

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



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COUNCIL MEETING MINUTES
May 5, 2010 - COUNCIL CHAMBERS

COUNCIL MEETING - 7:30 PM

1. Invocation: Jeanette Eichenwald

2. Pledge to the Flag

3. Roll Call – The meeting was called to order at 7:30 PM

D'Amore, Donovan, Eichenwald, O'Connell, Schweyer, Schlossberg were present, Guridy was absent. Fran Fruhwirth represented for the Solicitor's Office.

4. Courtesy of the Floor

Robert Romanchek, 117 S 16th Street, Allentown, PA stated that he was honored when the gentlemen in the blue shirts came in. He would like to thank them publicly. He thinks that they do a great service for the city. He is very proud that the city has people like that that are doing good work. The second issue is an issue that is not easily discussed, but there was a large story in the Morning Call in regards to grants. He stated to Council that being on Council they become part of those actions by virtually not doing anything. You can say that you are doing something but there are an awful lot of grants that are wasted. It is being thrown around like it has no meaning. We now see a \$700,000 property being sold and purchased. There so much going on around the city and is not being transparent it is a shame that those things are happening. It really should not be. It should be a much more open city then we have. He remembers a time when he made a request for right to know. He was told that no one would do anything with it. At the time, the city Solicitor stated that the questions he was asking was irrelevant. No question is irrelevant if a citizen steps up and wants an answer to that question. He pointed out that the grant situation really bothers him. They had cleanup weekend and several of his friends cleaned a path out of the Lehigh Parkway. It was unfortunate that we were told that we could not use any mechanized equipment and if you have trees lying across a path, you really need a chainsaw. You cannot saw them up. He would only request that if such an incident takes place in the future that the city would allow them to use chainsaws. They do know how to use them. They are not stupid. They can cut things up and get rid of it and make it much more attractive because they cleaned it up pretty well, but they had three trees lying around right across the path and there was nothing they could do about it. He stated to Jeanette to congratulate her husband.

Mr. Donovan stated to Mr. Bennington that he was aware of the grants that were mentioned in the paper since becoming a Councilor. By themselves, he is not against grants of that type. He says seen copies of the applications and he is quite dismayed. There were things that would never pass his desk. In terms of being a suitable application for a grant as far as the nature of the expenditures, he also knows for a long time as an economic developer that there are a variety of expenditures that an entrepreneur makes that perhaps they would not find any other financing except perhaps some type of government grant and that financing maybe not for capital items. He cannot tolerate seeing several applications that did not pass the straight face test. So he does send a message to the administration that he was disappointed by what he saw.

Mr. Bennington stated that his response would be in this very poor and economic times, businesses fail. They are doing an outstanding job providing grants and all of the payments were made in conjunction with programs that he watched.

Mr. Donovan stated that he is well aware that success rates are important. In that the default rates are too small which means that banks are making money and we are not necessarily taking risk. You appreciate the issue of taking risks and he appreciates the fact that the way that the article was written perhaps sounded worse than it was because one of those was a large grant that failed, but again he does feel in the point of view of dotting the I's and crossing the T's that perhaps how the money was left was not satisfied public opinion as Robert Romancheck has mentioned.

Ms. Eichenwald stated that she agrees with Mr. Donovan and stated to Mr. Bennington that it would behoove the city and the administration that when they make these kind of grants to businesses that they make sure the improvements that are generated from these funds be more inline of capital improvements so if the business does fail at least they fixed the façade or they fixed a broken door. They have done something so if they leave and we are not reimbursed at least it would have been some greater benefit. But, just to pay willy-nilly for supplies does not seem to her that it is the best interest for financial responsibilities for the citizens of Allentown.

Mr. D'Amore stated that this is an example of when unilateral decisions are made bad things happen. When he says unilateral, this came from the Mayor's office with no consultation with City Council and this is something that the City Council has mandated a responsibility to take up now. He agrees with Mr. Romancheck that if they do not do anything and they are not taking their responsibility for the residents of Allentown put them up there. They have to take a real serious look at this.

