

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

Allentown City Council
435 Hamilton Street



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AllentownPa.Gov

COUNCIL MEETING MINUTES
May 18, 2011
COUNCIL CHAMBERS

COUNCIL MEETING - 7:30 PM

- 1. Invocation: Julio Guridy**
- 2. Pledge to the Flag**
- 3. Roll Call:** The meeting was called to order at 7:30 PM.

D'Amore, Donovan, Eichenwald, Guridy, O'Connell, Schlossberg and Schweyer were present.

Jerry Snyder represented the Solicitor's Office.

4. Courtesy of the Floor

Mr. Rick Peluso, 306 Nelson St. Allentown, PA, stated that he has a problem about the Sweep Program. He has a property on Hanover Avenue and Jerome Street and they charged him \$25 for someone else's littering. There is a bus stop in front of his property. He stated that he also was charged \$25 because the tenants did not have trashcans for the bags and they put the garbage on top of the hedges because someone kept stealing their trashcan. He stated that he appealed it and the Sweep department was the judge and jury.

Mr. D'Amore stated that members of the Sweep team are not here and asked if there were members of Public Works present.

Mayor Pawlowski asked for Mr. Peluso's name and address and stated that they will take a look at it.

Mr. D'Amore asked for the property owner's address and the address of the property in question.

Ms. Theresa Rice-Treber, Whitehall, stated that at the last meeting she talked about the traffic on 15th and Allen Street.

Mr. D'Amore asked Mr. Donovan to address.

Mr. Donovan stated that they had an extensive discussion with the various people involved and discussed variety ideas including following policies that other schools throughout the city were at a certain time, the road will go one-way and be blocked. He looked at the fact the Allen Street might be right for that because of access to the shopping center. He stated that Mr. Young was going to talk to various parties and the school to discuss ideas. He stated that people are working on it. They have taken action to see what the best solution is.

Mr. Schweyer stated that they will go directly to the principal and see what can be done.

Mr. Matt Winter, Lehigh Street, stated that he is accompanied by some friends from the Lehigh Valley area and they are here to bring attention to a City Council Ordinance that appears to be a violation of state law. He stated that the firearms prohibition portion of an ordinance is in violation of Title 18 Chapter 61 Subchapter 8 Uniform Firearms Act specifically subsection 6120 which states as a general rule no county, municipality, township may in any manner regulate lawful ownership possession transfer or transportation of firearms or ammunition components when they are carried or

transported for the purposes not prohibited of law in the commonwealth. It was passed before in 1995 and there are no grandfathering of existing limitation and the ordinance how it stands is improper.

Mr. Donovan asked which one of the ordinance he is talking about.

Mr. Winter stated Ordinance 734.01 – No Carrying or discharging of firearms. No person shall use carry or discharge a firearm of any kind.

Mr. Donovan stated almost two years ago he brought to the attention of Council that there was one of the ordinances that went against Pennsylvania law.

Mr. Schlossberg stated that they repealed that.

Mr. Winter stated that it is not repealed. It is an exception that states that it shall not apply to lawful possession transportation of carrying a firearm.

Mr. Donovan stated that he has no problem of them bringing attention because he brought it to the attention of Council and the Administration. If it is miswritten when it was put in place, it can be fixed. He stated that they will go to the Solicitor and others to see what may or may not be taken.

Mr. D'Amore stated that the solicitor is Mr. Snyder and he would bring them under advisement.

Ms. Sharon Frazier, 25 N. 11th Street, Redevelopment Authority, stated to Council that the contract that they asked to be taken care of has not happened as of yet. She stated that they have been playing phone tag for the last two weeks and they have not gotten anywhere.

Ms. Eichenwald stated that it distresses her and asked Ms. Hailstone is there a reason why the contract has not been finalized.

Ms. Hailstone stated that they have been trying to reach each other to talk about what is in the contract.

Ms. Eichenwald suggested that they talk tonight and find time to sit down.

Ms. Hailstone stated that she will be available after the meeting.

Mr. Craig Freibolin stated that the Allentown Parking Authority is overzealous ticketing. They started in the 1980s with twelve people. It made \$1 million in the 1980s now it makes \$5 million with the same amount of people. Street cleaning tickets are so out of control. He stated that the cost of parking on Hamilton Boulevard. The Parking Authority is run unprofessionally. He was treated unfairly.

Mr. Donovan stated to Mr. Freibolin that they talked for twenty minutes today. He stated that he is on the Allentown Parking Board. He tried to call Ms. Tamara Weeler about the question he had about the recent situation. The Parking Authority does not make \$5 million a year. Most of the Parking Authority's costs have to do with debt service on the parking garages. There may be issues in terms of customer service that does need to be addressed.

Ms. Eichenwald stated that it is time for Ms. Weeler to come in front of the board and have a discussion on some of these issues.

Mr. D'Amore stated to Mr. Freibolin that they will have a Strategic Plan report with the Parking Authority before the first Council meeting in June. He asked Mr. Hanlon to confirm that.

Mr. Donovan stated that City Council put an Ordinance through that the major commissions of the City Human Relations, Parking, Recreation, The Arts Commission and eventually the EAC, will come to Council and present issues, concerns and opportunities and they are always welcomed. The Parking Authority was scheduled within the last few weeks and they rescheduled it the first week in June.

Mr. Hershman, 405 Gilmore Street, stated that Mr. Donovan promised that they are going to find out where the thirty-five percent wage tax increase is going to be appropriated. He stated that Attorney Snyder cited a state law and they are not telling how it will be appropriated.

Mr. Donovan stated that he apologize, he and Ms. Bowman are working on it. He stated that he had not followed-up, but he will continue and follow-up. He asked for Mr. Hershman to give him a chance to bring the information to him as soon as possible. He stated that he specifically asked for that information.

5. Approval of Minutes: May 4, 2011 - Approved by common consent.

6. Old Business - None

7. Communications - None

Mr. D'Amore stated that they are putting a meeting together for the policy for the transferring of license and for the approval of Economic Development Liquor License applications and they have no dates for that meeting, but that process is continuing.

8. REPORTS FROM COMMITTEES:

Budget and Finance: Chairperson Donovan

The Committee has not met since the last council meeting; the next meeting is scheduled for May 25th at 6:30 PM.

Public Safety: Chairperson Guridy

The Committee has not met since the last Council meeting; the next meeting is scheduled for June 1st.

Community and Economic Development: Chairperson Schweyer

The Committee met on May 10th and forwarded items for tonight's agenda and the next Council meeting – there is a possible Community Bike Works tour on June 7th at 6:00 PM.

Parks and Recreation: Chairperson Ray O'Connell

The Committee met this evening; the next regularly scheduled meeting is on June 15th at 6:30 PM.

Public Works: Chairperson Schlossberg

The Committee met on May 10th; the next meeting has not been scheduled.

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 will be on June 2nd at 5:00 PM, Allentown Public Library, Community Room, 1210 W Hamilton Street.

Mr. Guridy stated that he took a tour of the Allentown Station on Tenth and Hamilton and it is going well. It will be opening the beginning of next month. It is a great investment.

CONTROLLER'S REPORT

Mr. Hoffman commented on the Earned Income Tax question Mr. Hershman raised. He stated that it is a little confounding to him that they are accused of not knowing where this additional Earned Income Tax is going, that unless you have not opened the Budget book and see how it is allocated.

9. APPOINTMENTS: None

Ms. Eichenwald asked for a suspension of the rules in order to vote on a Resolution on hiring a police officer.

Mr. Guridy stated so moved.

Mr. Schweyer seconded.

The resolution, R-29 was read into the record.

Resolved by the Council of the City of Allentown, That

Council appoints the following, as Patrolmen, in the Department of Police, at a base salary of \$46,856 per annum, effective May 16, 2011. All appointments are contingent upon the candidates passing physical and psychological examinations as stipulated in the Police Civil Service Rules and Regulations and obtaining and maintaining a valid state certification from the Pennsylvania Municipal Police Officers Education and Training Commission.

Elene F. Polisenio
Bethlehem, PA 18020

Mr. O'Connell seconded.

Mr. D'Amore stated that they will bring it the floor and asked for discussion with City Council.

