

Michael D'Amore, Ph.D., President
Peter Schweyer, Vice President
W. Michael Donovan
Jeanette Eichenwald
Julio A. Guridy
Ray O'Connell
Mike Schlossberg

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COUNCIL MEETING MINUTES
June 1, 2011 – 7:30 PM
COUNCIL CHAMBERS

1. Invocation: Jeanette Eichenwald

2. Pledge to the Flag

3. Roll Call: D'Amore, Donovan, Eichenwald, Guridy, O'Connell, Schlossberg, and Schweyer were present. John Marchetto represented the Solicitor's Office.

4. Courtesy of the Floor

Mr. Dennis Pearson, 942 E Tilghman Street, stated that he was in Alabama and saw the results of all the tornadoes and flood that occurred in the Deep South in the 14 days. He explained about tornadoes knocking down trees and you should have steel houses not brick. He stated to pray for the people that have nothing less.

Mr. Lou Hershman stated that with all the excitement in the city about the arena, the city should talk about the financing part. No one has stepped forward about how the arena will be financed. He stated that he talked to Mr. Smith from School Board and the School Board is under the impression that they are going to lose \$100,000 in real estate taxes. He stated that is a lot of money for a school district that is strapped for money. He asked has Council budgeted money for this or costs related to the city.

Mr. D'Amore asked Mr. Donovan will he speak to the arena financing and both of the issues and then Mr. Schlossberg.

Mr. Donovan stated that the Mayor announced a special district that was created by state legislature as a member of AEDC; some members of Council have been briefed on the structure of that. After the council meeting he was very vocal at the AEDC meeting the next day that based on his experience the council and the administration have made some mistakes as this moves along. He stated that it was quite clear that some questions that the public had needed to be answered. There is a variety of research that is necessary in order to complete the dots. He stated that he understands the information must come together within a couple of weeks and he has been very vocal to those that are influential than he is as the information comes together the community must be involved in the discussion and be able to respond. He stated that the structure of the arrangements and the legal issues are not complete. They are still going through the legal interpretation to make this work. The goal is to have no impact on school and city finances. The nature of legislation makes reference to taxes on the city and the school level. The goal is that the project will be financed by state money only and there is no real estate taxes involved in this. There is some exposure with a small percentage of the school and city's plan is really diligently being worked out. The impact to the school and the city's finances should be minimal, not zero. Some information should have been brought out earlier. He stated that there are people that disagree and those who agree with its location and the question is what kind of information that comes out to support that. That is where we stand. He stated that he did see the EIT information today and looking at the information there's one more answer he is waiting for and can not release that information until he has one more answer. He stated that he made some phone calls today and as soon as he has that information he will notify Mr. Hershman.

Mr. Schlossberg stated to Mr. Hershman regarding has the city spent any money on this project so far and the answer is no. He asked Mr. Bennington to correct him if he is wrong. He stated that it is his understanding that they did not spend any money and they are not going to spend any money. He stated that if they spent any money there is certainly no money in the budget for this so it would have to come to Council in the form of a transfer. They have not voted on an appropriation and to his knowledge they are not going to spend a dime on general fund money on this project.

Mr. D'Amore stated that is correct.

Mr. Donovan stated to Mr. Hershman that the money that is being spent to hire the lawyers and market research, traffic studies, etc is being paid for by AEDC and there is no city money in it at all. He stated that someone could argue that AEDC gets money for the city, but if you go back through the history of AEDC they have spent money on a variety of development projects.

Mr. Guridy stated that Mr. Donovan and Mr. Schlossberg touched on a lot of things he was going to say. He stated that he agrees with Mr. Hershman that they need to do a better job in making this project a little more informative. He stated that they should do meetings at different areas. They should wait until they get the right information. They do not want to get information that is going to change, but we need to do a better job explaining a lot of things about discussing traffic, parking, finances and people are unaware of what is going on. People do not know what is going on. All they know is eminent domain and we are taking property from people and that is not the whole story and should be brought out to the public.

Ms. Eichenwald stated that the City Council voted 6 – 1 to take public property through eminent domain because it was for public good which leaves her to believe that the ownership of these particular properties that whole block or square block then becomes a public property. Once that happens those properties as Mr. Hershman says goes off the Real Estate logs for the School District. Unless she hears otherwise, she agrees with Mr. Hershman assessment that the school district will lose the tax revenue from all those properties that are being taken. You can not have them taken for the public good and say they are still private which means that they stay on the real estate taxes. She stated that she needs a clarification.

Mr. Donovan stated that this is a good example where in the sense of moving parts. He stated that he is not going to go through the financing of the arrangement. Everyone is making the structure of the arrangement to have a minimal aero impact. He stated that there will be a pilot paid for out of the property that existed there to cover the lost revenue as a result of that block. There is a variety of arrangements that actually will kick in additional dollars back to the city very quickly. He stated to Ms. Eichenwald that she is absolutely right that there is an impact in terms of provisions that are being made here, but on the other has to at some time be presented to the public. There are measures that are taking place. There is a legitimate concern that he has and he wants to echo Mr. Guridy's point that he was quite vocal about them making a mistake in terms of what information could or could not be presented whether it is a mistake or judgment call. He stated that he received support. There is more information to present. He stated that in his years in business sometimes you have to turn on a dime. He stated to Ms. Eichenwald that she is correct there are risks on the school side. There are methods being put in place.

Ms. Eichenwald stated the fact that the school district will lose that money is a guarantee once the properties go off the public tax rolls. The other is a promise similar to the casino revenues. She stated that they were told that they would get x amount of dollars and they did not get and slower it is coming in. She stated that she hopes that everyone on the dais and everyone in the city that all of that comes to reality.