Mr. Bennington stated that not all the money is in the form of grants. Some of them are loans in which are paid back under the program.

Mr. Schlossberg asked Mr. Bennington and Ms. Hailstone if the Council can be afforded the raw data in terms of the grants that were awarded.

Mr. Hershman stated that people asked him does he believe that story. If Mr. Jarrett Renshaw did that story he would have done the research and he would not have done it any other way. He thinks that Council has to get involved. When did the money get transferred to AEDC? Why is the Mayor signing a check for AEDC? The Mayor is not the Treasurer and he approved the invoice without any backup. How did they get away with invoices that the Mayor did not look at? He stated that they need more accountability and how payments are paid. He hopes that pay to pay is not involved in this. If it is it is more serious than he thought

Mr. Schlossberg stated to Mr. Hershman that four out of six have spoken and want to publicly examine the process of the grants. He asked Mr. Bennington and Ms. Hailstone for the data is so that he could see it personally through with his own eyes. They are on it.

Mr. Bennington stated that a small number of businesses failed. They responded to all the questions that Morning Call asked and one of the responses to one of the questions was that the committee that meets when applications are pending one of the actions that are taken is an approval or rejection. The funds were transferred to AEDC in 2004. These processes were transparent. All these processes of the questions that the Morning Call asked were answered by the Administration.

Mr. D'Amore noted for the record that the allocators of funds in the City are Allentown City Council and Allentown City Council is not represented by any of those committees. We need to perform a more rigorous oversight.

Ms. Eichenwald stated that this is a very serious issue and asked Mr. D'Amore how he wanted to proceed with this. Will be a Committee of the Whole or Ad Hoc or under Budget and Finance and hopefully by the next City Council meeting they will have a plan so they can discuss this and go on to their day-to-day basis. It behooves Council to have some type of special meeting.

Mr. D'Amore agreed with Ms. Eichenwald.

Mr. Donovan stated that since he sits on the Allentown Economic Development Council he told his fellow council members that when loan programs that are managed by AEDC comes to the board there is a formal process with a formal credit review. They will ask questions, they will look at ratios, and financials. AEDC has only been conduit for money, but not necessary the group that approves the money. When he was shown a few of the applications, they were atrocious. Not that the recipient did not deserve the money, but the application was not good. Communities around the country do this all the time. He believes that the entities that tries to open and failed are reputable and it was one major one, Johnny Manana's that had very poor fundamentals from the start. He stated that AEDC does do its job they were the conduit for the money. He thinks that Council needs to look at the application process.

Ms. Eichenwald stated that these issues are too large to be discussed at that particular moment and at that particular forum. It has to go to Budget and Finance, it goes to Committee of the Whole, or there is an Ad Hoc Committee. She feels that Mr. D'Amore should make that decision and just inform them and they will proceed.

Mr. D'Amore stated that any of those three are appropriate. A number of members of Council that is not on Budget and Finance expressed very strong concerns. He does not want to be in a situation where they felt like they were not in a position to participate fully so he is more bent toward Committee of the Whole. Having representation from AEDC and representation from city. Should they schedule a Committee-of-the Whole meeting or work with the Administration.

Mr. Donovan stated that he would move his Budget and Finance Committee meeting at the end of the month and use that time for this. That will be the last Wednesday in May.

Mr. D'Amore asked if everyone was good with Wednesday, May 26th at 6:30 PM. The meeting will specifically with the grant loan program that is being administered by AEDC. They are going to request that AEDC send a representative. Hopefully, the executive director, Mr. Unger and perhaps even board chair Mr. Trobe, if he can make it.

Mr. Donovan stated that they will have the April numbers by then and he will like to include them in the Agenda. The April numbers will be quite critical.

Mr. D'Amore stated that Budget and Finance will follow.

Gary Millspaugh, Executive Director of the Allentown Rescue Mission and he is there with members of his staff and members of the Rescue Mission Clean Team to answer any questions or provide any statements.

