

## Y OF BETHLEHEM

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To:

Adam R. Waldron, President of City Council

From: Eric R. Evans, Business Administrator

RE:

Potential Transfer of City Property

Date: January 15, 2020

In May of 2019 Mr. Howard Lieberman contacted the City on behalf of his client, Mr. Nelson Tavarez. Mr. Tavarez owns and operates Austin's Auto Service located at 1843 West Broad Street (Parcel Id 641778944302). Tavarez Real Estate Investments LLC owns the property. Mr. Tavarez recently renovated the entire building and began to improve the exterior conditions when he realized he was encroaching on the property line dividing his parcel from the City's parcel, which borders his property on the west. The City's parcel is triangular in shape and located where W. Broad and W. Market Streets intersect. (Parcel Id 641778841828). Aerial and ground level photos of the properties are attached for reference.

Mr. Healy, Ms. Heller, and I met with Mr. Lieberman several times through the summer and fall. We also made several site trips to inspect the property. Although an offer was made to purchase most or all of the Parcel, we believe it is in the best interest for the City to continue owning most of the Parcel. However, we also believe there is an opportunity to support a Bethlehem business, while improving the status of the City's interest at that location.

After a series of negotiations, we now support a 40' westward adjustment to the existing lot line, as depicted in the attached aerial photo, using the alternative procedure described below.

Ordinarily, a City of the Third Class may convey property only in accordance with the procedure set forth in 11 PaCS §12402.1(b)(1), which is part of the Third Class City Code. Among other things, under this provision,

No real estate owned by the City may be sold except upon approval of Council by resolution, and no real estate owned by the City may be sold for a consideration in excess of \$1,500, except to the highest bidder after due notice by advertisement for bids or advertisement of a public auction in one newspaper of general circulation in the city. 11 PaCS §12402.1(b)(1).

In 1984, City Council enacted Resolution 9939 as its basic procedure for disposing of real estate. A copy of Resolution 9939 is attached for reference. Years later, it appears that City Council amended this resolution to create an alternate method for disposing of real estate under apparent authority of Optional Charter Law. In Resolution 11,679 (dated June 16, 1992 and attached for reference) the revised procedure provides as follows:

"10. The Administration may, upon the showing of good cause and with the concurrence of City Council, utilize an alternative procedure for sale where the public welfare would be better served."

This procedure was last used in 2010 to convey a 1.5-acre rectangular lot (tax parcel number P7-19-2A-0204) to an abutting property owner who already owned a similarly-shaped and similarly-sized lot. The lot transferred under this alternate procedure was bordered to the east by the City's greenway. The long axis of both lots ran parallel to Route 412 in the general vicinity of Commerce Center Boulevard. For the details of that authorization, which the Administration suggest could be used as precedent, Council is directed to City Council Resolution 2010-66. A copy of Resolution 2010-66 is attached for reference.

We believe this transaction would provide a net benefit to the City for the following reasons:

- \* The City currently has the obligation to cut the grass and maintain the lot
- \* There are a number of dying, decaying, and/or leaning fir trees on the lot that need attention
- \* The transfer would remove the burdens listed above, while adding property to the tax rolls
- \* The property owner has agreed to remove the dying, decaying and/or leaning trees, along with associated stumps, and replace them with hardwood trees approved by the City Forester.
- \* The property owner has agreed to assume responsibility (through a deed restriction) of lawn care and trash removal for the entire Parcel, including the property that will continue to be owned by the City. A breach of the responsibilities would result in a reverter of the land back to the City.
- \* The new trees, fencing, retaining wall, and an engineered stormwater management system will also improve the aesthetics and environmental sustainability of the property.
- \* Solid fencing will isolate visual effects of business operations exclusively to the business property.
- \* All costs associated with this transaction will be borne by the property owner.

If the Committee votes to support this proposal, a resolution will be drafted for Council's consideration. If the resolution is approved by full Council, there would be several addition steps required to complete this transaction.

