

Michael D'Amore, Ph.D., President
Peter Schweyer, Vice President
W. Michael Donovan
Jeanette Eichenwald
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COUNCIL MEETING MINUTES
March 16, 2011
COUNCIL CHAMBERS

COUNCIL MEETING - 7:30 PM

1. Invocation: Councilperson Eichenwald

2. Pledge to the Flag

3. Roll Call: D'Amore, Donovan, Eichenwald, Guridy, O'Connell, Schlossberg, and Schweyer
Dale Wiles represented the Solicitor's office.

4. Courtesy of the Floor

Mr. Dan Mest stated that at the last City Council meeting he was approached by Mr. Bennington and Police Chief MacLean about the upcoming soccer season and the noise ordinance. He asked for clarification on the policies before the season starts.

Mr. D'Amore stated that this is for Fountain Park.

Mr. Mest asked for the discussion on the issue to be a public forum.

Mr. Bennington stated that the organization will hire two police officers at the sight to enforce the noise ordinance.

Mr. D'Amore stated that the noise ordinance applies and asked Mr. Mest is his question is the noise ordinance is going to be enforced.

Mr. O'Connell stated that a public hearing is not necessary. He stated to Mr. Mest that they are keeping you in loop in very important.

Ms. Myrtle stated that she owned two properties in south Allentown and they have been overrun by cats. She asked for the City Council or the Mayor if they could pass an Ordinance about street cleaning on businesses either early in the morning or when they close. She has problems parking on 7th Street on Street Cleaning Day.

Mr. Donovan stated that her suggestion for street cleaning is a good one. He asked about Seventh Street.

Mr. Rich Young stated there are specific days and nights and they are usually done within two hours. He stated that right now they follow a flow, but will have the Street Department take a look at that. He stated that he will talk to the Animal Control officer on the cat issue.

Ms. Eichenwald stated that they should be happy the business community is here. Some businesses do not open until 10:00 so they could start earlier in the morning.

Mr. Schlossberg asked Mr. Young if the city had one or two Animal Control officers.

Mr. Young stated one. He stated that they have a contract with the Humane Society which provides some back up when the Animal Control officer is not available.

Mr. Rich Rodriguez, 1018 W Tilghman Street said he lived in the city for twenty years and he works between 50 – 60 hours a week and is an airline mechanic for Continental in Newark, NJ. He has given complaints to the Allentown Police about noise neighbors, radios and mufflers and was laughed at. He wants to come home in the morning and go to sleep. He stated that he has to wear earplugs.

Mr. D'Amore stated that what is most glaring is a citizen trying to contact the city and did not get respect. One thing hard is to police moving vehicles. Noise travels with the vehicle. You should be treated respectfully for the city.

Mr. Bennington apologized on behalf on behalf of the administration.

Mr. Schweyer stated that they should have neighborhood mediators. One of the arguments of community policing and Mr. Arcelay is taking over the role for the administration. He asked that Mr. Arcelay speak to Mr. Rodriguez.

Mr. Rodriguez asked why Allentown permits after market mufflers on vehicles.

Mr. D'Amore stated that we do no permit them. It is a question of what can and cannot be controlled in a city of 118,000 residents. They are illegal and we should do what we can to police them.

Mr. Guridy stated that he empathizes with Mr. Rodriguez. Many people come into City Council stating the same thing. He stated that they have a law in place and they should be enforced. The mufflers are a state law.

Mr. D'Amore stated with all fairness to the police officers, it was probably someone from the Comp Center.

Mr. Atiyeh stated that the state does not inspect vehicles. It is independent inspection stations that inspect and they should hold them accountable. He stated that he is Chairman of the Seventh Street Committee and after 6:00 PM they have a lot of residents.

Mr. Guridy stated that it is a state law, not a city law.

5. Approval of Minutes: March 2, 2011

Mr. D'Amore stated that the minutes are approved by Common Consent.

6. Old Business

Mr. D'Amore stated that the administration is setting up a meeting and Mark Hartney with UGI will set that up in a few weeks. He thanked Mr. Bennington. It will be the first or second week in April.

Mr. Bennington stated that the PUC is in the process of drafting new rules and they do not want to have a public meeting until legal reviews.

Mr. D'Amore stated that he spoke to Senator Boscolas's office and they will have a community meeting.