Mr. D'Amore stated that the CDBG allocation is on the agenda and Mr. Millspaugh will have an opportunity to speak on that matter, when the matter comes up.

Mr. Murphy, 957 South Walnut, has problems and concerns about his neighborhood. For four months he has been trying to get a hold of someone in the Mayor's office about the loitering, the littering, and the behavior. It is a lack of adult supervision. He spoke to Mr. Schweyer.

Mr. Schweyer stated that there was a concern that the area around South Walnut and Wyoming Street on the Southside of Allentown is being under served by police presence and there is a concern with a number of kids in the neighborhood congregated around the intersection, a concern about feeling security safety as well as disruptive behaviors by a large number of children with zero amount of adult supervision. He reached out to Captain Hendricks who is the PSA Captain for the Southside and Captain Hendricks spoke to Mr. Murphy at an IronPigs game. Captain Hendricks put a directive out that would direct his officers to maintain and increase

the level of visibility and drive through to ensure that there is police presence. He will continue to monitor the situation. They do have a commitment from the Police Department in terms of policing the patrol officers in the PSA and Council will continue to monitor that situation.

Mr. D'Amore asked Mr. Murphy to come back and monitor how they are doing. Mr. D'Amore wanted to know how responsive they are.

Mr. Bennington offered Mr. Murphy to call his office anytime.

Ms. Paulette Hunter stated she wanted to talk about Caring Place closing down. She did not want to go into detail. It is a place where a lot of families went to. A lot of good things have happened there. She hopes that they will do what the military does which is an After Action Review. Look into to see what kids went there and how to make it happen and see if they can create it again. The kids loved it and now they may not have a place to go. A couple of years ago, she came regarding the Youth Advisory. It was already established in Allentown, but not being utilized at the time and she wants to recreate it. She was not there for a while, but she read about things happening at the Allentown School District. She wants to be involved in the committee. The adults cannot fix it. The Youth have to tell us what happening. It is a great opportunity to create the Youth Advisory since it is already on the books because the Adults cannot fix it. The Youth knows what is happening. We have to get them to buy-in in order to fix the problem. Look outside the box at everything in order to improve it. She will come out as much as possible. They need to recreate what they had before.

Mr. Schweyer stated that he spoke to Mary Griffin, Executive Director from Caring Place about a week ago. He stated that it is certainly regrettable any time they lose a nonprofit that had a great track record of helping disadvantage children in the community. In conjunction with his office, they are trying to identify perhaps another nonprofit that may be able to fill the void not exactly how Caring Place did it or even in their physical structure but be able to pick up some of the slack for after school care and providing a safe place for children after school. They can do job training programs and professional programs. They want to keep Lehigh Valley hospital clinic open that is on the third or fourth of Caring Place. One of the things about grants, we have to make sure they are helping our citizens. A provider could be helping the whole Lehigh Valley. As you target grants, make sure it is targeting our citizens and not the Lehigh Valley.

Ms. Hunter stated that we need to know if these grants are helping our citizens. A provider may be helping the whole Lehigh Valley and the funds that we are sending is helping the whole Lehigh Valley and not targeting the citizens. She thinks that they are doing a disservice to the citizens. We have a lot of citizens that need help. As you review the grants look at if they are targeting the citizens.

Mr. Schlossberg stated that we do not provide CDBG funding to Caring Place did they apply.

5. Approval of Minutes: April 21, 2010

April21Minutes.DOC

Mr. Donovan requested on the April 21st minutes would like to change a word under Old Business: Add has, repeatedly noted that we have 108,000 people living in here; destructive instead of constructive manner.

6. Old Business

Mr. Schweyer stated at last Council Meeting he brought up Bill 23. They suspended the rules and introduced Bill 23 and he has subsequently removed his name as prime sponsor. After lengthy conversations with a number of folks and concerns about the legality ramifications and the ability to prosecute trials with some of the features of Bill 23 specifically, he noted the clause about maintaining a dialogue about active investigations. In an effort to work more collaboratively with the administration, he met with the Police Chief Mr. MacLean, the Mayor, the Managing Director and Clerk and they agreed on the following things.