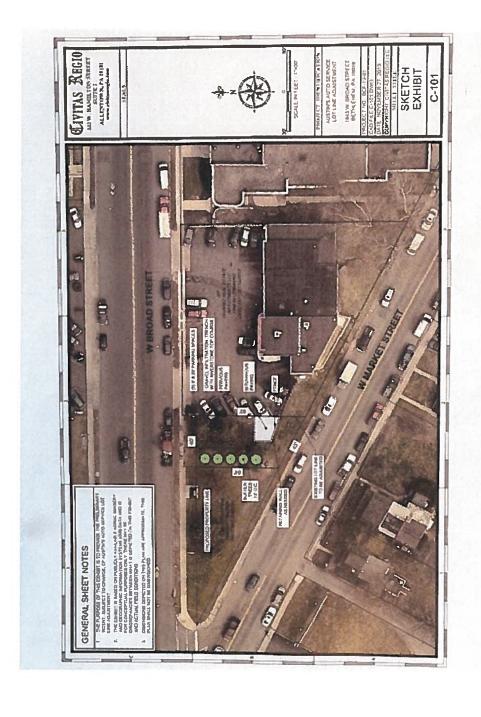
The next step for the owner would be to request for a lot line adjustment, which requires submission of a minor subdivision plan. The plan would be reviewed internally by our Planning and Zoning Bureau and Engineering Bureau.

The property owned by Mr. Tavarez is zoned LI (Light Industrial). The abutting City property is zoned CL (Commercial Limited). In order to allow the proposed expansion of the existing business, the segment of the triangular parcel to be transferred would need to be rezoned to LI. A rezoning requires approval from the Planning Commission and City Council. If there is approval for the zoning map change explained above, this would be the penultimate step.

The final step would be to obtain orphans' court approval in Lehigh County under the Donated or Dedicated Property Act (DDPA) in order to allow conveyance of a portion of the park land to Mr. Tavarez for stated purposes.

Mr. Lieberman and Mr. Tavares have offered to attend the Committee and/or Council meeting to present and/or answer any questions City Council may have on this matter.

Cc: Robert J. Donchez, Mayor
William P. Leeson, Esq., City Solicitor
Edmund J. Healy, Esq., First Assistant to the City Solicitor
Michael Alkhal, Director of Public Works
Chris Sule, Superintendent of Grounds Maintenance
Alicia Karner, Director of Community Development
Darlene L. Heller, Director of Planning and Zoning
George Yasso, Controller





## RESOLUTION NO. 9939

(Amended by Resolution No. 11,679)

BE IT RESOLVED by the Council of the City of Bethlehem that the following procedures are hereby adopted for the sale of City-owned property:

- 1. A complete list of City-owned property will be assembled. An identification number will be given to each saleable property.
- 2. When the Administration's Property Committee recommends that a parcel be sold, written notice shall be given to the City Clerk so that the request to sell the property is read into the record during the Communications section of the Agenda for the regular meeting of City Council.
- 3. The request for permission to sell property must set forth the following:
  - a. Identification number of property
  - b. The description of property location, length, width, etc.
  - c. Location of utility lines, easements, other significant characteristics.
  - d. Appraised value of property, unless the Administration can show reason and Council agrees that a professional appraisal is not warranted.
  - e. Names of abutting property owners.
  - f. Zoning designation.
  - g. Condition of title deed restrictions, etc.
  - h. Reason why property should be sold.
- 4. After request for sale is read into the record, the President will refer the request to the Parks and Public Property Committee for study and recommendation.
- 5. Members of the Parks and Public Property Committee may personally visit saleable property in question with appropriate Administration officials.
- 6. Parks and Public Property Committee will meet to determine whether lot should be sold. If the request has Committee approval, a resolution will be forwarded to Council.