Mr. Schweyer stated that it already happened.

Ms. Eichenwald asked has this strategic review with the Parking Authority been rescheduled.

Mr. D'Amore stated that Ms. Weller had to cancel and it has not been rescheduled.

Mr. Schweyer asked has anybody relayed the information about the PUC and gas meters.

Mr. Bennington stated that they just found out about it and tomorrow morning Mr. Mark Hartney will reach out to them.

7. Communications

Committee of the Whole Meetings:

April 6, 6:30 PM – Recreation Commission Strategic Report

April 20, 6:30 PM – Arts Commission Strategic Report

8. REPORTS FROM COMMITTEES:

Budget and Finance: Chairperson Donovan

The Committee met on March 9th at 7:00 PM and discussed the bond issue for \$11 million, budget process, transfers, and had a preliminary discussion on analyzing the City's labor capacity. The Mayor has directed the Director's to work with Committee Chairpersons and the committee on next year's budget; and it was suggested committees begin budget discussions within a few weeks. The next meeting is scheduled for March 23rd. The revenues are good because the Finance department sent bills out early. Expenses are fine. He stated that the city's cash balance is being funded by the Solid Waste. He would like a better understanding of the Solid Waste from 2007.

Mr. Young stated as far as the Solid Waste Fund goes the Solid Waste bills are sent with the tax bills. Some of those will start coming in very early in the year.

Mr. Donovan stated that Solid Waste always has a lot of cash and have a profit every year for the last few years. He would like a better understanding. This is evidence that year after year we have been slowly deteriorating in our position. We have been able to get by each year, but this is 2012.

Public Safety: Chairperson Guridy

The Committee met this evening and discussed two items on tonight's agenda; the next meeting has not yet been scheduled.

Community and Economic Development: Chairperson Schweyer

The Committee met on March 8th and forwarded number bills on tonight's agenda; a future meeting has not yet been scheduled. They are trying to schedule the next CED meeting on the road with Community Bike Works and they are going to invite the Superintendent.

Parks and Recreation: Chairperson Ray O'Connell

The Committee has not met since the last Council meeting; the next meeting is scheduled for April 6th at 5:45 PM.

Public Works: Chairperson Schlossberg

The Committee met on March 8th and forwarded two items on tonight's agenda; a future meeting has not yet been scheduled.

Human Resources, Administration and Appointments: Chairperson Eichenwald

The Committee met on March 9th; the end result of the committee meeting they sent an LSR to the solicitor's office to draft the following legislation (and answer a question).

1. Charter Amendment question that would provide for Council approval of labor contracts.
2. Bill that would require the Administration to provide Council and the public with a report on the fiscal impact of labor contracts at the Council meeting following the approval of the contract.
3. Bill that would require the Administration to inform Council of the labor contract prior to the collective bargaining members approving the contract - which might need to be an executive session.
4. What does precedent mean?

Human Relation Commission Presentation:

The results of that meeting included the drafting of legislation that would change the composite of the board by making student representatives non board members, to make a quorum more readily accessible; a request was made to the board to identify representatives from the Latino, African-American and Syrian communities to provide testimony to Council; and a follow-up was made to have the Public Works Director contact the Director of the Center of Independent Living on the issue of handicap ramps.

Mr. Rich Young stated that he spoke to Amy Beck late today and explained to her what they are doing with the ramps. She stated that she saw that the city was installing a lot of ramps. She understands that over the years the design standards have morphed that you do have different types of ramps out there. He stated that they agreed that if he needed help in a particular barrier situation he will call her and get her advice. He asked her if she hears of ramps that are a particular problem; she will give him a call. Ms. Beck will provide his contact information in her newsletter that goes out.

Ms. Eichenwald stated on behalf of all of City Council she appreciates Mr. Young's responsiveness.

Rules, Chambers, Intergovernmental Relations and Strategy: Mr. D'Amore stated no meeting and no report.

OTHER COMMITTEE REPORTS

Mr. Schlossberg stated that the Ad Hoc Information Technology Committee had a meeting a week ago. Mr. Weitzel from Parks and Recreation discussed their future and technological needs. The city is still not capable of accepting credit cards payments for a variety of different fees. They will have a future meeting on April 6th with Public Safety.

CONTROLLER'S REPORT

No Report.