1. Police department will now do bi-annual public hearings in Council Chambers. (to alert them on crime trends, crime statistics and what they are seeing);

2. They will resume by email to Councilpersons any major arrest.
3. They will set-up notification systems to Council on major incidences in the City;
4. Resume the notification to block watch organizations about crime that has happened in their community.

Ray O'Connell stated that it is very important that they are notified about major incidences that happen in the City. If they serve the residents of Allentown, they need to know what to tell their constituents and asked how would they be notified?

Ernie Atiyeh 1909 East Congress Street, Midway Manor, stated that they have been trying to get those police reports for a long time.

Mr. Schweyer stated he was on a roll last week and brought up the Housing Authority, the first issue being Cumberland Gardens, issues about bedbugs, and Housing Inspections. He had a conversation with Dan Farrell, Executive Director of the Housing Authority. He certainly would be happy to give an update. He has plans for Cumberland Garden which is on his desk and if you would like he would certainly run up and get now or prior to the vote on the CDBG funds. Mr. Farrell stated that he would email to Council. Dan Farrell and he had a lengthy conversation regarding a comprehensive strategy to address the bedbug problem. They are in the process of formulating that. Mr. Guridy stated that he would provide monthly updates. Mr. Farrell stated that he will give Council email copies of their Executive Summaries which is between a 5 and twenty page document. They will have a much greater understanding about what the Housing Authority is doing. He has agreed to have a Public Hearing on any or all the topics. In the last few months they had pretty good strides made in terms of increasing communication between the dais and the 108,000 residents whom they represent, the Police department and the Housing Authority.

Ms. Eichenwald asked Mr. Bennington about Hanover Avenue.

Mr. Bennington stated that Mr. Young has returned from his extended leave. He will be on the Agenda for the next council meeting.

D'Amore asked if it should be at a Public Works Committee or full Council Meeting. It will be under old business.

Mr. Bennington stated that since the level of concern it should be at a full Council meeting.

Mr. D'Amore stated to Mr. Hanlon that it would go under Old Business.

7. Communications

Mr. D'Amore thanked MESA for conducted Pretzel Sale donation and donating the money from the sale to the Old Allentown Association to help with their Annual Festival. He is going to make a request to his colleagues to match it because he wants to encourage groups in the city to engage in charitable endeavors. He also wants to recognize Steve Ridgway, a 21 year veteran of the City's Communications Center who has been selected to receive the national Star of Life Award from the American Ambulance Association. Steve is one of only 23 national recipients in the year of 2010 to receive this honor. It recognizes and honors the dedication of ambulance services professionals — people that stand out in every area of the EMS industry.

8. REPORTS FROM COMMITTEES:

Public Hearing: Council held a Public Hearing last Wednesday and took testimony on the rental inspection fee.
Budget and Finance: Chairperson Donovan

The Committee met on April 28th – reviewed the monthly financial report and have information through March. April and May's numbers will help us understand trends for the year. They discussed they intra-year account balance and how the 2009 difference between revenues and expenditures should be addressed – getting a commitment from the Administration that going forward they will do transfers prior to overdrawing accounts; the next meeting is scheduled for May 26th. He wants to know about real estate sales and is working on charters changes. Instead of getting budget 60 days before the end of the year, we should get it 90 days before the end of the year to allow more time to review. He requested a report on the outcomes of loud saks.

Mr. Bennington stated the Mayor would set up a Finance Committee soon.

Public Safety: Chairperson Guridy

The Committee has not met since the last Council Meeting; the next meeting is scheduled for May 19 prior to the Council Meeting at 6:30 PM

Community and Economic Development: Chairperson Schweyer

The Committee has not met since the last meeting; the next meeting is scheduled for May 11 at 6:00 PM in Council Chambers – the committee will be reviewing a resolution that will be introduced later that evening, and looking at the Weed and Seed Program and the Grants Manager.

Parks and Recreation: Chairperson Ray O'Connell

The Committee met this evening; two Bills introduced. A future meeting has not yet been scheduled.

