

**REDEVELOPMENT AUTHORITY OF THE CITY OF ALLENTOWN
(RACA)
2024 Annual Report to Allentown City Council**

RACA Board Members

Chair- Christopher Raad
Vice Chair-Jessica Ortiz
Treasurer-Alan Jennings
Secretary-Tyrone Russell
Dan Schmidt

The Authority does not currently have any employees. It operates under a memorandum of agreement with the City of Allentown. This contract is yearly and can be terminated with proper notice. Certain City staff has been designated to assist in daily operations, accounting, property maintenance, and monthly board meeting preparation.

Current Inventory 8 properties (3) SF properties (1) Mixed use property (1) Industrial Site (1) Warehouse (2) Vacant Lots

Accomplishments

Authority Reorganization – Primary focus of the organization in 2024

- Executive Director and property manager left the organization and the Authority worked with DCED to reorganize
- Entered into an intermunicipal cooperation agreement with the Department of Community and Economic Development to improve collaboration with the City and improve efficiency
- Improved accounting

Property Acquisition

- 540 Hamilton Street has been going through the Eminent Domain with many appeals from the owner. The property was officially in our possession.
- The Authority had to be overhauled to have functioning policies and processes. In 2025, when the City certifies a property Blighted, the Authority can start the eminent domain process to acquire those properties.

Property Disposition

- In 2024, the Authority Awarded 428 N 6th Street to the Housing Authority, a vacant lot, which will be developed into an 8-unit low-income property.
- 420 N 7th Street was a mow maintain property. An application and lease was approved by the board to the neighboring property. The owner complied with the lease, the property was deeded to them.

Property Management

- The Authority maintains its inventory with weekly inspections and pictures.
- Once properties are an asset of the Authority, designated city staff will quickly contract to secure property, remove debris, and maintain grass and snow. The property will also be added to the insurance policy of the Authority can carry building coverage. This will assist in the property's condition upon disposition to a contractor or developer and the liability to the City of Allentown.

- Once a property is awarded, updated contract documents with proper site control periods protect RACA and allows the Authority the ability to enforce the timeframe of construction completion.
- Designated city staff continuously vets the contract terms with the contractor or developer to ensure the property's completion and removal of its blight status.

Challenges

- Repairs on our blighted properties are costly and exceed market value.
- The Blighted Property and eminent domain processes are outdated, lengthy, and expensive, causing significant delays. Prolonged acquisition times allow deterioration to persist, hindering efforts to remove the blight issues and revitalize properties.
- The lack of funding and the restrictions that accompany can make finding the right occupant difficult and time consuming with vetting and audits. A local source of funding for acquisition and redevelopment would be extremely helpful.

Future Opportunities

RACA is currently developing a Strategic Plan that will prioritize activities that support current City plans and initiatives like the Welcome Home Allentown: Housing Needs Assessment and Strategic Plan, Zone Allentown and the City's Recompete initiative. The a Threeyear strategic plan will provide clear direction and maximize RACA's impact on the community. Activities may include:

- Land Banking – to increase efficiency in acquiring properties
- Land Trust – to preserve affordability in projects the authority invests in
- Focus on blight elimination, affordable homeownership opportunities, affordable housing preservation and job creation.
- Improve efficiency in acquiring and disposing of properties.

Long-Term Goals and Vision

The Authority will collaborate with the City of Allentown to identify key areas where targeted efforts can create a greater positive outcome within the community.

We are always looking for new ways to acquire and dispose of properties faster, making rehabilitation more cost-effective and bringing the property into compliance faster.

RACA would like to work with other city Redevelopment Authorities and similar entities to help create a larger impact on communities.

What support/suggestions do you have City Council to help enable your entity to carry out your mission better?

The city is working on updating several ordinances to improve enforcement, which will have a positive impact on property deterioration.

RACA plans to bring several blighted properties to the City Council in 2025 for approval and appreciates the Council's support. Additionally, RACA would benefit from streamlined processes or additional funding for property acquisition and rehabilitation efforts. We would also appreciate any recommendations for strengthening partnerships or increasing community involvement in these initiatives.