- 7. At its next regular meeting, Council will receive the report of the Parks and Public Property Committee. A resolution will be on the Agenda that will permit the appropriate officials to sell the property. All property will be sold at publicly advertised auctions, unless Council specifically stipulates in the resolution that a sealed bid is acceptable.
- 8. The Director of Parks and Public Property will notify Council in writing of the date of the auction or the date on which sealed bids will be received. Council will also be provided with the name of the person to whom the property is sold and the amount paid for the tract.
- 9. The provisions of the State Municipal Planning Code will be incorporated into any transactions where such may be applicable.
- 10. The Administration may, upon the showing of good cause and with the concurrence of City Council, utilize an alternative procedure for sale where the public welfare would be better served. (Resolution 11,679 passed 6/16/92)

Sponsored by /s/ James A. Delgrosso

/s/ Richard J. Szulborski

ADOPTED by Council this 17th day of April 1984.

/s/ Paul J. Calvo President of Council

ATTEST:

/s/ James B. Earley City Clerk

Editor's Note:

This document, Resolution 9939, was retyped on March 7, 2017 due to the document not being accessible to amend.

RESOLUTION NO.	11,679
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BE IT RESOLVED by the Council of the City of Bethlehem that Resolution No. 9939 which sets forth procedures governing the sale of City-owned property is hereby amended by addition of the following:

"10. The Administration may, upon the showing of good cause and with the concurrence of City Council, utilize an alternative procedure for sale where the public welfare would be better served."

Sponsored by /s/ Michael Loupos
/s/ Richard J. Szulborski
ADOPTED by Council this 16th day of June , 1992.
/s/ James A. Delgrosso
President of Council
ATTEST:
/s/ Cynthia H. Biedenkopf

City Clerk

## RESOLUTION NO. 2010 - 66

BE IT RESOLVED by the Council of the City of Bethlehem that the Council makes the following findings of fact pursuant to Resolution 9939 as amended by Resolution No. 11,679 (Sale of City Owned Property):

- 1. The parcel of land located at NS Auburn Street, 16th Ward, Northampton County, Tax Parcel I.D. Number P7-19-2A has been appraised at a fair market value of \$13,500.00.
- 2. The parcel of land is an unusual and unique parcel of real estate with no potential recreational value or use to the City;
- 3. The parcel of land is a parcel of real estate that would generate additional revenue for the City and add property to the tax rolls.
- 4. This parcel of land (P7-19-2A) has one abutting/adjoining property owner, has no utilities, is undeveloped, and is zoned L-I Light Industrial pursuant to the City of Bethlehem Zoning Ordinance.
- 5. Based upon the foregoing, and upon recommendation of the Parks and Public Property Committee at their meeting of May 6, 2010, the sale of this parcel of land owned by the City of Bethlehem located at NS Auburn Street, 16th Ward, Northampton County, Tax Parcel I.D. Number P7-19-2A, justifies the alternative procedure for sale, as authorized in Section 10 of Resolution 9939, as amended by Resolution No. 11,679 (Sale of City Owned Property), and the public welfare would be better served by the alternative sale procedure.

BE IT FURTHER RESOLVED that the Administration of the City is authorized to enter into the alternative procedure for the sale of the parcel of land owned by the City of Bethlehem located at NS Auburn Street, 16th Ward, Northampton County, Tax Parcel I.D. Number P7-19-2A, and Council concludes that a showing of good cause has been made to justify employment of the alternative sale procedure.

BE IT FURTHER RESOLVED that Mayor and the Controller are hereby authorized to execute the Agreement of Sale for Real Estate, between the City of Bethlehem and Colleen T. Miller, made a part hererof, for the purchase of the parcel of land located at NS Auburn Street, 16th Ward, Northampton County, Tax Parcel I.D. Number P7-19-2A, at a purchase price of \$13,500.00.

Sponsored by /s/ Eric R. Evans

/s/ David T. DiGiacinto

ADOPTED by Council this 19th day of May, 2010.

/s/ Robert J. Donchez President of Council

ATTEST:

/s/ Cynthia H. Biedenkopf City Clerk