Mr. Donovan stated that it came up at courtesy of the floor and was mentioned under executive session in which every council and legal counsel in order to be brief because details were not complete. He stated that at the meeting Mr. Scheirer explained a variety of things that within this law there are local monies that are pulled and it could be Mr. Smith and the school department talking about the pulling of those monies. The structure of the financing deal says even though non-real estate taxes could be going into this pull and can include EIT or business privilege if you read the law. The structure of the deal is to rely on state income taxes, state money and not on local

taxes. He stated to Ms. Eichenwald that she and her husband have been in business for many years and have taken risks without complete information and to him one of the reasons he is on council was he felt that decisions needed to be done in a way that you have to measure information. He stated that nothing came to him that they should say no to this project, but he does not have all the information to make a final yes, and that is what business is all about.

Mr. Bennington asked if Mr. Shearer can speak to Ms. Eichenwald.

Mr. Schlossberg stated that this deal is pretty much a moving target and they do not have the facts in front of them. He stated that at the last meeting that they are two different points where they as a legislative body could potentially stop this deal. There are street vacations that we can say no to that essentially could end the project and the formation on the new arena authority that would control the arena. There is at least one point they could say no or say they do not like the deal in front of them and walk away from it. This is not a done deal. For now things are still progressing.

Mr. D'Amore stated maybe.

Mr. Schweyer stated that they have an executive session that will be formally announced that will discuss these issues. The financial advisor for this project and the lead on it is PFM who advisor is Mr. Scott Shearer and who is the financial advisor for City Council and you may not be aware of is the financial advisor for the Allentown School Board. Mr. Schearer was good enough to give Council a briefing and told them that he will sit down with any of his clients including Mr. Smith or any member of the school board to have that conversation. He stated that he would suggest that if he would like to talk to his FA (Financial Advisor) about it he is sure he is willing to sit down and have a conversation with any of his clients.

Mr. D' Amore stated that the conversations generated indicate that they are very fair questions.

Ms. Eichenwald stated that her questioning is not to negate the project. She stated to Mr. Donovan that he stated about the risks her and her husband would have taken in their private business. She stated that of course there are always risks, but you minimize risks by asking questions in advance. She stated that the question Mr. Hershman brought up and she responded to is only to minimize the risks as they go forward with the new business venture.

Mr. Joe Holler, 925 S. Hall Street, stated that he was here to question the placement of traffic lights on Lehigh Street between Vultee Street and Downing Place. He feels that they were placed illegally. He has worked as a surveyor and has done traffic surveys and the lights that were placed there do not meet the warrant in replacing traffic lights. You have to have an intersection or possibility of an intersection. There is no intersection at that point. The city stated that there have been numerous accidents. He stated no it hasn't. He stated that he lives on the south side and go to Home Depot and other businesses. There are no records of any accidents in that point of that street. He stated that he questioned PennDot and is getting conflicting deals.

Mr. D'Amore stated that they will ask Mr. Young.

Mr. Bennington stated that Mr. Holler wrote him a letter and Mr. Holler received a response that was thoroughly researched by Mr. Young and his department. It was not short or curt and he will let Mr. Young talk about him response to Mr. Holler.

Mr. Richard Young stated that when the Bennett Toyota Dealership came through with the land development plan and part of the land development process prepared a traffic impact study by Pennoni Associates. This is something that we would have required, but because it was going on Lehigh Street which is a state highway was something that PennDot required. That traffic study showed that it met warrants for a traffic signal. He stated that the original study included a shopping center that to date is not built. PennDot did request additional information trip generation information because you can't tell in advance what the traffic is going to be so the institute traffic engineers has a publication called the trip generation manual and based on the square footage of building, acreage of property and

employees and parameters they will tell you the generations are for a day, the AM peak hour and the PM peak hour. PennDot wanted to know what that information was for just the dealership. Even with just the dealership, it still met warrants. PennDot signed the permits and allowed the lights to be turned on and it is on now.

Mr. D'Amore asked Mr. Young to send Council the warrant from PennDot. He asked were the people from engineering out today.

Mr. Young asked if Mr. D'Amore wanted the permit and stated sure. He stated that he is not sure who that was.

Mr. Guridy asked was this request for traffic signal light initially generated by the city or was something that PennDot mandated. He stated that as Mr. Holler stated earlier there are other dealerships in that area and are very difficult to get in and out. He stated because it is a business do we have to pay for it.

Mr. Young stated that the city pays the electricity and the maintenance on it.

Mr. Guridy stated that it costs the taxpayers money and is this something that was mandated by PennDot or something that they generated by some kind of deal.

Mr. Young stated that the city did not require the traffic signal. What the city required was a traffic study to show if the warrants were met for a traffic study and if warrants were met for the traffic signal, we wanted the developer to pay to put it in. The study was reviewed and approved by PennDot. If that study would have not taken place, PennDot would have not signed that permit.

Mr. Guridy stated that Mr. Holler mentioned that it is almost like favoritism to that dealership.

Mr. Holler stated that Mr. Young stated that Bennett requested the light.

Mr. Young stated that they requested the traffic study.

Mr. Schweyer stated that as the south side member who lives about 500 yards from traffic light, they had a lengthy debate on council before Mr. Schlossberg and Mr. O'Connell were on because this issue came before the Planning Commission and then came before Council. This is not the first time Council has discussed this. Much like we had the issue with the stop sign on 16th Street, his biggest concern is not the existence of the light, but the potential for it to go and off and on and off. He stated that his neighbors and he not being used to it. He stated that the biggest challenge he would face such as the neighbors in West Park when they put the stop sign up and put it back down is one of fairness in the community. Whatever the decision is going to be, it got to be the decision because he does not want to be put in a situation that he has to explain to his neighbors of why this is going on and off. He stated that he wants consistency with the traffic plan.

Mr. Holler stated that there is no intersection and totally unfair to the other businesses.

Mr. Donovan stated to Mr. Young to correct him if he is wrong that he has seen around this situation where malls end up having lights where it is not an intersection.

Mr. Young stated if you look at Macarthur Road at the entrance to Kmart on one side and Walmart on the other side that is two driveways.

Mr. Donovan stated that there are cases that state law allows lights in the traffic patterns. He asked were the lights automatic or pressure sensitive.

Mr. Young stated that the traffic patterns of Grape Street and Macarthur Road to the Lehigh Valley Mall. He stated that he does not recall.