9. APPOINTMENTS:

Appointment of Leslie Suhr for the Human Relations Commission; term would extend to 12/31/2013

Ms. Eichenwald read that Leslie Suhr wants to be a member of the Human Relations Commission because she believes everyone has a right to be live and work in a community without discrimination – where they are not judged by their race, religion, sexual orientation, gender, or disability. I know that the city of Allentown has taken great strides over the years to create a city that is free of discrimination and she wants to continue to be a part of that effort. She believes it is important to forge cooperative alliances that advance the goals of the Commission. Over the years her work has brought her into contact with various ethnicities, backgrounds, cultures and races. As a city, we have a very diverse community in terms of cultural, ethnic, financial and other. Her job immerses her in these differences every day. She has a personal interest in working with our youth to help them understand at an early age that tolerance of all people is necessary and that discrimination of any type will not be accepted. Bridging this gap is essential to building our future. Ms. Eichenwald stated that Ms. Suhr is a resident of Allentown and with that she ask for their consideration.

Mr. Schlossberg stated that he is a co-worker of Ms. Suhr and she will do an outstanding job on the Commission, but out of an abundance of caution he will recused himself from this vote.

Mr. D'Amore stated to Ms. Suhr that City Council usually likes to have the nominees with them and he is thankful she is able to join them and asked if there is anything she would like to say.

Ms. Suhr stated that she is glad to be here. Eight months ago she moved to Allentown to take a job as Main Street manager. She developed relationships with business owners that are very cultural and diverse. She stated that on a personal level she believes that they need to tackle school bullying.

Resolution passed, 6 – 0 (Schlossberg recused himself)

10. ORDINANCES FOR FINAL PASSAGE:

BILL 4 ICE CREAM VENDING

Tabled by the Public Safety Committee

Amending Title One, Businesses and Licensing, of the Business Regulation and Taxation Code of the City of Allentown by adding Article 308, Ice Cream Vendor, providing for the regulation and licensing of ice cream vendors and establishing a \$35 fee to recover the costs of providing the license.

BILL 8 EMS RIGHT OF FIRST REFUSAL.

Amends Article 311, Special Events, of the Codified Ordinances giving the right of first refusal to the City for public safety services needed during events on City property.

Mr. Guridy stated that Bill 8 was discussed at length and Mr. Van Allen made a resounding argument that they should support it. It was forwarded favorably 3 – 0.

Ordinance Passed, 7 – 0

BILL 10 EMERGENCY PREPAREDNESS GRANT

Amending the 2011 General Fund Budget to provide for a supplemental appropriation of Thirty Two Thousand, One Hundred (\$32,100) Dollars from Pennsylvania Department of Health to the Health Bureau's Emergency Preparedness Program budget to enable the purchase of supplies, to perform services which are beyond the capacity of existing staff, to cover the costs of state required training necessary to achieve the goals and objectives of grant and reimburse the City for costs incurred in pursuit of this initiative.

Mr. Schweyer stated that Bill 10 was recommended favorably 2 – 0. It was pass-through grant from the Pennsylvania Department of Health to purchase supplies.

Ordinance Passed, 7 – 0

BILL 11 INJURY PREVENTION GRANT

Amending the 2011 General Fund Budget to provide for a supplemental appropriation of Eleven Thousand, Two Hundred (\$11,200) Dollars from Pennsylvania Department of Health to the Health Bureau's Injury Prevention Program budget to enable the purchase of supplies, to pay a contractor for disposal of unwanted medications and to cover the costs of state required trainings and seminars of necessary to achieve the goals and objectives of an expanded injury prevention initiative and reimburse the City for costs incurred in pursuit of this initiative.

Mr. Schweyer stated that it was recommended favorably 3 – 0. This is pass-through money from the Pennsylvania Department of Health.

Ordinance passed, 7 – 0

BILL 12 SAFE HEALTHY COMM

Amending the 2011 General Fund Budget to provide for a supplemental appropriation of Twenty Thousand (\$20,000) Dollars from the Pennsylvania Department of Health Division of Health Risk Reduction, and Three Hundred (\$300) from Share Our Strength, a national nonprofit, to the Health Bureau's Nutrition and Physical Activity Program budget. The Pennsylvania Department of Health grant entitled Safe and Healthy Communities will promote policy and environmental change strategies with a focus on healthy eating, physical activity, restricting tobacco use, and preventing chronic disease and unintentional injuries. The Share Our Strength "Shopping Matters for WIC Parents" will provide families the opportunity to learn how to make healthy foods choices on a limited budget. The total supplemental appropriation for these two programs would be Twenty Thousand Three Hundred (\$20,300) Dollars.