Mr. O'Connell stated that it is very important that they have new police officers reflect the community and he is always pushing for minority police officers and gender and he is pleased that a woman is being nominated tonight as a police officer.

Mr. Guridy stated as Chair of the Public Safety Committee he is always pushing that as well for the past eleven years. He stated that they are making strides.

Resolution passed, 7 - 0

Ms. Eichenwald asked to what number that brings our police force. She stated that it is a great pleasure that it is going to be an addition woman on the police force.

Chief MacLean stated that they lost one and are gaining her so 196.

**10. ORDINANCES FOR FINAL PASSAGE:
Bill 35 SEMIQUINCENTENNIAL GRANT**

Amending the 2011 General Fund Budget to provide for a supplemental appropriation of Fifty Thousand (\$50,000) Dollars from the Commonwealth of Pennsylvania Department of Community and Economic Development toward the planning of the City Semiquincentennial Celebration.

Mr. Schweyer stated that it is \$50,000 of pass-through monies that was not secured by State Representative Mann so he feels comfortable voting on it.

Ordinance passed, 7 – 0

Mr. Schweyer asked Ms. Tara Craig to plug the website for volunteers.

Ms. Craig stated www.allentownpa.gov/250 and it has information about the anniversary and how you can get connected.

11. ORDINANCES FOR INTRODUCTION:

BILL 36 TREXLER CAPITAL

Referred to Parks and Recreation

Amending the 2011 Trexler Fund and the 2011 Capital Projects Fund to provide for a supplemental appropriation of One Hundred Seventy Thousand One Hundred Fifty-Nine Dollars and Seventy-Five Cents (\$170,159.75) to the Capital Fund

and Seventy Thousand One Hundred Fifty-Nine Dollars and Seventy-Five Cents (\$70,159.75) to the Trexler Fund to provide for the annual receipt of capital improvement funds from the Trexler Trust designated by Court Order dated April 19, 2011.

12. CONSENT AGENDA:

CA-1 HARB Approvals

Certificates of Appropriateness for Work in the Historic Districts

Resolution passed, 7 – 0

13. RESOLUTIONS ON SECOND READING: None

14. RESOLUTIONS ON FIRST READING:

The Clerk read the resolution.

R 28 A Resolution of the City Council of the City of Allentown Authorizing the Preparation and Submission of Declarations of Taking and Related Documentation pursuant to the Eminent Domain Code of 1964, as amended, to Acquire Certain Properties bounded on the east by North 7th Street, on the north by Linden Street, on the west by North 8th Street and on the south by Hamilton Street within the City of Allentown – inclusive of the following properties, in the event any of these properties cannot be acquired by the City amicably before the institution of eminent domain proceedings in the Lehigh County Court:

Property Address	
12 N. 7 th St.	733-737 W. Hamilton St.
48 N. 7 th St.	720 W. Linden St.
21 N. 8 th St.	728 W. Linden St.
29 N. 8 th St.	709 W. Hamilton St.
31 N. 8 th St.	22 N. 7 th St.
33 N. 8 th St.	716 – 718 W. Linden St.
37 N. 8 th St.	23 - 27 N. 8 th St.
41 N. 8 th St.	38 N. 7 th St.
701-703 W. Hamilton St.	40 N. 7 th St.
705 W. Hamilton St.	42-44 N. 7 th St.
711 W. Hamilton St.	46 N. 7 th St.
715 W. Hamilton St.	35 N. 8 th St.
719 W. Hamilton St.	39 N. 8 th St.
721 W. Hamilton St.	43 N. 8 th St.
725-727 W. Hamilton St.	707 W. Hamilton St.
729-731 W. Hamilton St.	713 W. Hamilton St.
	723 W. Hamilton St.

Mr. Schweyer made a motion to include 739 – 741 W. Hamilton Street., Hamilton Street Associates LLC to the list.

It was seconded by Mr. Guridy.

Mr. D'Amore stated to Mr. Schweyer that he would like to clarify that is an amendment to Exhibit A. He stated that they will begin discussion as amended by City Council.

The resolution was amended by common consent to include 739 – 741 W. Hamilton Street.

Mr. Molivinsky stated that yesterday the residents of Northampton County despite obstacles came forth to tell their elected officials that they felt it was presumptuous and arrogant to pass a law without public input on such an icon as their nursing home. He stated that this evening they are here to discuss another icon the

mercantile district of Hamilton Street. It had no public input. He asked if they believed that this minor league team of a minor league sport is going to rejuvenate and save Allentown. Do you believe there will be spin-off businesses? Do you believe that when people leave a minor league hockey game they are going to stop at Sangria or the Cosmopolitan and eat? Have you considered the traffic ramifications on Old Allentown?

Ms. CJ Lee, property owner at 711 W. Hamilton Street, asked City Council to postpone the authorization of eminent domain because of the information that was passed on to the merchants and residents. It was not enough information. She stated that many people found out on March 3rd by the Morning Call about this project. April 5th is the first time they received information from Ms. Sara Hailstone stating that the city is interested and will be sending out an appraiser. On April 19th they asked Sara Hailstone who is buying properties and what is it for and the response was that it was the city wanting to buy it and it is for the arena. They asked for a decision by May 9th and stated that the next meeting will be May 17th.

Mr. Sam, business owner of 711 Hamilton Street and a property owner and his business been there for 26 years and he has been there for 20 years. He stated that he is for the rejuvenation of Hamilton because he has invested his time there. He stated that he does not like how the city handled it. He stated that he read about the Entertainment Center in the newspaper. He was not notified from the city of what is going on. He stated that he wanted the Mayor to talk to him about inputs and ideas.

Mr. Patrick Wills, representing owners and the 41 N. 8th Street, stated that it is a telephone answering service business employing Allentown residents for over 60 years. He stated that up until a few months ago, they were not planning to move. They were running a successful business. He stated that the property has more value there then it does on the market. He stated that the strongly object to eminent domain because the offer was based on the market value of the building and not the value that they have for the business. The value should not be based on the building's value. They have to building a location with the right size, right location and suitable for the employees. They are willing to move and work with the city but they need more time and an offer that makes sense for the business.

Mr. Schlossberg asked Ms. Hailstone to touch on what the city is doing to help the dislocated business and property owners.

Ms. Hailstone stated that they have been reaching out to some of the businesses to try to understand what their needs are to help to find them an appropriate relocation. Mr. Duane Tolson and Mr. Todd Collins have been meeting with those businesses and have been working with them to find other locations.

Mr. Mike Schware, 118 S. 16th Street, stated that he loves Hockey, but cannot support the taking of someone's property for a Hockey Arena or something frivolous as that. To make this decision is unbelievable to him. The first public meeting and first action they are going to take is an eminent domain proceeding. Eminent domain should be the last resort. It should not be allowed by City Council. The timeline is too aggressive. He stated that he is disappointed on the way the process is being handled.

Mr. George Croshulick, an attorney representing Rite Aid, stated that this is the most confusing sets of circumstances he has seen. His client received letters that speaks in terms of redevelopment and asked is this a redevelopment and if so where are all the steps that are required to do a redevelopment. If it is not a redevelopment why did the ordinance that was just read not talk about a redevelopment? What is it that you are doing or planning on doing? He stated that he understands eminent domain. He does a lot of it, but he does not understand the basis of what they are trying to accomplish based on the statute. He stated that he does not know where the money coming from. Has it been an economic development study done? Has it been an environmental study done or impact statement? Answers are not readily available.

Mr. John Ling, property owner at 711 Hamilton Mall, stated his partner was Sam that spoke earlier. He stated that he is upset with the city for taking his private property. At this moment, they have not taken it, but they are threatening to take it. He stated that when you set a precedence of someone taking a privately owned property and take it for what ever good cause you might have and pretty much give it to another private entity that is a problem that the City Council should address. He stated that property ownership is a fundamental right. The store that he owns has been opened for twenty-six years and he has not had a good night's sleep since this has occurred. The city is asking him decide and he stated give me the information. All he knows is that it is an Arena and if you don't move out of there, they are going to take it by eminent domain. He stated that if they can't protect his rights as a property owner how are they to protect anyone else's rights. This law does not address fair compensation it give you a price on brick and mortar not the 26 years of sweat. He stated that they need more time.