Mr. Holler stated that he wanted to agree with Mr. Donovan that it does not apply all the way around, but it is a difference between a car dealership, Wal-Mart and a mall.

Ms. Maulsberger, 8th Street, stated that she wanted to know about the arena project. She asked would it be a private entity or public entity. She asked if the hockey team is a public entity, any of the stores, restaurants a public entity. She asked if it would be a shopping center owned by Allentown and rented out to private entities. She asked if inside the arena you will have spaces with square footage and those spaces that will be used by private enterprises can be taxed by the school district as a land tax.

Mr. D'Amore stated that it would be a public entity. He stated that the arena will be owned and operated by a public entity. As it is laid out, it would be privately owned. The stores will be privately owned. Effectively, yes. He stated that he is not sure if they could be taxed that is a good question.

Mr. Donovan stated that again there is no real estate taxes involved, but the Authority will make a payment in lieu of taxes and they will get their money through leasing arrangements through the private entities there. The payment in lieu of taxes has been brief to him and will go to the county, the school district and to the city. He stated that if you only look at the arena itself and he stated that Ms. Maulsberger is correct, you will have land and a building owned by the Authority.

Mr. Maulsberger asked was the Authority private or public.

Mr. Donovan stated that it is public under state law and they would receive lease payments and those lease payments will pay the pilot. He stated that this is a true lease and the people that lease are responsible for maintenance. He stated that it is a community project, not an arena project. Within the vision of this block there will be a variety of facilities that will be available for the public in a variety of ways with activities that would be the potential of a separate building, not just the arena. What has been successful in other cities is that you have a bootstrap public project which is the ownership of the facility. Arenas by themselves, don't work because primarily arenas that are built outside of the city where the revenues for the arena itself is used to pay for the debt services infrastructure. He stated that what is unique about this project is the fact that the debt service to build this is through this improvement district is based on state taxes primarily and that allows therefore the people running the arena itself and other types of events that can be other events to be able to have that facility to operate at a net surplus. If you had to come up with the money to have that facility take the debt services it does not work. He stated that uniqueness the unique feature of this is that money is going to Harrisburg that would normally be distributed throughout the state and it is directly coming back to provide a bootstrap project to the city that would also attract private developers that would be on private land that would be circular around the facility that would allow potential growth.

Ms. Maulsberger stated that they are taking risks on incomplete information. She stated that she believes Mr. Donovan is accurate, but in this economic landscape it is a possibility that this could be a failure. You are taking risk on incomplete information. She stated that you guys are not risking and she is not risking anything. She stated that she feels badly for those people. You are risking a bunch of people that put money into their properties.

Mr. Donovan stated that as far as the risk involved. He stated that he lives in the city and made an investment in his home and he has a job in the city in which that particular institution depends on the life of the city and success of the city so that the students would want to go to the college. He stated that he knows a lot of people that do not want to lose their jobs. He stated that he has to make a decision with a variety of people and their risks if things do not pick up in Allentown in a variety of ways. He stated that it should be a just and fair arrangement. The people that are involved in the financing of this in particular the two institutions that will be providing preliminary financing that would go through and then the money would come in from the state. There are not going to do this deal if they did not feel that the structure of this is sound. Mr. Scott Shearer who works for the city and the school district is the financial advisor. He stated that his interest is the city and the school district because he wants the deal structured to work.

Mr. Schweyer stated that there is a significant amount of private money that is being chipped in to help the development. He stated that the number is staggering to him. There are an awful lot of private risks for some private folks as well. The biggest risks to any person in this room are that we have a giant hole on Hamilton Street without the arena. He stated that they know the risks.

Ms. Maulsberger stated that when she heard about the stop light and the Mr. Holler stated that you are picking winners, in a sense you are doing the exact same thing.

Mr. Schweyer stated that he respectfully disagrees.

Mr. D'Amore stated that he agrees with Ms. Maulsberg. He thinks they are and he thinks they should.

Mr. Bob Toth, 1101 S. Howard Street, stated that one thing that would bother him as he did his time in the Marine Corp. is that officers would make decisions and they would have no idea, nor would they care on how it would affect the people at the bottom. There are a lot of issues about the hockey arena and are thinking about the municipal workers. He stated that hockey games are played in the winter months. The last couple of winters have been pretty bad and the streets department is working hard and doing a good job in keeping our streets clear. If this hockey arena goes down at 7th and Hamilton, you are going to make their jobs a lot harder. He stated that an ill-planned mission in the Marines would get men killed and an ill-planned mission in government would cost the taxpayers a lot of money and cause a lot of grievances.

Mr. D'Amore stated that he agrees with Mr. Toth and one thing that is happening is a detailed traffic study and that matter should be taken up as part of the traffic study.

Mr. Donovan stated that he appreciates the analogy that he gave, but he wanted to take one issue. He stated that he had been working on urban issues and ran for this position because he could bring some experience to this. He stated to Mr. Toth that if he listens to him very carefully, he is trying to take his forty years of experience and apply it here as best as he can.

5. Approval of Minutes: None

6. Old Business: None

7. Communications

Mr. D'Amore stated that it was an executive session of the city council last Wednesday; May 25th and that was on financial matters and public financing matters. He stated Mr. Hershman's son Shane, a Colonel in the Air Force with a host of real big and major accomplishments had a recent retirement ceremony.

8. REPORTS FROM COMMITTEES:

Budget and Finance: Chairperson Donovan

The Committee met on May 25th; the next meeting is scheduled for June 22nd at 6:30 PM. The committee reviewed the April reports. There is a need for better track for capital projects. He discussed the bills relating to the stabilization fund to further examine the cost benefits of paying down a loan.

Mr. Bennington stated that the first quarter is not reconciled until April 30th.

Public Safety: Chairperson Guridy

The Committee has not met since the last Council meeting; the next meeting has not been scheduled.

Community and Economic Development: Chairperson Schweyer

The Committee has not met since the last Council meeting – there is a possible Community Bike Works tour and CEDC meeting on June 7th at 6:00

Parks and Recreation: Chairperson Ray O'Connell

The Committee has not met since the last Council meeting; the next regularly scheduled meeting is on June 15th.

