas of Northampton County, Pennsylvania to No. C0048cv2021-04285; and

WHEREAS, it is the desire of the Redevelopment Authority to take possession of the condemned property; and

WHEREAS, the Redevelopment Authority has offered the Condemnee just compensation for the condemned property, but the liens against the property may exceed the amount of the just compensation and it will be necessary to pay the money into Court to obtain possession of the condemned property.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. Possession of the condemned property shall be obtained by filing a Petition to Pay Estimated Just Compensation Into Court and a Petition for Writ of Possession.
2. The Solicitor for the Redevelopment Authority is authorized and directed to file the Petition to Pay Estimated Just Compensation and the Petition for a Writ of Possession and to take any other necessary action that may be required in order to carry out the purpose of this Resolution.
3. The officers of the Redevelopment Authority are authorized to execute any and all documentation and take any and all action which may be required, including but not limited to the signing of the above Petitions and payment of One Hundred Two Thousand and 00/100 Dollars (\$102,000.00) into Court.

(Resolution Number 1492)

Mr. Bethel seconded the motion. The motion was unanimously passed. As a result, Resolution Number 1492 was unanimously adopted by the RDA Board.

ADJOURNMENT

As there was no further business, Mr. Bethel made a motion to adjourn this August 26, 2021 RDA Board meeting. Ms. Oscavich seconded the motion and the motion was unanimously carried. As a result, the meeting adjourned at 5:50 P.M.

Submitted by,

Heather M. Bambu-Weiss
Board Secretary