Mr. Kwonhee Park, building owner of 721 Hamilton Street, stated that he has been here for twenty years and feels like he had two options of what ever option that is given to him even though the option does not include bearing in mind his twenty year business and number two is fight against eminent domain. Either way he has so many things to consider. He has to think about selling his house, downgrading his car, telling his son they can not pay for his college, and find a way to finance his family in the future. The city is asking for a life-changing answer without giving them any answers. Ms. Hailstone and the Mayor stated that they will help him with relocation, but no details. He has nothing in writing. The location is very important; it determines how successful the business is going to be.

Mr. Guridy stated that they heard many people say that the administration has not provided details on what they are planning to do. He stated that they should give an opportunity to the administration to explain if they said anything and the timeline that they have been discussing. He asked if he could get something from the Mayor or Sara Hailstone.

Mr. D'Amore stated that every member on the dais has asked the administration for commentary at other times. He stated that he understands there is a long line and we have to hear from everybody, but we are going to be here as long as it takes. He stated to Mr. Guridy if he wants to make that request it is his right as a member of Council to do so.

Mr. Guridy stated that he thought about it before asking the question and the reason why he does not want to wait is because they are going to hear the same thing from other people and at the end the Mayor will make a comment or Ms. Hailstone and the people will not have the ability to rebuttal that.

Mayor Pawlowski stated that he met with each of the merchants personally the other day. They met for an hour and 45 minutes. They talked in great lengths about this project and talked about the fact of this has been talked about publicly and through the hundred day due diligence process being accomplished. They are looking at environmental issues, geological issues and at different sites and a number of different things and financing and other things that need to be addressed. They talked about the fact that they are looking at multiple sites in the city, they talked and announced to the general public that they are going to do these evaluations on multiple sites. He stated that they stated that they would do the hundred day due diligence and try to narrow down sites and as soon as they were able to narrow down sites, they would start contacting those property owners. No matter what site they chose in Allentown, someone would be displaced. They looked at multiple sites and multiple locations. This is the best site for a lot of different reasons. Reasons that he talked about to City Council and reasons that he explained to all these merchants. The reasons of parking, the reasons of merchants, reasons of economic impact, things that have been publicly talked about in the media and the newspapers. One thing they talked about was that they would work with them and offer a fair price for their properties and continue to work with them and offer a fair price for their properties. They will continue to work with them on relocations. They asked specific questions about dollar amounts. He stated that he could not give specifics. Each business is different; they can not set a price. He stated that they are going to talk

about price for helping to relocate and the price of the businesses. Each one is obviously different. They have to have an account and evaluation on what that business would be worth. He stated that he can not sit here and say what they will offer this business or this business. Each business is a different business. He stated that he explained that to the merchant. Some asked for sites that were basically turn-key. We will work with you to find a turnkey site. Others asked for them to find a location in the general area. He stated that they told them that they would work with them. The focus blocks are between Seventh and Eighth and they have communicated to the property owners on the block as we started getting closer to the decision. He stated that when Ms. Sara Hailstone met with them, she stated that they were ninety percent certain that was block. When he met with them a few days ago he told them that he was certain that was the block that they are focused on. He stated that if they did not receive a letter from the administration, that is not the focus of this project, but everyone will make out greatly even the individuals who are on the block. He stated that they commissioned appraisers and asked for the property owners to work with the city on the appraisals. He stated that if they can not get an agreement, it would ultimately be the courts that decide what the valuation is. He stated they will work with them to enhance their business. He stated that he wants them to be successful and in downtown Allentown and by having this event center which will enhance business in the entire city. Our initial projections are anywhere from 1 million to 2.5 million people a year in the city of Allentown. This will have a significant economic impact on the city and all businesses surrounding that area. Everybody can benefit. He stated that he wants them a part of the new Allentown and will work with them at this end. Some has already signed agreements of sales. He stated to Mr. Guridy that he asked about the timeline. They indicated in the letter because the merchants asked them thirty days ago to give them a timeline and indicated that they would see a timeline for September 15th, but that is a rough schedule and rough timeline. It will be flexible as long as the flexibility is within reason.

Mr. Guridy stated that he heard it before and a number of people heard because they had several opportunities to meet with the administration to discuss it. He stated that people should have a better understanding of where they are. He stated that he does.

Mr. Gene Dapalmer, represents 719 W Hamilton Street, stated that the company that he represents is based out of New York and they purchased properties in Allentown as investments in an effort to try to help downtown. 719, currently is negotiating with a possible tenant on the first floor retail space and has an architect that is working on the upper floors along with the first floor which the tenant will not occupy. The potential income that would bring by bringing jobs there Monday – Friday and people that are going to eat at the restaurant will be more consistent than 14 to 15 events that may be held in a year's time for the local business and for jobs that will come downtown. In less than sixty days they had a phone call from an unknown party that wanted to buy the property and they were told no and the next thing the client stated is that they received a letter from the city making them an offer and a mentioned of eminent domain. Is it a redevelopment project or not because if it is it is not how it normally works. The Stadium would be much better for the city elsewhere. Why is it not over by Coca-Cola Park? You have parking, four lanes access in and out and it seems to be working for Coca-Cola Park. His concern is that what was offered does not cover what they have invested in that property at this point in the planning, changes, renovations and the money that would be brought to the contractors.

Ms. Paula Canario, 31 - 33 N. 8th Street, stated that she is happy with the Arena project coming to Allentown. She stated that her concern is why they are not taking care of the families. In the beginning of March she received phone calls from Real Estate companies that offered to buy her properties. She stated anytime they call her the answer is no because she can keep it for generation after generation because she has kids. When you do a business like that and do a lease for five-years and the landlord can easily say the lease is done. She stated that she lost her clients. The real estate agent stated to her daughter eleven years old that they were going to buy the property and give her mom her number. She stated that her building is in excellent condition and her business dropped one hundred percent.

Golden Phoenix Jewelers Inc., 715 W Hamilton and 717 W Hamilton Street, stated that he and his wife chose a business in Philadelphia and then he moved his business in the center of Allentown. He stated 719 W Hamilton Street has been in business for ten years. He stated that he bought buildings 715 and 717 and spent restoration money renovating his jewelry store. He stated that two and half years he and his wife the owner of the building of business. He stated that he has no choice, but to work another ten years to support his family and pay his children's college money. He stated that he has a friendly relationship with the neighbors. He stated that if the City of Allentown is going to take his building or business, he wants the City of Allentown to pay back a fair share of money to meet his family's financial needs.

Ms. Patrice Siddoine, 29 N. 8th Street, stated that she was at the meeting on the 17th which was the deadline date. She stated that she did not get letter nor did her attorney. She stated that she asked what was the economic projection of this Arena for the City of Allentown. She stated she heard 1 – 2 ½ million people may come to the City of Allentown. She stated that she has been bringing a few thousand of the right people to downtown Allentown. She stated that she had a meeting in 1997, Mr. Bob Wood and number people were there and they all said that they are going to buy buildings in downtown Allentown and bring it back to the way it could be. She stated that she is the only fool that bought one and she stated that she renovated it and it was over \$250,000 of renovation. She stated that she has been bringing those people that you wanted to come to downtown Allentown and it is an uphill battle. She stated that she has been working with substandard income. She stated that she was a fool because she had prejudice and she thought it should be the way it used to be. She stated that she did not think she did not like Puerto Rican people, Black people or Asian people but she did not think it was as good as it used to be. She stated that she never opened her doors to people that lived here and she stated that she suffered economically because of it. She stated that if she was smart she would have appealed to the population as her bothers did. She stated that her building is her savings account. She stated that there were structural problems with the building. She stated that she turned down the \$350,000 from an investor in 2007 because she could not replace her building for \$350,000.

Ms. Diane Rizzo, 29 N. 8th Street, stated that no one offered anything to the tenants and they are going to be displaced. She stated that she has to come up with moving expenses and down payment to move in another building. She stated that everyone is talking about what was offered to the business owner, but you are not offering anything to the tenants. She stated that it should be addressed by City Council.

Mr. D'Amore stated to members of the press that they have every right to be here and every right to cover it. He asked their courtesies that if they want to interview someone, please take them outside the chambers. He stated that they want to hear the people that are speaking.