Public Works: Chairperson Schlossberg

The Committee has not met since the last Council meeting; a future meeting has not been scheduled we are looking at June 8th?

Human Resources, Administration and Appointments: Chairperson Eichenwald

The Committee has not met since the last Council meeting; the next meeting has not been scheduled.

Rules, Chambers, Intergovernmental Relations and Strategy: Chairperson D'Amore

The Committee has not met since the last Council meeting; a future meeting has not yet been scheduled.

OTHER COMMITTEE REPORTS

Mr. Schweyer stated that the Youth Summit is tomorrow. He stated that they have been talking about it and he is very excited about it. They have significant amount of students from the three city high schools and professionals that will cover the topics areas of the conversation from the schools. He stated that they will do a full report afterwards. He stated that he is very excited on how it is going to turn out.

Mr. Guridy asked how many people can fit in the space.

Mr. D'Amore stated to Mr. Schweyer to tell where and when will be Youth Summit will be held.

Mr. Schweyer stated June 2nd at 5:00 – 7:30 PM at the Allentown Public Library Community Room.

Housing Authority – Councilperson Guridy

Mr. Guridy stated that the Allentown Housing Authority is having a ribbon cutting ceremony next week and that will be in the community building that they renovated in Cumberland Gardens.

CONTROLLER'S REPORT

None

9. APPOINTMENTS:

Ms. Eichenwald stated that they have six reappointments or extension of terms and expressed her desire to vote on this as one unit.

- Joan Nyemscek, Recreation Board Reappointment, Term to Extend to 1/20/2016
- John Sherry, Allentown Housing Authority Reappointment, Term to Extend to 11/5/2015
- Chris Brown, Shade Tree Commission, Term to Extend to 04/26/2015
- Kathleen Forte, Shade Tree Commission, Term to Extend to 04/26/2015
- Lorraine Harper, Shade Tree Commission, Term to Extend to 08/16/2014
- Mat Tuerk, Shade Tree Commission, Term to Extend to 04/26/2015

Mr. Guridy stated that Mr. Sherry from the Housing Authority as of last week he did not know he was being reappointed. He stated that he does not know if a letter advising him of the reappointment was sent.

Ms. Eichenwald stated that her understanding is that the first contact is made by the Mayor's office. It is not usual that we ask them to come in person for a reappointment, but we will certainly check into that.

Mr. D'Amore asked Mr. Guridy is Mr. Sherry still interested in being reappointed.

Mr. Guridy stated yes, but since he did not hear anything and his term expired.

Resolution passed, 7 – 0

Mr. Schweyer asked to suspend the rules to introduce and vote on R36 – Approval of the liquor license of Wise Guys Beer Depot

R36 Wise Guys Beer Depot Approval

Mr. D'Amore asked were there any objection to the introduction of R36 or the voting on R36 this evening.

Mr. Schweyer stated that he was not sure because of his new understanding of the procedures. He asked was it most appropriate to talk about the applicants during the hearing. He stated that it was not mentioned, and he would like to speak directly about Mr. Jeff Barber that he serves on the Allentown Center City Association Board and the Allentown Chamber Board as well. He stated that when Mr. Barber referenced that he was only five minutes away and worried about hitting every traffic light since his business is at the 1200 block of Hamilton Street. He stated that this gentleman is not a newcomer to the City of Allentown. He has invested his own personal wealth into the city of Allentown. He recalls Mr. Barber freezing with him one night at Light in the Parkway in support of the Center City and Main Street Programs. He is as invested with his time and money in the City of Allentown that they can hope for. He stated that they saw his business plan and he took the process very seriously. This is a homegrown business person that is trying to branch out. He stated that he would appreciate a yes vote from all of Council and look forward to having another thriving business in center city Allentown.

Mr. D'Amore asked Mr. Marchetto were all their procedural ducks are in a row on this.

Mr. Marchetto stated yes.

Resolution passed, 7 – 0

10. ORDINANCES FOR FINAL PASSAGE:

Bill 32 7TH STREET LIGHTING GRANT

Amending the 2011 Capital Fund Budget to provide for a supplemental appropriation of Four Hundred Ninety Nine Thousand One Hundred (\$499,100) Dollars reflecting receipt from a Transportation Enhancement Grant from the Pennsylvania Department of Transportation (PennDOT) to install new street lights, underground wiring, curb and sidewalk repairs along North Seventh Street from Hamilton Street to Turner Street. The Bureau of Traffic Planning and Control is supervising and monitoring the grant.

Mr. Schlossberg stated that this was before Public Works and is standard acceptance grant money to fund a lighting project on Seventh Street.

Ordinance Passed, 7 – 0

Bill 33 H2O GRANT

Amending the 2011 Capital Fund Budget to provide for an appropriation of Eight Hundred Seventy-Seven Thousand Eight Hundred Six (\$877,806.00) Dollars reflecting receipt of funds from a state H2O PA program grant. The Bureau of Engineering is supervising and monitoring the funds to replace/rehabilitate portions of the City water distribution system.

Mr. Schlossberg stated that this is standard acceptance of grant money and recommended favorably.

Mr. Donovan stated that he was not able to attend that meeting and asked was it part of an on-going rehabilitation to look for more grants for more mileage in the city.

Mr. Young stated that they are looking for as many grants as they are. Unfortunately, there are not a whole lot.

Mr. Donovan stated that is a lot of money \$877,806. Would you say that is the money you need every year or do you need a lot more money in order to do rehabilitation or whatever needs to be done citywide.

Mr. Young stated that they do have a number of lines in the street that are in excess of hundred years old and they want to replace them wherever they can and some of this will replace some of that. Some at Hanover Avenue is replacing some that is hundred years old. He stated that they are using whatever funding they can find.

Mr. Donovan asked for a quick estimate of what it would take in terms of public dollars to renovate the line or the most critical lines. He stated that the city has starved itself for years on a variety of infrastructure and would like to know since he drinks the water.

