Lehigh County Pennsylvania

OFFICE OF THE CONTROLLER

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TO: Josh Siegel, County Executive; Board of Commissioners

FROM: Mark Pinsley, County Controller

DATE: January 20, 2026

RE: DHS/HSI/ICE Unpaid Rent of Leased Office Space

Overview

An inquiry was submitted to the Lehigh County Controller's Office, regarding an unpaid revenue contract between Lehigh County and the U.S. Department of Homeland Security (DHS) for leased office space. The inquiry further questioned the division and purpose of the Department of Homeland Security actually occupying this space, when the last payment was made, and whether there is unpaid rent due to the county.

The Lehigh County Home Rule Charter Section 503 authorizes the Controller to examine all records and files pertaining to the receipt and expenditures of county funds, and, upon discovery of any irregularity, default or delinquency, shall report the same to the Board and the Executive for prosecution as warranted. Based on this inquiry, the Controller's Office conducted a series of fact-finding procedures consisting of various department inquiries, reviewed applicable contracts, and reviewed County policies for non-compliance. The results of which proved to be meritous and warrant immediate Executive attention.

Summary of Facts

Contract

- The County entered into a Memorandum of Agreement (MOA) with the U.S. Department of Homeland Security, Homeland Security Investigations (HSI) for the lease of an office space located in the Hamilton Financial Center building which is owned by the county. This was executed and approved by the Board of Commissioners (BOC) with a unanimous vote on November 22, 2022 via Ordinance #2022-142.
- The method by which this agreement was executed was unusual and did not align with normal procedures for entering into a standard lease agreement with the county.

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Administrative Code Section 811- LEASE OF PROPERTY governs the applicable policy for all county lease agreements subject to approval through the Ordinance process. This MOA was considered exempt from this requirement.

- The MOA and subsequent lease agreement was presented to the Board by the Director of General Services who owns the contract and all county leases. A review of the BOC meeting minutes noted the MOA would establish the parameters of the lease and be considered a binding agreement with HSI for the next 10 months, then will become a standard lease thereafter (see General Services Committee meeting minutes November 9, 2022). The MOA and proposed lease agreement were attached to this Ordinance as Exhibit A; the MOA was signed by William Walker, title Special Agent in Charge on October 31, 2022. The lease agreement was unsigned.
- The term of the MOA was 10 months beginning December 1,2022 and ending September 30,2023; after which the standard lease agreement would tentatively begin October 1, 2023 through September 30, 2026 if agreed to by both parties.
- The payment section of the MOA noted a quarterly rental cost of $8,775; The 10 month total would be $29,250. The lease agreement payment terms were: Year 2 (10/1/23-9/30/24) $3,012.75/month or $36,153 annual; Year 3 (10/1/24-9/30/25) $3,103.13/month or $37,237.59 annual; Year 4 (10/1/25-9/30/26) $3,196.23/month or $38,354.72 annual.
- Total lease revenue payable to county for the term of both the MOA and lease agreement is **$140,995.31**. The lease agreement also notes payments not received within 5 days of due date (either monthly or quarterly) shall be assessed a late charge of $200.

Inquiries

- We confirmed that HSI has been occupying this space since the inception of this agreement. HSI works closely with both the District Attorney's Office and local law enforcement.
- A review of County fiscal general ledger accounts throughout the term of this contract revealed no revenues recorded or received. This was further confirmed with both the Fiscal Office and HSI. The Fiscal Office was never alerted to or provided a fully executed revenue contract.
- Although Lehigh County and Homeland Security agreed to the MOA and Homeland Security signed it, Homeland Security claims that the individual who signed the agreement lacked proper authority.

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- While the MOA was agreed to, both parties have not agreed to the terms of a lease agreement which is still pending to date. As such, no payment has been made by HSI to the county since the commencement of the MOA and lease agreement on December 1, 2022. HSI also indicated they are currently pursuing a lease renewal with the county for three additional years after the expiration of the current lease term on September 30, 2026. That renewal is currently being reviewed with the legal teams of both organizations, who to date have not agreed to terms based on the standard lease contract language requirements of both the County and Homeland Security. HSI intends to pay the county per the lease terms once agreed.
- Lehigh County has been informed by the Realty Specialist, Planning and Program Management Unit, Office of Asset and Facilities Management, U.S. Immigration and Customs Enforcement (ICE), that payment is contingent upon the County's execution of the lease and final execution by ICE after legal review.

Impact to the County

- Lack of an enforceable contract. Both parties have not fully executed an agreement but DHS has been occupying the space for roughly 38 months.
- Uncollected revenue to date amounts to **$115,425.51**. Management could possibly enforce late fees of **$7,600**.
- Waste of county funds due to maintenance, utilities, and other operational costs associated with the leased office space.
- Non-compliance county policies including Administrative Code sections 811 and 801.2 (E).
- Lack of departmental monitoring and oversight of contract/arrangement.
- Public perception risk that the County is enabling ICE, an agency widely associated with family separation and economic disruption, creating the impression that County government is not standing with working families or protecting community stability.

Recommendations

- Issue an immediate payment determination of outstanding rent due to the County.
- The County should not continue the lease of this office space to the U.S. Department of Homeland Security and should immediately issue an eviction notice.

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- Explore all legal avenues of recouping lost revenue and consider eviction if necessary.

Note from the Controller

We have seen statements from Kristi Noem about our country being flooded with "killers, leeches, and entitlement junkies." Then we see how ICE is terrorizing neighborhoods even here in Lehigh Valley, by showing up and Home Depots and worksites. We have seen on social media ICE agents after the death of Ms. Good saying "Haven't you learned yet."

This organization's actions terrorize neighborhoods and create fear rather than safety. Conduct of this kind is incompatible with democratic governance.

The County's obligation is to all residents. Actions that create fear and intimidation have no place here.

I think the county should be unequivocal and tell ICE

Pay your bills, pack your stuff, and get out!

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