Ms. Bonnie Master, 29 N. 8th Street, stated that eminent domain is a despicable use of power and they will have to move them by force.

Mr. Dave Fever, friend of Ms. Siddoine, stated that he is a resident of South Whitehall Township and is an appraiser. He stated that he has done appraisals for PennDot. He stated one thing about eminent domain is not a value that is really truly fair. It is a value based on people that already decided to move. They have some reason or motivation. It is important to do the process in a way that is friendly to the people involved. There are disagreements and a lot of debates nationally and between states with the whole business of private eminent domain taking. It begs the question if we are doing it in a way that brings honor to the city or give everyone a sense of the process and want to support it. He stated that his experience when he was at Lehigh University that it was clear to him that it was not the top down projects that made a difference, it was the grassroots support. Consider not just an appraise value is, consider all the less direct cost of displacements, psychologically and weight that as a counter-balance in the effort to rush into this. He stated that they should see it as a human process that people's lives and businesses would be so much more than their real estate value.

Mr. John Gatchis, resident of Emmaus and owns a property by the YMWCA, stated he stated that he is looking at the legislative side and spoke to Senators Mensch and Browne who came up with the legislation through an authority that has yet to be setup. It is written out in such a way that specifically that is limited to Allentown to be able to take this up. He stated that he has a lot of questions for Senator Browne. It covers an area of 132 acres. He stated that 7th, 8th, Hamilton, Linden are five at most. He stated that it is a tax black hole because of income tax, the Pennsylvania state tax and any tax that comes into that area, stays there. It supports Philadelphia professional leagues that are trying to get it started here. He stated that he does not have a problem with entities coming here with their own monies, but when we are going to use our own tax money to fund these organizations and hoping they work out. The county is stuck with the money that they thought they would get from the hotel taxes to pay for their obligations from the IronPigs and they are short f and we have to pay for that. Our taxes are going up. He stated that it is dangerous. He stated that Pittsburgh, Philadelphia, and Harrisburg would love to have something like this. These people have vested interested in this city. He stated that Senator Browne asked him did he want Allentown to die. He stated that he does not think Allentown would die because people love this place and that's what you want.

Mr. Donovan stated to Mr. Gatchis about several things he spoke about the legislation and structure of the financing and certain things that were not accurate as far as the structure of this project. He stated that when everyone finishes speaking he would provide some clarity.

Mr. Gatchis stated that it is short notice that he is going with it and he is just finding out and waiting for information.

Mr. Craig Freibolin, stated that earlier today he spoke to Mr. Donovan and thanked him for taking his calls. He stated that Mr. Donovan presented him with some interesting numbers and he spent the rest of the afternoon crunching. He stated that over 61,000 people will be displaced or inconvenienced by the moving of this business. He stated that that sounds astronomical, but he can justify it the same way that they can justify that Allentown will be beneficial by this whole thing. Clearly they over-exaggerated that number a little bit. He stated that he wanted to provide some real numbers. The NHL received a record attendance in 2005 and 2006 season with 20 million seats sold. If you exact 1.5 to 2.5 million people to come to the arena that is 7 – 10 percent of the market share of the NHL which is a totally different league. It is a minor league team. He stated that the problem is that 30 percent of the NHL fan base is in Canada. He stated that they are putting a lot of faith in some shady stuff. He stated that 3,000 are not bad, but they have 8,500 seats going and you want to use the arena for other things. He stated to use Stabler Arena in Bethlehem the Morning Call stated that it has been 25 years since they sold out the 6,000 Arena. If you vote for this, you are saying you know more then them. People have been here for twenty-five years and will be here for 25 years when you are gone. Just let them do their business without eminent domain. Let them negotiate.

Mr. Donovan stated that the numbers and discussions Mr. Freling had is a topic that he was going to talk about later and will clarify matters that were inaccurate.

Ms. Joy James, tenant 33 N. 8th Street, stated that she has been there for two years and is comfortable. She stated that she is a single mom and is concerned about their whereabouts. She stated where they are going to go. It is just her and her daughter. She stated that she just recently met her landlord and she likes her tremendously because she looks out for her and her daughter. She stated that is concerned about what they are going to do with the building. She stated that they should think about doing the eminent domain because the tenants have no say.

Mr. Louis Belletieri, 555 Parkside Drive, stated that he has been in business in Allentown for 53 years and is familiar with everyone on Council. He stated that he is in favor of the Arena. It is a great idea, but as a businessman he wished they would put it on his property and he would sell in a heartbeat. He stated that it is a great opportunity. He stated that the reason why he is here is because eminent domain. He stated that

everyone has an ancestry that comes from somewhere. Every one of us understands the taking of property. All we are doing is shining it up and making it look pretty. Somebody's taking your property. You are taking the rights away from these people. If you want to buy these properties, buy them straight up. This is a capitalist society. Come up with the right money, right opportunity and right deal. He stated that City Council should support the rights of the people in Allentown. What if you vote for eminent domain and it is not successful. It did not do much for Reading or Wilkes Barres because it is on the outside. They are not all successful. He is in favor of the Arena and glad that they will have some economic development in the city.

Mr. Harold Barber, one hundred block of North Fountain Street, stated that he owns the property and has two license businesses. He is not sure if the Arena would help him and his property values, but he thinks about a place like Atlantic City where it was all this money dumped into big casinos and you walk a block away and it is devastation. He stated that the city takes every opportunity to hinder him. He stated that he never seen the Mayor's plans ever do anything to be beneficial. Doing it by eminent domain no matter how you look at it is absolutely wrong. It scares him and makes him not want to be here and makes him not want to invest another dime into what he has here because it could be taken by eminent domain.

Ms. Carol Timmons, 700 building of the high-rise on Union, stated that she is here for the disabled and elderly people in the high-rise that surround the city. She stated that the people are upset and scared to be here. They are afraid to speak up. She stated that their stores are being taken away from them. They have no place to shop. People come on motor-scooters to shop in these stores. She stated that a man across the hall from her broke down and cried and said where he will go shopping. They are taking our buses away from us. She asked City Council to put a grocery store in the lot on 7th Street for people that cannot get around and shop. If you want a Hockey Arena, get a public vote on it. Don't just say this is what we are going to do.

Mr. Robert Toth, 1101 S. Howard Street, stated that he has been coming to the meetings for a while and very rarely speaks. He stressed that he hopes Council did their homework and they know enough about the Resolution that they can vote on it on the first reading. The rules usually states that you vote on it on the second reading. If you are going to vote on this tonight, he hopes that they did their due diligence and did their homework and know how it will affect the citizens of the city. Just because the Mayor put it in front of you on a nice golden plate, does not mean you have to eat it up. Do what's best for the citizens of Allentown. He stated that don't just do what's best because Mayor Pawlowski said it is best.

Mr. Gabrielle Joseph, 734 Hamilton Street, stated he has a small clothing store and it is not fair that the city did not take into consideration other small businesses on the other side of the sidewalk facing the Arena. In eight years, he has also owned the same business in Reading Pennsylvania on 502 Penn Street. He stated that his business that is in Reading does not get customers from the Hockey Games or Concerts or other events. He stated that he is a retail store and he is closed at the same time the events of the Arena. He stated that every business is not going to benefit. He knows that his store will not benefit. All of this planning will only benefit the evening restaurants and the night clubs and not the retail stores that will be open in the day time.

Mr. Eric Weiss, 520 S. Church Street, stated that what he read, what he had seen, and based on people that he has spoken with this Resolution should not be voted on tonight. There are too many unanswered questions and issues that need to be air out and resolved. He stated too much information that has not been forthcoming. This should be referred to committee. There are too many personal questions and too many lives that are being affected and urged Council to refer to committee.