Public Works: Chairperson Schlossberg

The Committee has not met since the last meeting; a future meeting is scheduled for May 11 at 7:00 PM.

Human Resources, Administration and Appointments: Chairperson Eichenwald

The Committee reviewed the appointment on tonight's agenda; a future 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

CONTROLLER'S REPORT

Council Graph 1

Council Graph 2

Mr. Hoffman stated that he has a list of negative accounts for 2099 they are 90 individual accounts. The amount that is withdrawn is \$1,329,589.81. Without doing anything, they violate one of the Ordinances that states that they have to cover them. The Pension Plan, this is old information but was gathered by the Actuarial Studies for the city. In the maroon is the covered payroll which is covered by the three city funds. In blue is the city's contribution or the MMO. It does not include PRMS and does not include Act 44 relief which is not really relief. But as you can see in 1999, the city contributed 9%, and then it went to 10% of covered payroll, 20%, 53%, 58% and now it is 67%. For every dollar the city pays, Fire, Police and the O&E, they city should be contributing 67 cents to pension. Corporate wise it may be 10 – 15 %. The next chart is Pennsylvania employee retirement commission for the three city run pension funds. The straight line is the liability, the actuarially determined liability. How much they owe for the covered employees in the future. It is about 10% per year until 2003-2004. It starts to jump and got out of whack because of the former police contract and the fire contract. Police inflated their overtime. That is part of the \$30 million. The assets that the three pension funds invest. The spread between the dotted line which is the trend and the top red line is \$30 million. The other line is the assets. In the 1999 it was the tech bubble. The gap is about \$109 million between the trend line and the assets. He knows it is a difficult thing to do, but they have to wean the city off of these defined benefit pension plans and get everyone under the defined contribution plans. The results in doing that will not show up for years, but if they do not do it now, it will never show up. They really need to work on having the trend because this is a risk that the city bares that they will have to make up the \$139 million eventually. The fire manipulated their salary so their pensions are over. This is where we find ourselves and we have to work ourselves out of it. We will have to make up the \$139 million eventually. The

Police and Fire manipulated their pensions. This is where we find ourselves right now and we are going to have to work ourselves out of it.

Mr. Hoffman said he was referring to inflated overtime police pensions which in part of the 30 million and the firemen pensions.

Mr. Bennington stated that they all agree that everything is whack out. Would he please define what he means by jiggled things up? You have already met with the Mayor in order to see how they are going to make a mends and how they are going to deal with this problem. So they are making an effort.

Mr. Donovan thanked Mr. Hoffman for saying what needed to be said. What happened with the last Administration was unethical.

9. APPOINTMENTS

Reappointment	Oldrich Foucek, III	Planning Commission	Expire: 01/01/2013
New Appt.	Ajay Sharma	Property Rehab Board Appeals	Expire: 01/01/2012
Reappt.	Joseph J. Cocca, Jr.	Electricians Examining Board	Expire: 01/25/2013
New Appt.	John Hoffman	Electricians Examining Board	Expire: 04/1/2013
New Appt.	Sara Hailstone	Allentown Housing Authority	Expire: 11/5/2011
New Appt.	Hugh J. Gallagher	Recreation Board	Expire: 10/22/2013

All the appointments passed, 6 – 0

10. ORDINANCES FOR FINAL PASSAGE:

Bill16DonovanDonation

Amending the 2010 General Fund Budget to provide for a supplemental appropriation of Three Hundred (\$300.00) Dollars to provide for the receipt of a donation to purchase recreation supplies and equipment for the Summer Playground Program.

Mr. O'Connell stated that earlier that evening they spoke on this Bill to purchase recreational supplies and equipment for Summer Playground.

Mr. O'Connell stated that it moved favorably 3- 0
Ordinance passed, 5 – 0 (Donovan abstained)

Bill20ARBORIST

Amending the 2010 Water Fund budget by deleting the position of Arborist II (11M) and adding the position of Arborist I (09M).

