



Minutes - Final

Community and Economic Development Committee

Wednesday, March 23, 2016

5:30 PM

Council Chambers

Roll Call: Chairperson McGuire, Councilpersons Guridy and Mota

15-582

R45

Authorizes Property to Be Acquired by Eminent Domain by the
Redevelopment Authority of the City of Allentown: 621 N Front

Sponsors: Administration

Attachments: [R45 City Council Resolution - Blighted Properties 621 N Front](#)
[City Council Template - Blighted Properties 2_15_16](#)

Ms. Shannon Calluori stated that those are defined by the state. They are outlined on the last couple pages of your handout. There are 12 different criteria's defined by the state. If the property meets one of those criterias they are eligible to go through this process. We have to give the property owner notice and have the ability to address the conditions causing blight. If you agree to forward this to the full Council meeting, City Council would determine if the Redevelopment Authority has the authority to acquire the property through Eminent Domain.

Mr. Julio Guridy stated that people think that we just can take property. It is a long process.

Mr. Carmen Dragotta stated that on February 2012 in front of the building. He showed the side and the back. They contact the owner. According to the owner, the contractors took the money and ran. On December 18, we actually certified it as blight. On the criteria side, #1 - Nuisance, #2 Physical Condition, #3 Unsafe and Unsanitary, # Fire Hazard, #5 Utilities are off, #9 it is an abandoned property, and #12 it has three or more of #12.

Ms. Shannon Calluori stated that if we move forward with this property and are able to acquire it through eminent domain, we plan to use HUD Community Development Block Grant to acquire the property and develop a re-use plan. We have to get into the property to determine if the property can be rehabbed or if it needs to be demolished.

Mr. Julio Guridy asked if that is a three unit.

Mr. Carmen Dragotta stated three unit, yes.

Mr. David McGuire asked any further presentation.

Mr. Daryl Hendricks asked if the city has to pay anything to the owner.

Ms. Shannon Calluori stated that what we have to do is to pay just compensation and come up with a distribution plan.

Mr. Julio Guridy stated that once we determine the amount is, do we have to pay the other municipal taxes.

Ms. Shannon Calluori stated that this property was assessed at \$37,500. The judge determines that is how much needs to be paid out to this property. We will notify anybody that has any interest in this property and come up with a ranking order.

Mr. Julio Guridy stated that he feels if we could pay the taxes to the school district and the county.

Ms. Shannon Calluori stated that we have several properties going through the process and I believe our attorney ordered it in that way. The city, the county, and the school district are paid first. It is up to a judge to agree or not to agree in that list order.

Ms. Cynthia Mota asked what happens if the property is worth less than what you guys have to pay to fix it.

Ms. Shannon Calluori stated that most of the properties, the Redevelopment Authority becomes involved in costs more to repair than we can sell them for. We feel that it is the roll of the Redevelopment Authority to be the developer of last resort.

Mr. David McGuire asked any other questions or comments or any comments from the public.

A motion was made by Julio Guridy, seconded by Cynthia Mota, that this Resolution be approved. The motion carried by the following vote:

Yes: 3 - David McGuire, Julio Guridy and Cynthia Mota

15-583

R46

Authorizes Property to Be Acquired by Eminent Domain by the Redevelopment Authority of the City of Allentown: 621 W Gordon Street

Sponsors: Administration

Attachments: [R46 City Council Resolution - Blighted Properties 621 W Gordon Street](#)
[City Council Template - Blighted Properties 2 15 16](#)

Mr. Carmen Dragotta stated that this is another absentee landlord. He went over the garage, the back and the roof having a leak in 2007. It has been vacant and boarded up since 2012. The interior is worse than the outside. The criteria is #1 Physical Condition, #2 Physical Condition - Nuisance, #3 Dilapidated, Unsafe and Unsanitary, #5 Utilities are off, #9 Abandoned Property, and #12 are any of the three above. It was a rental property. My recommendation would be to move forward on it.

Mr. David McGuire asked any comments from the committee.

Mr. Daryl Hendricks stated a property such as this, I would think it would cost more to rehab than the value will ever reach.

Ms. Shannon Calluori stated that we should hope not. Especially properties in the middle of the block we try to save.

Mr. Carmen Dragotta stated that the saving factor is the brick.

Mr. Julio Guridy stated that the only thing that I would add to that is sometimes in that area which is very dense it may need some parking.

Ms. Shannon Calluori stated that you are right. Once we acquire properties and we are able to get into them we get a structural report completed and do an evaluation of the benefits and cost of demolition versus rehab.

Ms. Cynthia Mota asked how much is it worth.

Ms. Shannon Calluori stated that it was appraised at \$28,000.

Mr. David McGuire asked about the houses on either side. Are they fully rented out?

Mr. Carmen Dragotta stated yes, they are good. They are both rental properties.

Mr. David McGuire asked any questions from the public.

A motion was made by Julio Guridy, seconded by Cynthia Mota, that this Resolution be approved. The motion carried by the following vote:

Yes: 3 - David McGuire, Julio Guridy and Cynthia Mota

Adjourned: 5:49 PM