Mr. Red Siddoine, owner of several properties in Center City, stated that he has been sitting here listening and like other business owners, he is personally frustrated. He stated that he feels disheartened for personal reasons everyone aspires to accomplish certain things in life in America and in the process of capitalism. He stated that his family believed in making their own way and following the speeches of the representatives as far as creating financial situations where they can have support through their income and cash flows to create

the investments and here we are today. He stated that he would hope that the committee members consider the legal precedent. What will be done to them through their vote would be done to other people. How is that representative of America and what does it show future business owners. They are going to be scared to invest here. Rightfully so they should be scared. It was quoted from the Mayor that many places where looked into and no matter where you go people will be affected and displaced. Let's compare apples to apples and see uses of your resources or misuses of your resources. He stated that when they make their decision, please make it in support of people and real easily you can get a consensus of what the people want. The only thing that's against the people is the corporations that are going to make the most money out of this. They were never for the people they are for their bottom line. How can you take from the poor and give to the rich.

Deborah Skinner, 543 N. 5th Street, stated that she has been a resident of this city since 1972 and it is not the first time she heard of a Hockey Arena in this city. The first one fell through in 9th and Hamilton Street. She thinks that a Hockey Arena would be wonderful for the sports fans of the city, but it does not belong to downtown Allentown. She stated that she does not think the streets can handle it and she does not think it is American to even suggest eminent domain for something as frivolous as a Hockey Arena or entertainment complex. It goes against everything they were taught as Americans. It goes against the average citizen that you are going to take their property through eminent domain. It should be information on every other site that has been considered should be given to the public and put to a vote of the public if they want the hockey arena to proceed in downtown Allentown or anyplace else and she does not believe eminent domain should be in the process. It would have negative ramifications and is an abuse of power.

Steven Ramos, 324 N. 8th Street, stated that when he read the paper and viewed the actions that Council is considering. Many thoughts come into play. Have we done traffic studies, what would the impact be on the neighborhoods, and he forced himself to put those things aside and came to one basic principal of do we violate the rights of private owners. He stated that they should not violate the life and work that these people have done. He thinks that if Council authorizes this action, it opens the doors to future neighborhoods and future businesses district that grand-planning could say that is of little value. It put us all at risk, land owners, business owners and homeowners. They should come up with a suitable location. It would be great to have an arena in Allentown.

Ms. Sharon Frazier, Redevelopment Authority, stated that the Redevelopment Authority has two properties on the list and no one from the city said a word to them. She stated that they did not get a letter or have been asked, and they are on the third floor, but the properties are on the list.

Mr. Robert Romancheck, S. 16th Street, stated that they have three basic things to look at. Who benefits from a hockey arena in downtown the public, the mayor and council? The public evidently does not want it so they can not benefit so there are only two more entities that are going to benefit, you and the mayor. He stated to council they should have some rationale and reason. He stated that he has been trying to be on the record that it is a property in Allentown that would not bother anybody and you would not have to worry about eminent domain. Eminent domain is when you take property for the greater good, are you taking property for the greater good if you take the houses and businesses away from the people in downtown Allentown. It is a property that the city owns. It is a big property that the city owns and is marginally profitable, it's in competition with private business and it is called the golf course. It is a big property and has room for parking and building. Who will you adversely affect; it might be some millions because it will be too close to their properties. It is enough land there to deal with it. He encouraged the City Council to look at a business that the city owns that is marginally profitable and let's do the environmental analysis and the economical analysis for that piece of property and see if it makes since there.

Mr. Rasheed, resident of Allentown for over thirty-five years, stated that he watched the canopy going down and different things going down in Allentown. He stated that the hockey arena is great, but if you sit downtown

on a daily basis Monday through Friday and on the weekends. Business is dead, there is nothing downtown. The only business that thrives is New York fashion, Pinocchio, Green Things and Mancino's Pizza, Family Dollar, Rite Aid and those are the small businesses that thrive. This Hockey Arena coming into play, he agrees with it to a certain extent, but than on the other hand where are you going to take the customers that don't understand what is going on in the City of Allentown which is basically the minorities Blacks and Hispanics. This is where they shop at and this is what they can afford to shop at. If you put high end stores downtown near the Hockey Arena where are they going to shop at. What are they going to do and what are these people are going to live at that can not afford to live in high end places. You have to take that into consideration. It is ok to have \$100 million to invest in a business or big arena or big event. That is perfect, but what about the other people that doesn't have that type of money. How often does blacks and Hispanics kids are going to go to a Hockey game. They do not do Hockey. He stated that he is working on his vendor's license, in the event that they tear all the walls down he can still make a living. People are struggling as it is.

Mr. Papous, 500 block of Turner, stated that they just put in the IronPigs Stadium and now you want to put in Hockey. He stated that if you want to put the taxpayers' money against something and everyone in the city can appreciate their tax money why not invest it in the infrastructure then people can have a better business. He stated that he hates driving to the city because the roads are horrible and at night you can not see street lines.

Mr. Tim Ramos, 907 N. 7th Street, stated that he believes that it is a good idea, but the location is horrible. Just the past year he took a trip to Florida and considering moving there and his heart brought him back to the city. A woman from there that went to her mother's church stated that the Lehigh Valley and Allentown is a city of dead and dry bones and he stated no. This city is the seed of the Lehigh Valley and is up to us to make it a beacon of light and example of how to do business. We need to promote to our people and our community that know that this is not what we are going to do, strip you of your rights and take your property. Let's consider the hearts of the people and the minds of the people and where they are at.

Mr. Mark Lima, 500 Block of Turner Street, stated the strip going down Hamilton Street is inhabited by the Brew Works and the Butz Center and the Arena. These are places that are going to rehab the city and bring something better. All you have to do is go down Seventh Street and it is a thriving Metropolis right now. There is plenty to eat, plenty to do, and businesses happening and has very little to do with the city. Quit dumping money to try to bring people from the West side into town. Who are not coming here anyway? Look into people that are here. These people like being here. They like having people around. He stated that many people here don't, you like your big houses in the country. You may want to move with what is going on Seventh Street and let that grow.

Ms. Carol Zimmerman, 17th Street across from Allen High School, stated that she sat in the meeting and did not know what she would hear from these people and it came so overwhelming to her the extent of the issues, the shopping, twenty-six year old business. She stated that what ever happens to them, she will be behind them for this eminent domain action to be taken. That should go to every American's heart and speak to you personally. If you are a tenant, some day you will be a homeowner, some day she will accomplish something set up to pass on a legacy for her children. She stated she is horrified and the new name, city without limits for Allentown that was a great move because there is no limit of what the city would take from these people. There are people that should know better than to use this mechanism to take twenty-six year old properties and businesses. This speaks to every American.

Ms. Jill Molsberger, Center City 229 N. 8th Street, stated that it is fascinating that whenever election time comes around some of those depends on the Old Allentown Preservation Association and she is not here to speak on behalf of the Old Allentown Preservation Association because she is not a member. She stated that she had been a member for a very long time and lived in Allentown on 8th Street for thirty-two years and finds it fascinating that although does not affect the Old Allentown Preservation Association the principles is the

Preservation of Historic Buildings of which the Dime Building is the finest Art Deco buildings in the city and the Farr Building is an Historic Building. She lived in Allentown all her life. She stated that her family has been here for generations and she cannot believe the mentality of people that are tearing down these lovely buildings for a Hockey Arena and using eminent domain to do it.

Jim Bass, 500 block of N. Howard Street, stated that someone should set up and this young lady did in defense of the beautiful architecture which you by eminent domain will be planning on raising. The Dime Bank building is a gem and also the Farr Building. He stated that he is for anything that will help Allentown because he has been here and his family has been here all their lives and he felt that the Farr building was a successful story in downtown Allentown for retail and the lofts and apartments in that building. He stated that they should realize as they are thinking about ripping down on Farr building, over to the east in Bethlehem they are planning on restoring it and putting it into good use.

Mr. John Ingram, 2454 Mountain Lane, stated that this meeting blows him away. He stated that he ran for City Council and did not make the cut to get on the general election in November. He stated that he missed it with about 137 swing votes, but he met the residents of the City of Allentown and talked to them the number one issue by far was the proposed Arena. He stated that he did not have adequate information about the Arena and he sits on the Planning Commission. There has to be better communication going both ways and preplanning. He stated that he is a certified planner and has a master's degree in city planning from Rutgers and a commercial real estate appraiser. He stated that he can value all the properties in the block. He stated that he would like to act as a go-between only with the people in the block, all the city residents, the city council and the mayor's office at no charge. He stated that he would analyze the development plans even if they are conceptual and educate both sides. He stated that he can devote half of his time to this project. He stated that he would assign one of his assistants to take care of his business while he is doing this.