Mr. O'Connell stated that it moved favorably 3- 0

Mr. D'Amore asked if this position was vacant and what was the rationale for moving from an Arborist II to an Arborist I is what exactly.

Mr. Weitzel stated that you have to be an Arborist I before you can become an Arborist II. It is really hard out there. They are struggling and stressed.

Mr. Bennington asked if it were true that it is difficult to get an Arborist II because of the certification requirements.

Mr. Weitzel stated that they have many people in the call list that would qualify. They can bring people back sooner.

Ordinance passed, 6 -0

Bill17Reprograming-1

Amending the Consolidated Plan One Year Action Plan for the Twenty-eighth, Twenty-ninth, Thirtieth, Thirty-first, Thirty-second, Thirty-third and Thirty-fourth years of the Community Development Block Grant Program (CDBG), which re-programs Three Hundred Twenty Thousand Seventy-three (\$320,073) Dollars of Unexpended Funds

Mr. Donovan stated that they go to the agencies with unspent dollars. Why the money was not spent.

Ms. Hailstone said they usually wait and then roll it over. It is \$320,073 is part of the money that they have to spend.

Dan Mest, Allentown, stated that he is the president of Saint Paul's Neighborhood group and he stated that on Bill 17 and 18 that they have a lot of money that has to distributed out. Is this money being paid back?

Mr. D'Amore stated that Bill 17 is about recapturing money that had been allocated previously and was not spent.

Mr. Mest asked if they are going to apply the new structure after it is voted on. How it is voted on. Is it exempt?

Mr. D'Amore stated that it will not be for the new.

Mr. Donovan stated to Mr. Mest that what he said earlier about grants is a totally separate program.

Mr. Schweyer stated to Mr. Mest that his comments are certainly welcomed. Bill 17 is just verification that the CDBG staff follow-up appropriately.

Mr. O'Connell stated that it is just checks and balances.

Ordinance passed, 6 - 0

Bill18CDBG EXPENDITURES-2

Forwarded with no recommendation

An Ordinance providing for the expenditure of certain monies received by the City of Allentown under Title I of the Housing and Community Development Act of 1974, as amended; Subtitle B of Title IV of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended; and Title II of the National Affordable Housing Act of 1990, as amended; for the purpose of undertaking programs of housing and community development within the City.

The committee reviewed the procedures, looked at variances in spending patterns over the past two years, inquired into low scores of some of the applicants; and had specific questions on LCCC, the Rescue Mission allocation (D'Amore noting that an amendment should be expected on this), the Housing Development Corporation of Lancaster (Michael Schlossberg noting he had concerns with the project), the money allocated for the Economic Development Program in terms of how the projects would be defined and that Council be included in all phases in this defining and determining how the money will be allocated), and the Cumberland

Gardens rehabilitation project (Peter has been in contact with Dan Farrell to have a public hearing in the near future on Housing Authority concerns.) (In response to questions of the conveyance of the Corporate Plaza property, the solicitor's office recommended the property be placed in the hands of the Redevelopment Authority not the City for debt payment reasons; however the City will get the proceeds of the sale.)

Mr. Schweyer, concerned with the \$250,000 for funded for Cumberland Gardens, said it will be in three phases.

Ms. Eichenwald asked why they are doing it that way. Will not until we hear from Mr. Farrell.

Mr. Schweyer asked when CDBG has to be submitted to the Federal Government. The timeline is what the timeline is. It will be communication between the Housing Authority and Council.

Ms. Eichenwald stated that Public Hearings have to come. It is only the matter of the timeframe. She would appreciate to hear what Mr. Jennings have to say.

Mr. Schweyer stated that Mr. Jennings is on the board

Mr. Jennings stated that this project was made possible with ARRA Funding. The Plans were available two weeks ago. He supports the project.

Mr. Schweyer stated that Mr. Farrell stated that he will give is executive summary.

Ms. Eichenwald does not make sense to she understand that Sara does due diligence.