Mr. Young stated that he did not have that information right now. He stated that without question, the water has always been safe. He stated that the city has a number of testing stations throughout the city. They are tested at the plants and at the systems on a regular basis. He stated that the city never had boil water advisory and it is quite an accomplishment with the size system that we have.

Ordinance passed, 7 - 0

Bill 34 OLD ALLENTOWN STREETScape GRANT

Amending the 2011 Capital Fund Budget to provide for a supplemental appropriation of Four Hundred Forty Four Thousand Six Hundred (\$444,600) Dollars from the Federal Highway Administration through the Pennsylvania Department of Transportation, Community and System Preservation Program providing funding necessary for the construction of the Old Allentown Streetscape Improvements program.

Mr. Schweyer stated that it is standard accepting of grant money for the city of infrastructure.

Ordinance passed, 7 – 0

BILL 27 LEAGUE PENALTY FEES

Amending Article 400.07, Department of Parks & Recreation Fees, by establishing a league penalty system for forfeits, ineligible players, incomplete rosters and absence from league meetings for all teams involved in Department of Parks and Recreation operated youth baseball/softball/basketball and other leagues.

Mr. O'Connell stated that it is amended Article 400.07 Department of Parks & Recreation Fees, by establishing a league penalty system for forfeits, ineligible players, incomplete rosters and absence from league meetings for all teams involved in Department of Parks and Recreation operated youth baseball/softball/basketball and other leagues. He stated that it was one amendment to the Bill 27 stated that first forfeit of \$25 that stays, the second forfeit by the same team \$75 that stays and the fourth forfeit by the same team was at \$150 and league suspension is now \$100 and league suspension and this was votes favorably passed by a 2 – 1 vote.

Mr. Schweyer stated that he will make the amendment to change the forfeit fee from \$150 to \$100.

Ms. Eichenwald seconded the amendment.

Mr. Schweyer stated that they also talked about the money going back to A-Youth. He asked Mr. Weitzel does A-Youth have a line item from the City of Allentown. He stated that it would be a donation from the General Fund from the Forfeiture of these fees. He asked Mr. O'Connell is that an appropriate way to do that.

Mr. Weitzel stated that is an excellent idea. There is no line item.

Mr. O'Connell stated absolutely, he agrees.

Mr. Donovan stated that he wrestled with this one. He stated that at one time he was president of 500 Youth Little league and if he would have received a bill from the city for a variety of things that could have occurred similar to Mr. Schweyer said at the last meeting, he would have significant problems. He does not want to prolong the debate and stated that he is going to vote no on this. There are better ways to encourage correct procedures.

Mr. Schlossberg stated to Mr. Weitzel that he would like to hear more from him. He stated that at the moment, he understands what Mr. Donovan is saying. You start fining volunteers, he does not know if that is the best way to encourage volunteerism in the city.

Mr. Weitzel thanked Council for considering this and stated that he is very happy it came out of committee. He stated that this is a problem that they have dealt with at the Parks and Recreation Department for many years. First, a league penalty system is not a new in the leagues in the Valley. We are one of a few leagues in the Valley that does not have a penalty system. If the penalty system is working, it means no one is paying anything. He stated that the new ordinance would increase accountability and ensure that all the teams are following the same guidelines and attending league meetings and receiving all important information provided by the league manager. He stated that he will tell them the problems that they had just in the past week so that they understand how much a problem this is and why the league penalty system is a good idea. First, they have basketball league schedules that had to be issued this week and at the last minute due to an incomplete roster, a team withdrew and that caused the Parks and Recreation's staff to have to completely redo the schedules and the cost them time, and frustration and delayed the schedules going out to the rest of the teams. They had the coaches meeting to kick off baseball leagues and just the idea that the league penalty system was being introduced to Council for the first time since he has been here, all but one coach showed up for the league information meeting and that one coach who did not show up this week violated team rules, was discharged from a game and had one of his players threaten another player with a baseball bat. When they attend a league information meeting, they can hear the rules to follow and they can have solidly run leagues. They have several ineligible players. They have several teams submit and when it comes to the championship games, all of a sudden they have ineligible players playing baseball or basketball. A forfeit costs the city time and money. Teams sometimes deliberately forfeit games to play in other games outside the city. The league penalty system would alleviate and make them more accountable. If it works, they would collect zero dollars.

Mr. O'Connell stated that he heard all the situations that Mr. Weitzel speaks of and believes the A-Youth unanimously approved it at their meeting a month ago. There are some organizations in Allentown that will blow off a basketball game in Allentown because they are playing for the Lehigh Valley cadet or championship in Whitehall Township. This does force an organization and understands that you volunteer for basketball, kickball and t-ball. You don't want to penalize a volunteer, but you want accountability to the organization. He suggested to Council to pass this Bill, but review it. Let's look at it and tweak it if we have to tweak it. Only one person missed 33 out of 34 organization groups there in the first time in years.

Mr. D'Amore asked Mr. O'Connell that since he is the representative for the recreation board was this matter brought to the recreation board and did they have any recommendations.

Mr. O'Connell stated that they briefly discussed it at the recreation meeting a month and half ago. There are several members on the recreation board on A-Youth.

Mr. Donovan stated that he appreciates all the various anecdotes t used where you try to use financial incentives to tow the line and he does not disagree about financial incentives. He still left with that some organizations are structured and travel teams and may have money to do this, there are others that do not. He stated that another way to do it is to de-certify a team and that sends a strong message. It hurts the children, but if these groups are

doing things and as a coach for many years in football and in baseball if these types of things are happening there is a terrible message about youth sports these days. He stated that he would like to see other ways to tow the line other than fining volunteer organizations that struggle enough.

Mr. Weitzel stated that there is a real cost associated with forfeiture. He stated that they have fees they have to pay the umpires, referees and staff. If they were to actually charge the actual cost of a real forfeit versus a \$25 fee, it would be a penalty that is more severe.