Mr. John Pottack, 12th Street, stated that he is a community organizer that has worked in different cities. He stated that they have a situation that is a powder keg and the city better talk to the representatives of the police department on how to handle street protest and how they will evict people out of their buildings. He stated that he has been involved with protest in New York City and you cannot ignore the consequences of eminent domain.

Mr. Donovan stated that he was trying to decide if he would go last or first and decided to go first. He stated out of all the council men and woman he is involved the most with this project since he sits on the Allentown Economic Corporation. It is that group that was in involved when the city was approached with that possibility of the project. He stated that he is not going to change anyone's mind about this, but he is going to be voting for this. He explained why and asked for them to respect his reasons. He stated that most of them do not know him and he has been here for seven years and moved here to teach at Cedar College. He stated that he has a broad business background, but also teach ethics. He stated that they have a very large group of people who potentially can be very serious disruptive and on the other hand there is a benefit of large investment that can benefit a lot of people and a lot of residents, property owners and businesses in Allentown. Therefore he has to balance it tonight. From the beginning, from the day he joined the Allentown Economic Corporation he does not think the city always does things correctly from a community and economic development point of view. He stated that he has been highly critical of the Mayor in a variety of steps he has taken. He stated that he never said he totally agrees with this project and if you were in a meeting about six months ago when they were trying to determine to go the next step, he was willing to say that he needed to see the cards based on exactly the reason that you all are discussing. What is the information? What is the economic impact? What is the impact on a variety of players? He stated that he does not believe the waterfront is an appropriate place and he does not believe for the entire scale of the potential project as it currently stands that Coca-Cola Park would be right. He asked where that leaves us. We are not the first city as the gentleman said where we go through major development projects some of which are private, public, and a partnership. He stated that several people heard him say that he does not want five hundred rich white

guys benefiting from this. He voted against the labor agreement that was presented earlier this year because he felt it would cut out potential employees from the city. He stated that as far as he knows the Farr Building and the Dime Building even though they are on this list are not being torn down. The Dime building will be a part of major entry point. It is empty right now. It will be redesigned. As far as he knows it will not be a cinderblock or wall. The preliminary designs show a much different characteristic. He stated that with the eminent domain issue, it not the first city or organization in the country to go through eminent domain. It has to be done fairly and hopefully it never comes to that. It is part of a legal process. There is a deadline that may never happen. How do you proceed fairly? He stated that he has to think about 118,000 residents in Allentown and not just the buck. He stated that his father owned a family business that was his fathers before that. And currently, his brother owns the business and is fighting policy issues that are taking away value to his family's business. He stated that those who talked about the funding of this project, it has been very carefully crafted. It is not 100 percent of those state tax dollars that are in the district that are going to the Arena. Only a portion will cover the bonds and coverage that will protect the bondholders. There is private investment in this money and any future develop that occurs within this 130 as he understands is only incremental dollars that would be used. It would lead to two other major phases to be very attractive. One of the problems that comes up and he constantly weighs ethics, is that he was granted a Fulbright to teach about the tension about labor and capitalism. He stated that even though he has an MBA and even though he worked for a major bank in the country and his MBA is from a major business school, he is extremely cognizant of the fact that capitalism often rapes this country. He stated that if is one reason he became a teacher because he did not like it and felt that business students should understand that they are hated often because things like this happens not only from government, but from corporations. For one financing is not as onerous as you say and two the building itself is not what some of you think are being said. Third, several of them stated to the administration that if they just showed a business card, it is going to go down the tube. You have to show great faith that this is a fair project, especially with business owners. Property is only a part of the on-going value of the income stream. He stated that he feels that this is a good project for Allentown, but it is going to hurt some people and his job is how do you protect them from being hurt and can you. He also have to worry about a whole lot of people that do not have jobs and worry about the fact that forty years ago some rich white guys decided that they were going to build industrial parks outside of Allentown and basically strip it clean. That is his view of it as someone that is new here. He stated that he has been involved with urban economic issues and ran an economic development agency in Maine. One of the suggestions is to wait until the next meeting and have more input. He stated that he is not exactly sure about the exact deadline. The administration asked for this to be brought forward and he has given more details of what he knows and he knows that there are reports due in the next few weeks that provide a lot of the information. The questions that were asked of him the other day and he can't remember if it was Mr. Swayer or someone else when Michael called him about this; it is only as it says exercise of eminent domain in the event that an amicable arrangement can not be arranged. He stated that he is not sure if an amicable arrangement can be arranged because of the dear issues that you have, but one of the questions that he has and he has told the Mayor this, if at any point he feels that this is the right project he will stop and vote no. He stated that things are still going to come to them as it goes along. Right now he wants to see how things are proceeding and feel that this is one of the steps. He stated that he will ask the administration about the likelihood that one more week can go, but he is prepared to vote yes on this tonight. He stated that he is trying to balance both sides. He stated that he would be dishonest to his students every semester when he tries to get them to understand the world is faced with these types of decisions where someone is going to get hurt and someone is not and someone has to make a decision. He stated that he wants to see the cards and the next steps by the developers and there are several people involved that he has great respect of their analysis and would not be involved in this if it were not to be successful. This is more than a hockey arena. There are lots of other things that go on such as youth basketball courts that have a possibility of being in there and a variety of things that will be phases. He stated that he will fault the administration, partially because there is a certain amount of word when something like this gets out. He asked that they continue to fight to ask for a fair system and he promised that any time that he detects that someone is being dishonest he would say. This is a good investment. He stated let's do it

right. He is voting based on his judgment, his ethics judgment and stated to the administration that they heard many important stories tonight to be considered and find a way to resolve those tensions.

Ms. Eichenwald stated that she considers it a privilege to be here this evening and listen to all of them speak. She stated that she never been prouder to be a resident of the City of Allentown then she feel tonight. She feels that it is truly a democracy in action. She stated that they came to City Hall and they came to fight and she wants them to know that she listened. Mr. Belletieri sitting in the back, she stated that she not only loves his pasta, but loved his words. She stated that she wrote herself a note that he spoke about the rights of the people in Allentown and what concerns her, and what she learned tonight that they would take a vote for eminent domain two months and a week from when they were first told about this project. Having been an owner of a business, she can only imagine or know what that must feel like. It is more than the fact that you have to find another location, but you have to pay your mortgage and buy your groceries in the interim and it pains her to say that she is deeply disappointed in the way that the administration handled this. It would have been better had it been more information. She stated to Mayor Pawlowski that she listened very closely to what he said and he used the word will all the time and she is concerned about the tense because people can not support their families and pay their bills on a will in the future. They need to be able to do it now. She is going to vote against eminent domain because she is forced to do that on this particular day May 17th only two months later. She stated that she wished that a more of a redevelopment process could have occurred and was certainly distress when she heard that the owners of two other properties, the Allentown Redevelopment Authority was not even notified. She stated that causes her great pain and she thinks it is a matter of trust. If you are going to do such a project that impacts peoples lives, the peoples that lives that you are going to impact have to feel trust in the administration and the city. They have to recognize and it is true that businesses are all brick and mortar, but you have to replace the value of the earning capacity of that particular property. She stated that the reason she sits here is because she wants the city to prosper and she wants the city to shine and a beacon of light to people that want to come and live here. She stated that it still needs to be a process. It is still people and their lived that are being impacted. She stated for all of those reasons and she wrote herself another line that she heard this evening that she does not think that the process that they engaged in is brining honor to the city and therefore her vote is going to be against eminent domain.