The following amendment was passed, 6 - 0

AMENDMENT:

1. In Section One, change 4,641,938 to 4,876,153.

2. In Section Four, do a corresponding change, change 4,641,938 to 4,876,153.

3. Add the following under Administration, Planning and Economic Development and change the total of allocation:

<u>700-01-7605-0110</u>	<u>Economic Development Program.....</u>	<u>234,000</u>
TOTAL		\$ <u>830,277</u> <u>1,064,277</u>

4. Change the following:

<u>700-01-7608-0104</u>	<u>Administration.....</u>	<u>5,038</u> <u>5,258</u>
<u>700-01-7608-0106</u>	<u>Lehigh County Conference of Churches – Pathways.....</u>	<u>29,000</u>

TOTAL		\$121,038 <u>121,258</u>
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DETAILS OF THE AMENDMENT:

SECTION ONE: That the Mayor is authorized to expend **Four Million Eight Hundred Seventy-six Thousand One Hundred Fifty-three (\$4,876,153)** ~~Four Million Six Hundred Forty-one thousand Nine Hundred Thirty-three (\$4,641,933)~~ Dollars in Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Shelter Grants Program (ESG) funds for the July 1, 2010 to June 30, 2011 grant year, for housing and community development programs pursuant to the approved Consolidated Plan, appropriate Federal Law and United States Department of Housing and Urban Development (HUD) regulations.

SECTION FOUR: That, in accordance with the Action Plan, the Council of the City of Allentown authorizes the appropriation of **Four Million Eight Hundred Seventy-six Thousand One Hundred Fifty-three (\$4,876,153)** ~~Four Million Six Hundred Forty-one Thousand Nine Hundred Thirty-three (\$4,641,933)~~ Dollars in the following manner:

ADMINISTRATION, PLANNING AND ECONOMIC DEVELOPMENT (CDBG)

700-01-7605-0101	Redevelopment Authority of the City of Allentown	\$297,777
700-01-7605-0102	Community Action Development Corporation of the Lehigh Valley	32,500
700-01-7605-0103	Allentown Economic Development Corporation – Economic Development Planning	120,000
700-01-7605-0107	Administration	350,000
700-01-7605-0108	Fair Housing.....	20,000
700-01-7605-0109	Community Development Planning.....	10,000
<u>700-01-7605-0110</u>	<u>Economic Development Program.....</u>	<u>234,000</u>
TOTAL		\$ 830,277 <u>1,064,277</u>

ADDITIONAL AMENDMENT:

Mr. Donovan asked Heidi if that is the max the agency can receive.

Ms. Heidi Baer stated that they offered job training with the application.

Mr. Donovan what is the max for HUD.

Ms. Heidi Baer stated 15% of \$4 million.

Ms. Heidi Baer stated that it is an application process.

Mr. Donovan motioned to vote on Housing Development Corporation separately.

Ms. Eichenwald stated that she is troubled that they can not separate it out.

Mr. D'Amore stated that they can not separate an Ordinance. You can add or delete an amendment, but cannot separate.

Mr. Donovan moved to strike the Housing Development Corporation.

Mr. D'Amore seconded the motion.

Mr. Schlossberg had concerns about the affordable Housing being a strain on the school district. His concerns were eliminated. Two bedroom homes will limit who can live in the facility.

Mr. O'Connell stated that this may not be the best situation for that area, but they need low-moderate housing for the citizens.

Mr. D'Amore stated he wanted to be clear that he had an opportunity to speak to Mr. Perry and Mr. Jennings about the asset that this project will be for the Seventh Street Corridor. The concern has been with the Administration. At no time, did they attempt to bring in CEDC and Council. No time to communicate with City Council along with other package.

Mr. Donovan stated that he feels that in the Center Place in Allentown. He has to look at the project with the city of Allentown. He spent a lot of money rehabbing his house. With that money, the city can rehab a lot of houses.

Mr. Bennington asked Mr. Donovan what he would like at that location.

Mr. Donovan stated that he feels that D

Ms. Eichenwald stated that his we don't vote on it, we will hurt the public.