Mr. Schweyer stated that it was recommended favorably 3 – 0. It is pass-through money from the Pennsylvania Department of Health.

Ordinance passed, 7 – 0

BILL 13 VMRC GRANT

Amending the 2011 General Fund Budget to provide for a new appropriation of Thirty Two Thousand Five Hundred and Three (\$32,503) Dollars from the Pennsylvania Department of Health, Office of Public Health Preparedness, and Five Thousand (\$5,000) Dollars from the National Association of City and County Health Officials, to the Health Bureau's Immunization Program budget. The Allentown Volunteer Medical Reserve Corps (AVMRC) funding will improve the health and safety of Allentown residents through the use of medical and nonmedical volunteers. AVMRC will enhance public health emergency response capacity by increasing the availability of a skilled workforce of medical and nonmedical volunteers in addition to public health professionals. The total supplemental appropriation for AVMRC would be Thirty Seven Thousand Five Hundred and Three (\$37,503) Dollars.

Mr. Schweyer stated that it was recommended favorably 3 – 0.

Ordinance passed, 7 – 0

BILL 14 CURB - SIDEWALK CAPITAL

Amending the 2011 Capital Fund Budget to provide for an appropriation of Four Hundred Thousand (\$400,000.00) Dollars reflecting receipt of funds from property owner reimbursement to install replacement and new curbing, sidewalks, crossovers in advance of the 2011 Streets Improvement Program. The Bureau of Engineering is supervising and monitoring the funds.

Mr. Schlossberg stated that it was forwarded favorably by a vote of 2 – 0. This bill is to accept \$400,000 and give it back in a form of sidewalk repair reimbursement.

Mr. Young stated that this is to establish a funded mechanism that they pay a contractor for any curb or sidewalk in advance of their streets program. If they do an inspection of a sidewalk and they do not have a property owner to correct the sidewalk, the city has the potential to become liable. So they do the inspection of the sidewalk and give the property owner the ability to get their own contractors or get the city contractor.

Mr. Donovan asked if the money already has been collected or are you creating an account. He stated that where he originally comes from the community built the sidewalks. When he moved here he was surprised about how it is done here. The homeowners are making a bet that they do not get caught. He stated that he

struggles with that because if you go throughout the community you will see gaps in the sidewalk. Sidewalks are a public resource and the community should make an investment probably through bonding.

Mr. Young stated that it is to create an account. The money has not been collected. The money is collected afterwards. He stated that he understands what Mr. Donovan is stating and there are municipalities in other states that do that.

Mr. Schweyer stated that he has two concerns. The issue with collections in which people defaulted on them and the fees jumped dramatically with the legal fees associated with it. He stated that there was a south side resident that had an \$850, lost his job at the same time had not paid it and now his bill is \$4,500. He asked if the city typically put a lien on the property when they fail to collect. He stated that he would certainly support it, but asked Mr. Bennington for clarification on this. How detailed are the bills and the estimates. He stated that he wants to compare apples to apples. He stated that he does not want it to come back as the city did not give proper estimates.

Mr. Young stated that it is his understanding that they put a lien on the property. The documentation that he saw was at \$1,000 with the interest and penalties. He stated that he does not doubt it. The estimates are typically more general in nature. The estimate is generally higher than the actual cost. He stated that if he was the homeowner he would give the estimate to the contractor and state this is what they are stating I need and the contractor can give his estimate based on that. He would not know the prices just what the quantities are.

Mr. Guridy stated to Mr. Schweyer he would get the estimate without the costs.

Mr. Young stated that they could get the costs too. They will give the property owners the list of the bid items and what the unit costs were for each item.

Ms. Eichenwald stated that she wanted to go back to the issue with the collections. We pay the money then we bill. What is the rate of collections?

Mr. Young stated that the number of liens is very low. He stated that probably 95 percent plus in collections.

Ms. Eichenwald asked if it is a formalized contract between the city and the homeowner. Is it lost? How does the bid work. How much is the \$400,000 awarded to local contractors. She stated that she would like the contracts to be awarded to Allentown contractor.