Mr. Guridy stated that he is proud that they came and spoke their minds and defended their lives. He stated that he met with Ms. Hailstone and he owns a business in Bethlehem and he was renting and one day came over and they wanted to build a CVS Pharmacy and his business was a small business, but it was thriving and he was renting month to month because after two years the landlord did not want to extend the lease. He stated that one day they told him he had two months to move and find a place. He stated that he had to look around and find a place and lucky for him in a month in a month he was able to find a place and it was not expensive. It turned out that it was bigger than the place that he had and a half a block away and he was able to redevelop it and the first to be redeveloped. It was on Broadway in South Bethlehem and some other businesses were bought and other properties were redeveloped. It turned out to be the best for him. He had the business there for thirteen years and sold the business and he received more than what he paid for the building. He stated that no one threatened to take it by eminent domain and it is something that he takes very seriously. The first thing that he said when he thought about the project was that so the project won't be on the waterfront which he personally like, but after what was said and shown to him the best place to put it is on that block. Unfortunately, some people will suffer, but he stated that his question earlier to his colleagues and people in the administration is that can they wait a little longer to pass this resolution. Looking at the resolution and reading it several times and Mr. Donovan alluded to it he said that this is eminent domain in the event that an amicable resolution can not be met. You have an opportunity to look at this and negotiate and he encouraged them to negotiate. The issue with the resident is what he is very worried about. There are many issues one is and he talked to that administration on this as well. It is not only the properties, but also the businesses that are in those properties. He understands that the business has a value and sometimes if you relocate and unless you relocate at the right place or you can lose customers or lose money as well. He stated that he brought that up to the administration and Ms. Hailstone and they assured him that they will take

care of it. He stated that he sees people shaking their heads which makes him believe that they have no trust of what is said to them and he is not sure what to do about that. This resolution looks as though it will pass tonight. He stated that he is not sure how is going to vote, but the issue of the residents should be address and the issue of the businesses value need to be addressed and a fair price for the building needs to be addressed and he knows it will take time and will not happen over night.

Mr. Donovan stated that it seems to be a nagging question of what is the finality of the resolution and if Council were to decide based on additional information as they go down the road that certain changes have to be made, do they have that option.

Mr. D'Amore stated that informal if you are asking if resolution passing does City Council still maintains some kind of leverage he would say some king a leverage is street vacation and street vacation have not been completed yet so they will have that type of leverage. He stated that he is not sure if they have any others and asked Mr. Snyder to speak on it.

Mr. Snyder stated to Mr. Donovan that this resolution is under the eminent domain code of the state of Pennsylvania. This is your time to for the use of eminent domain. As the language states if amicable resolutions cannot be reached. He does not believe that Council can redo this resolution or change it later. He stated that there will be some amicable negotiations between folks dealing with all the issues that were brought up this evening. It will not be a patch work.

Mr. Donovan stated that is not what he is suggesting. He stated that he needs answers. He stated that he understands that it is an alley when they talk about street vacations not a major street. He asked that before any eminent domain will occur can they pull that back.

Mr. Snyder stated that he does not believe they can. When they act today, they are acting as you do in some other instances such as Committee of the Whole with the process of transferring of licenses or economic development liquor license. He stated that Council has a function given to them by state law that is independent of the charter and council rules. How you vote on it is council's rules. This is the time that city council authorizes or not authorizes eminent domain if amicable resolutions can not be obtained. That will be essentially if you are with this project or not.

Mr. Donovan stated that he will go along with Mr. D'Amore's point that there are other points of leverage that council can politically weight.

Mr. O'Connell stated that he has been on city council a year and five months and obviously this is a difficult decision that has to be made. He listened very carefully tonight to thirty-seven people. He stated that some he knows, some he does not know. If this issue does not pull at your heartstrings, you are not human. He stated that he does weigh heavily on the decisions that he does make. He did his homework and he learned a lot from the people that spoke tonight and knows how caring they are not only about their business and their family. They have a love for Allentown. He has a deep love from Allentown. He heard it from people with diverse backgrounds and he respects that. This is going to be a difficult decision to make and when you are in a political office you have to make tough decisions. He stated that he wants the betterment for the people of Allentown. He stated that he listened to Mr. Belliterre which is an intelligent, wise, compassionate man and has common sense. He stated taking away the rights of people he does not want that to happen. He wants the process to be done fairly, equably and fairly. He wants fair market value for the properties that are in question. He believes that in the end that this will be a bonus for the city of Allentown. There were naysayers about Coca-Cola Park and how the residents of Allentown could and the residents of the Lehigh Valley support that and they have. This is going to make or break him or make or break the Mayor, but he is going to vote his conscious for the City of Allentown. He stated that he wants them to remember his vote and they think that he is not worthy of being reelected vote no and he will respect that. This is a difficult decision and he respects

all thirty-seven people that came out tonight. He stated that he respects the business owners and also Mr. Carol Timmons that may not have the transportation going forward. He takes that comments very seriously and thanks everyone that came out tonight and he wants to make the right decision.

Mr. Donovan stated that he was under the impression that was the answer and felt that it needed to be asked in public and it had not been brought up. He asked earlier of the administration that knowing there are deadlines and people willing to put private money down and certain deadlines and again this is extremely difficult. He asked the Mayor what are the ramifications about waiting to June 1st.

Mayor Pawlowski stated that it is mostly financing. If they do not do this now it will take a process to go through eminent domain. He wants to allow more time to negotiate. If they do not do this now, they will not have the ability to have the financing. There are other ramifications that follow that.

Mr. Donovan stated that he is aware of the commitment from the team itself and construction time and contractual arrangements and the bond arrangements, legal arrangements and coupled with all the issues with the owners and tenants. He asked the Mayor is he saying that any process that has to occur under state law in the end and agreements is not reached, June 1st is too late.

Mayor Pawlowski stated yes.

Ms. Eichenwald stated to Mr. Donovan that he talks about representing all the citizens of Allentown and everyone had the same opportunity this evening and yet there was no one that stood up in favor of eminent domain. She stated that the other things are these business owners understand the bases of their livelihood. Once you give the buyer the right of eminent domain it changes the free market negotiations. The people that are sitting in front of us who are business owners understands that if the hockey arena does not happen their property value goes back to what it would have been in January. They understand that in this particular moment in time their properties are much more valuable then they were months ago. When they sit down they have a choice to sell the property without eminent domain and let the market value and negotiate. Let them argue it out and come to a fair price. That is one choice they will have. The other choice is to recognize the arena doesn't come in their property value; their property value will become less than if it would be. That is a fair negotiation.

Mr. Donovan stated that one of his pitfalls is that he has only been here seven years and he made a commitment to buy a smaller house that is in the big west end of Allentown because that is what he could afford. This is not the first time that a project like this has occurred in this country. He is aware of that and been involved in that. He is aware that they have a variety of interest and one of the things that are interesting about policy is that the group that has a very direct cost will be vocal and the group that has the less benefit is often less vocal. He stated that his job is and the reason why he is not good at it. He stated that he did not get to the career and choices that he made and events in his life that has hurt without recognizing that he can not just consider people in his face stating do this. He has to have the guts to say there is more to this and it is complicated. He had been in the meetings stated that they are going to do this right. Development projects are quick and sometimes they happen and you don't like it. He stated that he is still going to vote on this tonight, yes. He thinks the administration has made mistakes on this because this is the first time going through something like this. This is the right next steps, and Council will have some leverage if things unwind in some way. He stated that he has to consider Allentown and the 118,000 people that live in it.

Richard Smith stated that he owns twenty properties in Allentown, and one is at 21 N. 8th Street and he thinks that observing everything. A lot of the property owners are not saying we don't want this, they are saying that the prices are not right. It is important that if it does pass he would like to say it is the right thing to do to put the arena there, but there are ways to go about doing it. If the city is going to have an upper hand and say that if they don't agree to this price they are going with eminent domain, it is not fair. He stated that he does not

believe that the owners are saying that they are definitely not selling; he thinks the prices are not right. In the negotiating room as it says in the resolution the right to negotiate and when you pass a resolution there really is no right to negotiate they are doing eminent domain. He stated that he did not get any negotiations or anything until three weeks ago. Some heard about it in March and he did not hear anything until he received emails on the 29th of April and 1st of May. The owners have a right. He stated that the budget is \$80 - \$100 million, let's put it at \$100 million and give people what they want.