Mr. Donovan stated that is a compelling reason and the rescheduling. He does not think that the fine will stop anybody if they still feel that they can get that person through. If you decertify a team next year that definitely will change things and part of it is how it is positioned and it strikes him how it is positioned. Even though you say that it is a fee, it is a fine. He stated that if you take a lesson from the bank and say that you are going to do certain things they will charge you a fee and he guesses that a penalty fee sound like more of a forfeit.

Mr. Weitzel stated that he appreciates what Mr. Donovan is saying, but they did follow to create league penalties and they have looked at other penalty systems across the Lehigh Valley. He stated that we have lesser fees than other A-Youth organizations that are participating in outside of the city.

Ms. Eichenwald stated to Mr. Weitzel that she commends him for coming up with this system and supports it and sometimes you have to do what is in the best interest of greater good.

Mr. Schweyer asked what our ultimate goal here is. Why do we have Parks and Recreation? The goal is to improve sports and activities and he stated that Mr. Weitzel is rightfully pointing out there are costs involved in forfeitures. He stated that let's look at the kids because at the end of the day we are provided a service to parents and youths in the City of Allentown to provide structured leagues and organized play and kids can not only get physical activities, but can work in a collaborative team sport, be save and have one million reasons why every community in America does this. It does hurt kids when violators such as forfeiters or using illegal players break the rules. Kids just want to play games. He stated that he had been in situations where his team had to forfeit. The biggest goal he is talking about is to improve the A-Youth organization. He stated that he and Mr. Weitzel have talked in length about doing training programs. He asked did Mr. Weitzel have something tonight that would persuade his concern that they do not have any training for these organizations. He stated that if they have a plan for the organization, then he could vote yes on this. If the answer is no, then he would vote no as he told him he would.

Mr. Weitzel stated that he has spoken to his superiors about the ideas and he received support and plan to include it in this year's budget in the 2012 budget total.

Mr. Schweyer asked if there will be something in the 2012 budget. He asked for an idea of what the structure would look like. Who is going to do it and are your looking internally, outsource, or contract.

Mr. Weitzel stated that the first group they will work with is the Pennsylvania Recreation Park Society and Youth Sports Alliance and there are opportunities and specialist out there. He stated that they do have professionals across the state. He stated that he is a member of the National Parks Association and have no doubt that he would have someone come in. The second part is getting the volunteers for the youth organizations to come out.

Mr. Schweyer stated that he does not want to speak for Mr. O'Connell or A-Youth, but would hope that Mr. Weitzel will participate in mandating because the historically strongest youth organizations in the City of Allentown are struggling.

Mr. O'Connell stated that Mr. Schweyer has been pursuing this and is a point extremely well taken and has to be followed through by the administration.

Mr. Schweyer stated that there was an offer to help find funding for it.

Mr. Bennington stated that they have to understand that Mr. Weitzel brought this to his attention for the first time this afternoon.

Mr. O'Connell stated that he understands in principle and right now it is baby steps. He thinks that what they probably had before and what they have now is a commitment.

Mr. Schweyer asked Mr. Bennington is it fair to say they have a commitment.

Mr. D'Amore stated that when he played sports as a young guy he played baseball and basketball in the city leagues and they had a plethora of teams in those leagues and when you compare twenty-five years and today the number of teams is really sparse in comparably. He asked are they going to chase more teams out then they already have a considerable drop in a generation.

Mr. Weitzel stated that his belief is that it is going to increase. He stated that they are going to increase the number of teams in the leagues.

Mr. D'Amore asked Mr. Weitzel why he would think that would be the case.

Mr. Weitzel stated that in many ways, they have seen significant increases in all the leagues basketball, baseball double digit increase. He stated that they are not respect leagues across the Lehigh Valley for many reasons. This is one way to gain a bit of that back by holding the teams accountable with the same rules and regulations of other leagues that they are a member of. Obviously, they hoped that this is not something they had to do, but in this day and age having a penalty system attached to leagues is a necessary evil.

Mr. D'Amore asked his colleagues did they concur or disagree of what Mr. Weitzel just said.

Ms. Eichenwald stated that her father-in-law was a great business man and a salesman came up to him and said we want to lower the price of the jackets and he stated no we will raise the price of the jackets and they sold all the jackets. She stated that sometimes when you raise the stakes you increase your business.

Mr. D'Amore stated that you make it more exclusive.

Ms. Eichenwald stated that is exactly what Mr. Weitzel wants to do.

Mr. O'Connell stated that Ms. Eichenwald said it very eloquently. You are making the Allentown City leagues more accountable and you will increase participation and have greater organization and fulfillment because everyone is playing by the same set of rules. You are making the playing field leveled.

Mr. D'Amore asked does anyone disagree with the statement of increasing.

Mr. Schweyer stated that he does not disagree, but what he would say is that his first year of coaching was 2003 and he did a quick sketch of the teams that they played and there were ten or eleven teams that played in Lehigh Baseball and this year we have five teams. He stated that he does not know if the league fees alone are going to increase or decrease or have an impact. It is a step into modernization and they need a lot of steps.

Mr. Donovan stated that a piece of information would help him change his mind and clearly he is talking about feeling the way that he feels and in a way a financial incentive and he does not like financial incentives because of the statements they make sometimes. He asked Mr. Weitzel has he surveyed the various teams and organizers about this.

Mr. Weitzel stated that A-Youth is a representation of all the youth organizations.

Mr. Donovan asked has Mr. Weitzel surveyed individual and asked Mr. Weitzel to explain the structure of A-Youth.

Mr. Weitzel stated that no. A-Youth is an organization that was created in the 1960s and he believes to bring all the youth sports organizations together under one roof for the betterment of youth sports in Allentown.

Mr. Donovan asked if they had representatives or board of directors.

Mr. Weitzel stated yes. There are rules that they have to adhere by and they have to attend meetings. They get incentives. If they are a member of A-Youth they get our fields and courts for free at no cost. A-Youth is also identified in the Adventure Allentown guide every year.

Mr. Donovan asked Mr. Weitzel help him understand.

Mr. O'Connell stated for an example LCYA and he comes to the table representing all the teams from LCYA. There is one representative from Mountainville and the person comes to the table representing all the teams from Mountainville.