The Amendment on deleting the Housing Development Corporation, Failed (5, 1) Donovan

Kay Pickel, 1523 Liberty St., stated she is in support of \$40,000 going toward the Rescue Mission.

Harry Kreisler 1522 1/2 Chew Street, agrees with Kay Pickel. He is here to support the Green Team.

Mr. Donovan stated that there should be more resources. If they had better organized programs, they will not have so much trash on the streets.

Mr. D'Amore stated that he has another Amendment to offer:

SECTION FIVE: The disbursement of the \$234,000 Two Hundred and Thirty-four thousand dollars under line item 700--01-7605-0110 Economic Development Program shall be made subject to the approval of City Council by Resolution. This approval shall be subject to grant program requirements.

The motion was introduced by Common Consent.

Mr. Bennington stated that he did not want to be contentious but it says in Section One that the Mayor authorized to expend and in Section Two the Mayor is directed to establish and maintain any and all accounts and records as are necessary and to make such transfers as may be required.

Mr. D'Amore added a clause in the beginning of Section Five, Notwithstanding to the other Section in this Ordinance.

The Amendment Clause passed by Common Consent.

The Ordinance passed as Amended (6 – 0)

Bill19CDBG RENTAL LOANS-3

Recommended Favorably, 3-0

An Ordinance providing for the expenditure of certain monies received by the City of Allentown from the repayment of loans made through the Rental Rehabilitation Program.

Ordinance Passed (6, 0)

11. ORDINANCES FOR INTRODUCTION:

Bill 24 Weed and Seed OT

Referred to Public Safety

Amending the 2010 General Fund Budget to provide for the supplemental appropriation of Twenty-nine Thousand Nine Hundred Sixty-three (\$29,963) Dollars from the Pennsylvania Commission on Crime and Delinquency in support of the City of Allentown's Weed and Seed initiative.

Bill 25 COMM CENTER GRANT

Referred to Public Safety

Amending the 2010 General Fund Budget to provide for a supplemental appropriation of Ten Thousand (\$10,000) Dollars from the Commonwealth of Pennsylvania, DCED grant from State Representative Jennifer Mann to the Communications Bureau of the Police Department to provide for building security related equipment at the Communications Center.

Bill 26 LINCOLN SCHOOL K-9 DONATION

Referred to Public Safety

Amending the 2010 General Fund Budget to provide for a supplemental appropriation of Six Hundred (\$600.00) Dollars from donations collected by Lincoln Elementary School Students and a One Hundred (\$100.00) Dollar donation from the Allentown Dog Training Club to the Police Department K-9 program.

12. **CONSENT AGENDA:** None

13. **RESOLUTIONS ON SECOND READING:**

R18CONSOLIDATED PLAN

Recommended Favorably, 3-0

Approves the Submission of the Consolidated Plan for July 1, 2010 to June 30, 2015
Resolution passed, (6 – 0)

**R19WallenStreet2809Encroachment
Encroachment for 2809 West Allen Street**

This was moved forward with the caveat that Ron Penrose meet with the applicant and reach an agreement that would take into consideration concerns about the site triangle when coming off of Allen Street. The applicant agreed to move the fence back around 15 feet; Ron Penrose had suggested ten. An amendment will need to be made to the resolution adding the section noted below:

Amendment: adding the section in bold and underlined, to the last whereas in the resolution:

WHEREAS, Council finds the proposed encroachment will not substantially affect the public's use of said right-of-way; provided that the setback meets the approval of Traffic Control Superintendent.

The amendment and resolution passed, 6 - 0

14. **RESOLUTIONS ON FIRST READING:** None

15. NEW BUSINESS

16. GOOD AND WELFARE

Mr. O'Connell stated to Ms. Eichenwald that he was hoping that her husband Ed would be there since the Lehigh Valley Minority Business awarded Mr. Eichenwald, Director of Lehigh Valley Economic Development Corporation and Minority Owned Businesses, the Small Business Administration Award. Mr. Eichenwald won the Eastern Pennsylvania Award for Small Business Champion for the year from the Federal Agency Philadelphia district.

17. ADJOURN

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.