Ms. Marianne Estevez stated that she is a property owner that has agreed to sell and on the other hand she does not agree that everything was done right. Everything has been done in such a hurry. They pushed us stated that if you don't do this, this is what will happen. She stated that she agreed to sell because of her situation. It was convenience for her to sell and maybe for others, it was not convenient to sell. She stated that her biggest concern was that when she signed she was assured that her tenants would be taken care of. As she sat on yesterday with a gentleman, the city has no allocation for the tenants. They have no money for these tenants. In her building, there is a daycare that she ran for ten years and it has been there for thirteen years now, and she leased it and these ladies put everything that they own into this daycare and now they will be displaced. She stated that for an owner who already sold, who is going to place these tenants. They did not ask for this. She stated that when you make your decision tonight, please consider the tenants.

Mr. Guridy stated that he did ask that question and did address it today regarding the residents, the businesses and the tenants.

Ms. Estevez stated that she asked were there any money for the tenants to be taken care of and they stated that no the city has not allocated any money. She stated that is her concern. It takes three months to move a daycare and who helps them during the transition. It is not an easy business to move.

Mr. Guridy stated to Ms. Estevez that she is right and one of the things that he heard that the administration say is that they have until September. It is not three months. He asked the Mayor will he help that tenant.

Mayor Pawlowski stated that timeline is flexible within reason. He stated that there has been a lot said and he has listened to remarks and appreciate everyone comments. He stated that he understands why some individuals will be upset. At the same time, he is willing to sit down and work with them. In a number of cases, they are contacted and sat down and sent five representatives of the city trying to negotiate a price. He stated that eminent domain is just that. It gives us the ability to work it out in a court if they can't come to an amicable decision between two parties which then you have an unbiased judge looking at both sides and determining what a proper valuation is. That is a fair and democrat process so that the city can't come in and say as a city we are only going to offer you this. If we can't agree, we go to a court setting and the courts make a determination of what is a fair valuation. He stated that he understands concerns. He stated that he lives in Center City on 11th and Linden and cares deeply about the city and the success of the city. He stated that he thinks they have the opportunity to transform Allentown. He stated that they have a unique opportunity that no other municipality has in the state and maybe in the northeast. They have the ability to transform our city in a positive way which has rippled economic effects not only for businesses in this area, but throughout this city. He stated that he does not take this lightly. They have done everything they can to do it upfront and honorable way. He stated that they talked about it and made it public. It is not something that was hidden under a bushel. They had a public process on how they wanted to look at multiple sites. They talked to individuals. They had multiple staff; Ms. Hailstone's staff, the staff of the Allentown Economic Development Corporation reaches out on multiple occasions to these property owners and he could go by property by property by property. He stated that he understands that some may want more for their property, but this is part of the negotiation process. The reason that he has been vague is that he is not going to negotiate those deals within the public. It is not appropriate. He has mentioned to them, including the other day that he will personally sit down if they want to work through a situation. Several of them including Mr. Hong told him that they want to work to make this happen. Others have said they were going to come tonight even though they wanted to

make it work with the city to make it happen and to make a public statement. He stated that he gets it and understands that everyone is looking out to try to get a best valuation. He stated that what they are trying to do is trying to do something that is fair and equitable for these individuals that compensates them. He stated that a daycare would be different from a tax office and a tax office will be different from a shop that has equipment to move. He stated that they have to take all that into consideration and see what the business is generating and then as they sit down and negotiate can come up with a valuation. It would have to be done on individualize bases. He stated that he told them that their tenants in the buildings the city will work with them to help in relocating the tenants in their building. He stated that they will do everything they can to do this in an honorable and upfront way. Looking out for the benefit of the city as a whole as Mr. Donovan has talked about and making the greatest economic impact for the city. He stated that they have done this in a pretty upfront and open way. They started it back in March and went through multiple contacts with these individuals to come up with their offers. Half the property owners have signed the agreements of sale and are working with the city. The others, they are trying to work through. If they can not work through they have the ability to go to court with an impartial judge that will work with them with a fair valuation. That is the democratic process. He stated to Ms. Eichenwald that according to the Redevelopment Authority, the city has talked to the Redevelopment Authority many times and the property that the Redevelopment Authority has is property of the City of Allentown. They are an entity of the City of Allentown as an authority and the property is being held by the Redevelopment Authority for the City of Allentown. He stated that it is the city's property. They already own it and control it as a municipality. He stated that the city will continue to work with them and continue to try to negotiate. He stated that they have timelines in financing and deadlines if they are going to make it a reality. He stated that if they can not make an agreement, they can go to court with an impartial judge to try to work.

Mr. Guridy stated that he read in the paper and people get overzealous and greedy. He stated that he read that someone bought a property for \$400,000 - \$800,000 and in the paper the person stated that he will not sell until the city gives him \$2.5 million.

Mayor Pawlowski stated that he does not know how they can come up with a mutual agreement with that.

Mr. Guridy stated that he wants to make sure and the owners of these properties and businesses do not get taken advantage of.

Mayor Pawlowski stated that one of things that he would like to say to the seniors in the building that they are trying and working diligently to get a grocery store downtown. He personally thinks it is necessary and need it. He stated that he will work with them to try to get whatever accommodations they need to get to their facilities. He stated that he will work with Rite Aid and Family Dollar to relocate them in or around downtown, if their corporation so desires within a radius that is accessible to the residents. He stated that he, Peter Schweyer, and State Representative Jennifer Mann worked hard to get the funds from the state to renovate that building for senior housing and they are not going to leave those folks.

Mr. Guridy stated he wanted to make sure that the people are not being taken advantage of and the city will be fair and the city will be fair with the negotiations at the same time look out for 118,000 people and does not negate the fact that the people here should be looked out for.

Mayor Pawlowski stated that he wants these folks to be a part of the new Allentown and will work with them. He stated that he believes everyone will prosper in the end as development come everyone's boat rises. There will be more jobs in the city and an economic impact that will make the difference and turn the city around.

Mr. Guridy stated that the city would be able to get the valuation of the businesses since the business owners file income taxes and they can tell how much they are reporting and how much they are earning.

Mayor Pawlowski stated that as they sit and negotiate with them, they will get all that information. He stated that he wants them to be a part of this new Allentown. The city will work with them and do everything that they can to come up with a fair and equitable valuation for their properties and their business. He stated that each business will be different and they are not going to get into negotiations. If he states that the city is going to give x amount of dollars, x amount of dollars may not be appropriate for Mr. Hong's business as opposed to a daycare. Each one will be different and that is what he said yesterday.

Mr. D'Amore stated that this is a process where everyone has an opportunity.

Ms. Katherine Mindheart, stated that she assists the solicitor for the Redevelopment Authority of the City of Allentown and stated that they are the title owner of 22 N. 7th Street and they have not been in contact with the city in regard to the transfer of the property in the arena property.

Mayor Pawlowski stated to Ms. Mindheart that is not correct. They have talked to the staff of the Redevelopment Authority on numerous occasions and were involved with this process and Mr. Donovan knows at the very beginning of AEDC and many of the discussions and that is absolutely not correct. He stated that he is sorry and understands what Ms. Mindheart is trying to do, but that is not correct. He stated that may be they have not told her, but the staff is intimately involved in all the discussions.

Ms. Mindheart stated that they have one staff member, and her name is Jennifer Smith and since the advertisement of the arena project they have not been contacted in any manner whatsoever to discuss the transfer of 22 N. 7th Street or 716 – 715 Linden Street.

Mr. Donovan stated that one of the things he brought up earlier to the ADEC, the Mayor and Ms. Hailstone are projects like this all across the country. He stated that he raised these issues and some work out exceptional well for the community and all the individuals and some have been misused by developers in terms of creating one. One of the things that are necessary and he stated it to the Mayor, Council, the administration and ADEC that one of the things you have to do right as part of the process of modern techniques and came out in the last decades are the projects that end up taking property as what they are describing. It is an onerous on the developers and which it includes the city to understand these various costs and come up with a mutual agreement that is separate from the individuals. What are the options that are done around the country to do this right? Not many people are going to plunk \$200 million down into the city to employ a lot of people and it will employ a lot of people, but yet people are going to get hurt. He urged the administration to take a look at the literature of what has been done in other cities and handled certain situations and when you go through to ask what are the mutual benefits including the various property owners. It is absolutely critical.

Resolution passed, 6 – 1 (Eichenwald)

15. **NEW BUSINESS**
16. **GOOD AND WELFARE**
17. **ADJOURNED 10:47 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.