Mr. Young stated that it is not a formalized contract. They issue an invoice to the property owner. It could be awhile until it is paid. We advertise for it and it is low bid. They look at contractors within the city limits and give a 5 percent preference. The contractors are definitely within the City of Allentown area.

Mr. Guridy stated that he was going to ask the same question that Ms. Eichenwald asked. The percentage is pretty low and there is a lien on the property if the property owner does not pay.

Mr. O'Connell asked with the new PLA does this affect the contract. He stated that he agreed with Ms. Eichenwald and would like to see some of the contracts awarded to Allentownians.

Mr. Young stated that no because there are no state or federal funds involved.

Mr. Donovan stated that they should be looking for firms that employ a lot of Allentownians.

Mr. Mest asked if there were any arrangements for payment arrangements versus getting a bill for thousands of dollars and wanting it right away.

Mr. Young stated that is a question for the Finance Director.

Mr. Donovan stated that the reason why he is sensitive to this is because a few years ago he had several people with extremely large bills that have retired and suddenly they had this gigantic payment. He stated that it does not seem logical.

Mr. Bennington stated that Mr. Young would say that the current Finance Director is looking into to this particular situation.

Mr. Schweyer stated that there are hardship waivers as well.

Ordinance Passed, 7 - 0

11. ORDINANCES FOR INTRODUCTION:

BILL 15 COMMERCIAL RECYCLING

Referred to Public Works

Amending Article 1139, Commercial Recycling Ordinance, to include Section 1139.03, Non-interference with Existing Contracts, and various other updates throughout Article 1139 to be consistent with State law.

Bill 16 POLICE PENSION

Referred to Budget and Finance

Amends Article 143, Police Pension Fund by amending Section 143.22, Retirement for Disability, Section 143.23, Reinstatement After Disability, Section 143.24, Pension for Disability Retirement and Section 143.25, Pension for Disability Retirement for Over Twenty Years Services; Minimum Amount.

BILL 17 PW CAPITAL

Referred to Public Works

Amending the 2011 Capital Projects Fund Budget to provide for an appropriation of Six Hundred and Fifty Thousand (\$650,000) Dollars from the Sewer Fund as budgeted in the fund's Account 84 (Eight-four), Capital Fund Contributions.

12. CONSENT AGENDA:

CA-1 Certificates of Appropriateness for Work in the Historic Districts

Resolution passed, 7 – 0

13. RESOLUTIONS ON SECOND READING:

R 12 2601 - 2625 UNION ST

Authorizes the Administration to Sell the City-owned Real Property located at 2601-2625 Union Street.

Mr. Schlossberg said this was forwarded favorably by a vote of 2 – 0. It is zoned park and has to remain zoned park and any changes have to go before City Council. The only question was where the money from the sale of the property would be going to.

Mr. Bennington stated that he got the answer from the Finance Department per Ordinance #14493. The administration is required to give ten percent of those monies received from the sale of the city owned real estate towards the repayment of the stabilization loan of 2006 beginning in 2008. After recently researching the loan it was learned that pre-payment could not be made without a significant penalty. Therefore, upon the

sale of real estate ten percent will be placed in the Stabilization Fund Bank Account and continue to increase that balance until 2031 when the funds then will be used to make the final payment of the loan. Increase fund balance will show each year on the on page GF1 in the Budget Book. It would show in account 6161. It is a separation of cash between two bank accounts.

Mr. D'Amore asked Mr. Bennington to submit that to City Council in writing.

Mr. Bennington stated that he will send the electronic copy to them tomorrow morning.

Mr. D'Amore stated that he has questions, but will yield until other members of Council ask questions.

Mr. Donovan stated that Mr. Strathearn briefed him on this last week and they have heard in the past there was a pre-payment penalty. He stated that they had an informal discussion if that is the case, where do they put the money. He stated that he made that recommendation that the funds be deposited right back into that fund so that it is identifiable. It is subject to the pre-payment clause.

Mr. Guridy asked is it a local bank or a private deal that was done. He asked if they city own the property. Who do we owe the money to? He stated that it seems pretty unusual.

Mr. Bennington stated yes. They are going to buy the property. The city owns the property and if they sale would have to put ten percent away.