Mr. Donovan stated that A-Youth representatives have 100 percent approved.

Mr. O'Connell stated that he said unanimously about ten to fifteen minutes ago and he knows he talked to Mr. Lou Saltlick, Hugh Gallagher and the gentleman from Mountainville, Mr. Snyder and the meeting that evening they were in.

Mr. Donovan stated that all the representatives of A-Youth and asked if it encompassed everyone.

Mr. Weitzel stated that there are other teams that play on our leagues that are outside of A-Youth.

Mr. Donovan asked if this applies to outside teams as well as inside teams.

Mr. Schweyer stated that there are teams that will only be created in a short amount of time for one targeted area in the city. They are not going to do a full A-Youth membership because they do not have baseball, football, or softball. There is reason why other teams invited to join the City leagues.

Mr. Donovan asked if they play a regular season in the league or a championship.

Mr. O'Connell stated that they would play a league schedule.

Mr. Donovan stated that he would accept the fact that A-Youth and its representatives have been surveyed and times have changes and they say yes and that is what you said. He asked what proportion of all teams is represented by A-Youth formed in Allentown.

Mr. Weitzel stated that it depends on the league. He cannot give a definitive answer, but he can revert back to Mr. O'Connell's recommendation that they try this one year and see how it works and if there are problems they can revisit it.

Mr. Donovan stated that he would accept that, but also would urge Mr. Weitzel if there are other teams and organizations that participate in the league, he stated that he does not care about the teams that come into town. In fact he would be more open to say out of Allentown who comes to play and break the rules. He would be more persuaded if A-Youth covers ten percent of Allentown who plays. That has not been clear to me.

Mr. O'Connell stated that he does not have the exact percentage. He stated that A-Youth would represent the majority.

Mr. Weitzel stated that if he would take a guess he would say seventy or eighty percent.

Mr. Donovan asked where problems exists A-Youth or out-of-town teams.

Mr. Weitzel stated A-Youth.

Mr. O'Connell stated our team, our organizations.

Mr. Guridy stated that he agrees with them and will vote for this. He stated that he agrees they have to set some rules and set some stakes like Ms. Eichenwald said a little higher. He would encourage them to continue to develop our leagues. The population has grown significantly in the Lehigh Valley and it is a shame that our leagues are dwindling. He stated that they should continue to increase them and be as diverse as possible.

Mr. Ernie Atiyeh stated that as he mentioned at the Parks and Recreation meeting last time, he hopes they have a manual that would explain this to these coaches. Coaches come and coaches go. He stated that when we give them the manuals they need to sign for them. The first time you fine somebody, the first thing they are going to say is that I don't know. He stated that we need to improve our credibility in our youth programs.

Mr. Weitzel stated that we do have rules, regulations and manuals for our league and that is part of the requirement is to have coaches and team representatives attend leagues meetings so that they can review the rules and everyone is on the same page. It is part of the whole package to encourage people to come out and learn the rules so that everyone is crystal clear on what is acceptable and unacceptable in our leagues.

Mr. Pearson asked Mr. Weitzel are coaches still required to go through certification before they are allowed to coach in the city's league.

Mr. Weitzel stated that the city does not require and he can not speak to each individual organization that submits its teams into our league if they require that from their coaches or not.

Mr. Pearson stated that requirement before Mr. Weitzel came on board is no longer the rule of the land.

Mr. Weitzel stated that he is not sure of that.

Mr. Pearson stated to Mr. Donovan that he was president of A-Youth in 1981.

Mr. Schweyer asked Mr. O'Connell if Midway Manor a part of A-Youth.

Mr. O'Connell stated that he does not know.

Mr. Schweyer asked are there any vacancies on the Recreation Commission and if they could check on it.

Mr. O'Connell stated that they have two vacancies on the Recreation Commission. He stated that they filled one a month ago.

Mr. Schweyer stated that if he has a public commitment from the administration that they will work on it from now and until the budget in which he heard, he will vote on this.

Mr. Bennington stated yes, but you want a decision within less than 12 hours.

Mr. Donovan stated to Mr. O'Connell that given the information he gave him about the nature of A-Youth and the structure and a large percentage of Allentownian youth that is in favor of this then he is comfortable with that and wished it was a better way.

Mr. O'Connell stated that this is for another day, but Mr. Pearson did bring up a very good point. Years ago when you were coaching any organizations in the City of Allentown, you were mandated to go to coaching training sessions and they were held at Trexler Middle School. This is something that would put more teeth into organizations that you are mandated to go to two or three training sessions and if you did not, you did not coach.

Ordinance passed, 7 – 0

Bill 31 Schweyer Donation

Three Hundred (\$300) Dollar Supplemental Appropriation as a result of a donation from Councilperson Schweyer to the Bureau of Health for the Nutrition and Physical Activity Program

Mr. Schweyer stated that it was before CEDC and was recommended favorably. He stated that he did abstain on the vote, but will talk about Bill 31. Last year they passed a non-binding resolution and it certainly does not hold any member of this dais responsible for making a donation, but he was going to do that. He stated that Mr. Donovan has donated in the past to Mr. Weitzel's department. However, he thought it was most appropriate since he chairs CEDC to make the donation to Ms. Hailstone's department. She recommended and talked to her staff and the idea was to use it to help the Fresh Fruits Initiative Program.

Mr. Schlossberg stated that this is a nonbinding resolution and he wanted to publicly state that he personally donated to the United Way of \$150 and \$150 to the Red Cross in the aftermath of the 15th Street explosions. It might not been inline with the exact language of the resolution that they voted for, but it was in the spirit of it.

Mr. Schweyer stated duly notes and thank you. He asked were there any questions from his colleagues or the public.