Mr. Hoffman stated no it is not. The loan was taken from Wachovia Bank taken out in 2006. The pre-payment penalty was there from day one and it is just a function of relative interest rates in the market. If the interest rate declines the pre-payment penalty goes up. In 2016, the pre-payment penalty goes away because of the loan and the floating rate loan.

Mr. Schweyer stated that he is fine and understands what the intent of this Ordinance is. He asked for the Ordinance passed before or after it was taken out.

Mr. D'Amore stated that the Ordinance was passed shortly after the loan was taken out. He stated that representation was made at the time by the administration that this loan could be paid off early. No statements were made that the loan could not be paid off early.

Mr. Guridy stated that he is not concerned about a pre-payment penalty, but you are talking about twenty years.

Mr. Donovan stated that he was in the audience that night and do not remember a pre-payment discussion. It was a lot of proposals and counter proposals.

Ms. Eichenwald stated that what they just heard from Mr. D'Amore is disturbing. Is there an explanation? It does not instill confidence.

Mr. Donovan stated that it was a chaotic night and back and forth with former Council members that were trying to figure out what was going on. There were a lot of proposals and counter-proposals in terms of putting amendments in. He stated that it sounded like pre-payment was possible. He thinks he remembers who proposed the ten percent reduction of the fund.

Ms. Eichenwald stated that it does not instill confidence.

Resolution passed, 7 – 0

14. RESOLUTIONS ON FIRST READING: (Request to vote on first two)

R14 Economic Development Liquor License at 1828 W. Allen Street

Approves the Application for an Economic Development Liquor License at 1828 W. Allen Street.

Mr. D'Amore stated that this was discussed at a Public Hearing and they have the petitioner present along with Mr. Collins.

Mr. Guridy stated that he understands what the property owner wants to do and is a little concerned. It is based on how we distribute the license internally. The license stays with the property. However the problem is that they stay there for a year or two and then no one uses the license. He stated that he understands redeveloping the 19th Street Corridor where the property is and he supports that type of idea. He stated that it is not a KOZ property. He is torn if this is a kind of property that needs the type of redevelopment that deems a community development license. It is a great opportunity and will save the owner approximately \$80,000.

Mr. Collins stated that in his three years he has always been involved with the Economic Development Liquor License process and does not know any applicant that they have turned away in the past 3 ½ years. He stated that making a decision about an economic development liquor license is an important issue. He stated that Sangria is a restaurant they did receive an economic development liquor license. We asked and they created a separate LLC. The license was acquired through that LLC. The PLCB is not a license to be transferred or sold it is considered corporate stock and can be transferred if the corporation buys the corporation that owns the liquor license. It is still staying in that location. He suggested that Mr. Biundo apply for the license as a corporation. He stated that in terms of competition there are two that could be issued in a year. Right now there is an application in for the 1200 Block of Broad Street in Bethlehem in Lehigh Valley. This is on the books with the PLCB and is our competition.

Mr. D'Amore stated that this is on first reading and needs to ask members of council if they have any objections to hearing that tonight. The rules allow it, but needs to ask for any objections.

Ms. Eichenwald asked if Mr. Biundo can discuss the ten businesses.

Mr. Biundo stated that even though he has opened ten businesses he had a main restaurant that he had for five years prior to him selling it and it was because of family health issues. He stated that he is not looking to in that location build it and sell it as he did in other locations.

Mr. Schweyer asked Mr. Collins to explain to him the economic development liquor license. He stated that he is very familiar with it, but he wants an explanation of how Bethlehem's application would matter to us. He understands that it is Lehigh County, but it is assigned two cities in the third class and asked does Allentown have priority or precedence over that. He stated that is not what he has known and is confused about that. Is the value of the license able to appreciate or they have to flip it for \$50,000. His concern is that from legal perspective is that you are doing the right thing by protecting the city's long-term interest and making sure they do not lose the license. If a particular corporation owns its entire portfolio is to own this one economic development license and it is \$50,000 and they sell the corporation to another entity for \$250,000. In essence the value of that license was just increased by \$200,000.

Mr. Collins stated that with all the communications that he has with the PLCB it is within a county. He stated that he is happy to clarify that. It is issued per county and may be there is further language. The license is paid for and done. The legal determination that he had received back from the PLCB that it is a corporate stock. In terms of PLCB it is that one document that makes a difference not the transaction of money.