Ordinance passed, 6 – 0 (Schweyer recused himself)

11. ORDINANCES FOR INTRODUCTION:

BILL 37 VAC-ORD S Meyer-Baker Sts

Referred to Public Works

Providing for the vacation of S. Meyer Street from Baker Street to W. Emaus Avenue and Baker Street from S. 4TH Street to S. Meyer Street in the Nineteenth Ward of the City of Allentown:

Bill38PENNVEST NOTE

Referred to Public Works

An ordinance authorizing and directing the issuance of the City of Allentown's guaranteed revenue note, series of 2011 in the total amount of \$8,612,681 (the "note") for the design and construction of the city's automatic meter reading project and the issuance of the city's guaranteed revenue note, series a of 2011 in the total amount of \$672,000 for repairs to the Schantz spring transmission; authorizing an increase in the city's nonelectoral indebtedness; fixing the form, number, date, interest and maturity of the notes; making a covenant for the payment of debt service on the notes; providing for the filing of the required documents with the Pennsylvania department of Community and Economic Development for approval of the issuance of the debt; providing for the appointment of a sinking fund depository for the notes; authorizing, execution, sale and delivery of the notes, and documents related thereto; providing certain covenants and restrictions for security and payment of the notes; establishing certain tax covenants regarding use of the proceeds of the notes; repealing certain ordinances or part of ordinances; establishing the effective of the ordinance.

Mr. Schlossberg stated that it is an issue that they had quite a bit of conversation about and he stated that to Mr. Young and will say it again at this committee meeting, he would greatly appreciate it if they would have information from the committee about projected savings in terms of money and time that this loan or project would ultimately deliver for us.

Mr. D'Amore asked Mr. Schlossberg if he was speaking about Bill 38.

Mr. Schlossberg stated yes.

Mr. Donovan stated to Mr. Schlossberg that given the size of this and this is a Note and he does not think the Finance and Budget Committee know all of the details, would it be an imposition if he sat on the meeting. He asked when is the next scheduled meeting.

Mr. Schlossberg stated no and the next meeting is Wednesday, June 8th.

Bill 39 7th Street Corridor Grant

Referred to CEDC

Amending the 2011 General Fund Budget to provide for a supplemental appropriation of Sixty Thousand (\$60,000) Dollars to provide for a Pennsylvania Department of Community and Economic Development New Communities Fund Exit Allocation Grant for the Seventh Street Corridor.

Bill 40 PENNVEST APPROPRIATION

Referred to Public Works

Amending the 2011 Capital Fund Budget to provide for a supplement appropriation of Nine Million Two Hundred Eighty-Four Thousand Six Hundred Eighty-One (\$9,284,681) Dollars to provide for a Pennvest loan for the Automatic Meter Reading Project and the Schantz Spring Transmission Repair.

12. CONSENT AGENDA: None

13. RESOLUTIONS ON SECOND READING:

R26 Sewage Planning Module

R26 2461 Emaus Avenue Sewage Plan Module

Sewage Planning Module for 2461 Emaus Avenue

Mr. Schlossberg stated that it was recommended favorably and is the approval of the installation of the sewer module which they are required by state law to vote on.

Resolution passed, 7 – 0

14. RESOLUTIONS ON FIRST READING:

R30 Contracting Out Installation of Water Meters

Referred to Public Works

R30 - OUTSOURCE AMR

AMR COMMITTEE NOTES

AMR PROJECT OUTLINE

Authorizes Contracting Out for Additional Assistance for the Installation of an Automatic Meter Reading System

R31 Supports Federal Passage of the Dream Act

Referred to Human Relations, Admin and Appts.

R31 Dream Act

Supports and Recommends Passage of the Dream Act

R32 Amends Council Rules

Referred to Rules, Chambers, Intergovernmental Relations and Strategy

R32 Budget Process

Amends Council Rules by establishing budget procedures

Mr. D'Amore stated that R33 has been stuck by the request of the Administration.

R34 Smoke Free Resolution

A Resolution In Support of Creating Tobacco-Free Zones through the 'Young Lungs At Play' Program
There was some concern about enforcement. An LSR was sent to the Solicitor's office for review and also inquiring whether this can be by ordinance. There seemed to be some support to make this legislation an ordinance with a

penalty similar to what some other municipalities do. Peter requested looking into an ordinance, but he thought this was a good interim step.

Mr. O'Connell stated that it is a resolution stating that it supports tobacco-free zones through the "Young Lungs at Play" Program. It would involve the city's seventeen playgrounds, five pools and two spray parks. It would not be mandated, but would be a vulnerary smoke-free zone.

Mr. O'Connell asked Ms. Kistler about a young lady that was there speaking about the statewide level.

Mr. Schweyer stated that he is voting yes, but his quick question is that they did speak in committee about a possibly codifying it and outright banning it and making it from voluntary to required, have we done any more research on that. Can you call me in the next couple of weeks to talk about it further and he stated that he is comfortable with that. He stated that his reaction with his family would be swift if someone smokes in front of his children.

Resolution passed, 7 - 0

R35 Weed and Seed

R35 Supporting Weed and Seed.DOC

Supports Funding for the Weed and Seed Program

Mr. Schweyer stated that he asked that this be drafted and it is quite simple, they are in the middle of the budget in Harrisburg and the governor and the House have both zeroed out the budget for Weed and Seed. He stated that this was predicted by some of them on the dais a couple of months ago. The City of Easton just passed a similar Resolution because it has been a significant success for their city and he believes it has been a significant success for the city. It is an area in the city that does not necessary feel that they get the same number of services then other parts in the city. It is a great program. He stated that they can fund half of the police officers positions with this as well. He stated that while the debate is going on in the Senate in Pennsylvania, it will go back to the committee. He stated that he wanted them to be on record stating that they support this because it is specifically linked to a program that they already run and it impacts their budgetary situation and asked for a vote on it tonight and asked his colleagues to support it.

Mr. D'Amore asked if there were any objections to voting on this on the first reading. He asked if there were any other comments from Council or the public.

Resolution passed, 7 – 0

15. NEW BUSINESS

16. GOOD AND WELFARE

17. ADJOURNED 9:37 PM

Council meetings are held on the first and third Wednesday of each month beginning at 7:30 pm in Council Chambers. For copies of the agenda or meeting announcements, please visit our website at www.allentownpa.gov or contact the Clerk at hanlon@allentowncity.org to receive an email notice of the meetings.