Mr. Schweyer asked Mr. Collins to make sure the license stays with the property and to work with the restaurateur with Building Standards and Safety and Garbage.

Mr. Collins stated that he gave Mr. Biundo his contact information and has begun that process.

Mr. Schlossberg stated that Ms. Eichenwald asked and he is happy to oblige that they look up and get clarity on how many economic development liquor licenses can be awarded issuance of economic development liquor licenses is limited to two licenses per calendar years in the counties through the first through fourth class.

Mr. Donovan stated that the law itself said that the site is designated of having an economic development liquor license and that license can not go to any other site. From a valuation point of view if he is a potential buyer of a restaurant site which will be leased the fact that the license is there and not tied up in the corporation still adds value. The owner that did get it for \$50,000 has something of value that will pass through to the corporation whether it is a corporation or not. No matter what happens there is economic value.

Mr. Collins stated that is correct.

Mr. O'Connell stated that as of 3:15 PM they did not receive the fee from the applicant. He asked for all the economic development liquor licenses that are in the city of Allentown. He stated that when Mr. Brown spoke earlier it is all about economic development in the City of Allentown and if they could get businesses and restaurateurs to come in and help the city development more economically and bring people outside the city to his restaurant. It is a win/win for all.

Mr. D'Amore stated that Mr. Hanlon has it in his hand.

Mr. Collins stated that there is one, Sangria.

Ms. Eichenwald asked did Mr. Collins do financial due diligence. One thing that they learned with Johnny Manama's not enough financial due diligence was performed. Make sure it is enough financial backing and no financial problems.

Mr. Collins stated that in this scenario they have not gone through full accounting of what Mr. Biundo's financial capacity is. Part of the reason they are here tonight is the ability to get into a critical stage in PLCB review. They do it every quarter. He has to go through his due diligence with the PLCB. The person will be subject to a managerial review and backgrounds checks.

Ms. Eichenwald stated that she would love for Mr. Biundo to open a restaurant, but is a little concerned about this process. She asked Mr. Collins for due-diligence will occur before this license is granted. She wants to make sure that we will give it to some one that would add to the economic development of the city. She stated that right now it is a precious commodity to them and they want to make sure they give it to someone that will use it, be here and add to the economic development of the city. She can't urge him enough to watch over this process.

Mr. Collins stated absolutely. He stated that he and Mr. Biundo will be in close communication and he will be submitting his business plan to understand his projections for the restaurant.

Mr. Guridy stated that for some reason when they did the first one which was Johnny Mananas his understanding that this license was issued for projects that were undevelopable. He stated that he is more critical because in his tenure he saw businesses that start up and leave and then we are stuck.

Mr. Collins stated that the qualifications for a liquor license within a county are three possibilities to meet the criteria. One it is an enterprise zone. Two, if it is a KOZ property or three if it has an approval by the governing municipality. They have requested the applicant to come. Technically, if the property was in an enterprise zone the PLCB is designated that they can apply independently.

Mr. Guridy stated that they passed liquor licenses in the past in his tenure that might have not been in the KOZ area. He is not sure if this particular property is part of the enterprise zone.

Mr. Collins stated because of the location it is contingent on City Council's approval to apply.

Mr. Donovan stated he stated that he wanted to pick up on Ms. Eichenwald's point. In his opinion the issue with Johnny Mananas was not financial. It was more managerial capabilities. He agrees that the due diligence issue is there. We need to be careful about is the issue of someone coming with a proposal, do they have the capability to run a business successfully. He tried Johnny Mananas twice and twice walked out because of poor service. The owner did not have his heart in Allentown when running the business.

Mr. Schweyer stated that the issue that Mr. Guridy brought up is a fair one. Council has the right to look at all the economic development licenses and determine whether or not it is an economic development area. There have been two applications that have gone through and one has been successful. In a couple of years they had two and a couple has expired. The 19th Street District was included in the comprehensive plan that they passed as a targeted area for redevelopment. They passed a bond that included \$1.5 million that would be city money that would match state money. The city and the commonwealth are investing \$3 million in the infrastructure in this area. If that does not speak to their general collective desire to see this area of the city be redeveloped he does not know what does. They are putting their money where their mouths are. He feels comfortable endorsing this location considering in the three years that he been on Council they had a series of moves that would make this area a better place to do business, to visit, to shop and to live.

Mr. Guridy stated that it is a two-fold issue. His concern is that it sits there empty because someone wants to make a profit. He wants it to stay there.

Mr. O'Connell stated that it was a public hearing tonight and it was advertised. He asked if there were any businesses, bars or restaurants that objected to this.

Ms. Eichenwald stated that the location is premier to the development of our city. Her concern is not with that. It is with the financial side of it.

Mr. Atiyeh echoed what Mr. Schweyer stated and it may be \$3.2 million since they are doing the fence at the Fairgrounds.

Mr. D'Amore asked Mr. Biundo what is the status of his restaurant in Bethlehem. He asked if he had ownership in the project.

Mr. Biundo stated that he does not own it. He consulted on a project a year ago. There was a proposed restaurant on Broad and Main. It was an issue with the building with a tremendous lien from the builder and the financing would not cover the building. The lien superseded the appraised cost. It was \$300,000 - \$350,000 in additional cost. He stated that he has been in the Lehigh Valley most of his life and is an owner operated. He is not in the business to open a restaurant and have the management staff supersede it without having his hands involved. He stated from a financial standpoint he has owned Lehigh Valley liquor licenses in the past and is familiar with the whole process.

Resolution passed, 7 - 0

R15 Sangria 840 W Hamilton Street Encroachment

Encroachment for Planters and Fencing in the Public Right-Of-Way at 840 W Hamilton Street

Mr. Donovan moved to bring it forward.

Mr. Schweyer seconded the motion.

Mr. D'Amore asked Mr. Young if they could refer this to committee or is it a time limit issue on this. He asked was there any objections to entertain this Resolution on first reading which our rules allow us to do.

Mr. Young stated that they are very interested in moving this forward. The planters exceed 1/3 of the distance between the right of way line to curb line which requires City Council's approval. From an engineering standpoint they do not have an objection to it. The area already has a café permit and this is to order their café area.

Mr. Guridy stated that they have tables in chairs outside in the past. It is a great idea and gives a café style that many other cities have and he looks forward to that in the city especially with the large sidewalks. Would there be an aluminum barriers or fences around it so that people would not walk into the table and chairs with space for pedestrian.

Mr. Young stated that they are required for a 5 foot area through the table area.

Mr. D'Amore stated that usually when they do these encroachments they do a poll of all of the relevant members of the administration and asked if there were any objections to this from anybody.

Mr. Young stated that there were none.

Resolutions passed, 7 – 0

R16 HAMILTON STREET LIGHTING

Authorizes the Outsourcing of the Hamilton Street Lighting Project

Mr. D'Amore stated that it was a request to vote on this.

Mr. Bennington stated that the light hardly ever stay on. They kept setting with the GFI switch and they have a letter from the SEIU union and he is bringing this to them.

Mr. Young stated that the lights are up now are constantly tripping any time moisture in the air. The GFI outlets do exactly what they are designed to do. They are sending someone from Building Maintenance down Hamilton Street to push the button and reset the GFI. The contract would have the lights professionally installed with higher quality lighting in the trees. They will be LED. The wiring is an aluminum wire and will be changed to copper with extra protection by the outlet.

Mr. O'Connell stated that he does not have a letter from the SEIU.

Mr. D'Amore stated that they do have it on their online packet. He stated to Mr. Young that they did get the letter from the SEIU and asked in his estimation this is a task beyond the ability of any one in the workforce to do.

Mr. Young stated yes.

Mr. Schlossberg stated to Mr. Bennington when they had the outsourcing hearing they were told that they would get the information on previous instances.

Mr. Bennington stated that Ms. Maley is working on that.

Mr. Dan Mest asked what is the cost between contracting out and/or having them to do it. There are no cost figures.

Mr. Young stated that they have the costs for contracting it out. It was \$12,632.00 and that is to purchase and install.

Mr. D'Amore stated to Mr. Mest part of the explanation is that it is not comparable because it is not in the realm of expertise with any of our staff members.

Resolutions passed, 7 - 0

15. NEW BUSINESS

Mr. D'Amore stated that with the warm breezes of spring comes baseball and the ECTB Contract expired on December 31st. What ever became of that?

Mr. Bennington stated that they did an RFP. There will be a contract shortly.

16. GOOD AND WELFARE

17. ADJOURNED: 9:32 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.