



Allentown

435 Hamilton Street
Allentown, Pa. 18101

Minutes - Final

City Council

Wednesday, October 26, 2022

5:30 PM

Council Chambers

Special Council Meeting: Finance Department Budget Review

Roll Call

Present: 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Joshua Siegel, and Natalie Santos

ORDINANCES FOR FINAL PASSAGE (To be Voted On):

Ms. Cynthia Mota stated that the budget meetings will be Special Council meetings – we will take up legislative items if need be. This evening plan to act on legislation forwarded by the Budget and Finance Committee, afterwards, beginning our budget overview with a presentation by the Mayor and then we will move on to the Finance Department.

[15-5103](#)

Bill 39 Budget and Finance Committee (Siegel, Santos, Hendricks), October 4, forwarded favorably with a proposed amendment to reduce the allocation to \$1m - an amendment that needs to be proposed and acted on at the council meeting this evening.

Amending the 2022 ARPA Fund Budget to provide for a transfer of One Million Five Hundred Thousand (\$1,500,000) Dollars to Da Vinci Science City, LLC.

Sponsors: Administration

Attachments: [Bill 39 \\$1.5m ARPA to Da Vinci](#)

[New Science Center 2019 Concept Research - Feb 18 Presentation to EOC](#)

[DA VINCI ARPA REQUEST MAY 2022v2](#)

[summary](#)

[Ordinance #15850](#)

Mr. Joshua Siegel stated this Bill was forwarded favorably 3 - 0 from the Budget and Finance Committee Meeting to a Special Council meeting.

Ms. Cynthia Mota asked if there were any comments.

Ms. Ce Ce Gerlach stated that she would like to amend the amount to

\$250,000. She stated that she is basing it off of the fact that there have been a number of grants that DaVinci has applied for which if they get should be more than \$1.5 million. Knowing that we can always go back if they were not to get those grants and allocate more money similar to how on a different item that the county is allocating money a little upfront and if the cost increased, they are going to give them the rest of the money for the IronPigs. Similar to the type of perspective.

Ms. Cynthia Mota asked who has a question and/or who would like to.

Ms. Candida Affa stated that she would like to discuss this because she would like to make an amendment.

Attorney Charles Smith stated that Ms. Affa can make a motion to amend, the motion to amend.

Ms. Candida Affa stated that she would like to amend the amendment of Ms. Gerlach. She stated that although she agrees with her with the grants. She brought up a good point. She stated that she would like to change the amount to \$500,000 with the same stipulations that Ms. Gerlach brought forward about the grants.

A motion was made by Ce-Ce Gerlach, seconded by Natalie Santos, that this Bill be amended to change the initial amendment at \$250,000 to \$500,000.

Yes: 4 - Candida Affa, Ed Zucal, Ce-Ce Gerlach, and Natalie Santos

No: 3 - Cynthia Mota, Daryl Hendricks, and Joshua Siegel

Enactment No: 15850

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Mr. Joshua Siegel stated that he believes that both of the projects are paramount of importance for the city's perspective of Community Development and Economic Development. He certainly understands the concerns of his colleagues. The city has to be a partner and a steward in making these two projects come to fruition. In particular to the DaVinci Science Center, this is a once in a lifetime opportunity to redefine the downtown and particular to do a great service to our school children and our kids, especially for Allen and Dieruff. Nearly 50 percent of the children will be in walking distance to the DaVinci Science Center and give them state of the art learning opportunities, especially in the fastest growing fields of STEAM. They are essentially moving numbers around without really considering the consequence. There is a finely crafted budget for each of these projects. They are arbitrarily adjusting the allotment and putting both of these projects in jeopardy. He understands the consternation about the number and the myriad of problems the city faces and obviously we talked about this a thousand times. We cannot make this

a zero-sum gain. We have to stop pitting one organization from another and stop pitting one social problem against another. We can invest in anti-violence and community redevelopment and housing and also make sure we invest in two long term projects that are going to have a transformational impact on the city and have had a transformational impact on the city in case of the IronPigs. It is responsible to make sure that we make these two investments. There is a huge return on investment and thinks that both of these projects in terms of creating jobs and creating rich cultural assets. Let's have a public safety component as well. If we keep kids occupied downtown with good learning experiences, connect them to jobs and positive activities, it is a public safety aspect as well. Both organizations have shown that they are committed and also being job creators for Allentown residents. He encouraged his colleagues to allocate as closely to the initial amount as originally requested and change the way we look at this because this is not about pitting two organizations against the residents of Allentown. It is not about choosing one organization over our concern for gun violence and public safety. That is not the mentality that we need to operate from. This is about making sure we invest in the future of Allentown and the future of our kids and the future of job creation and really the future of this region to be competitive with everyone else. He stated that they will be making a tremendous mistake if they fail to make these two investments as originally asked and originally stated.

Ms. Cynthia Mota asked Mr. Siegel what is the amount that he is asking.

Mr. Joshua Siegel stated that he is perfectly amenable to the \$1.5 million, but he is certainly not going to bring it down to \$500,000. The rest of the body needs to discuss obviously, we have a motion of \$500,000. He stated that he would prefer \$1 million or \$1.2 million or \$1,250,000 at the minimum. He stated that the he doesn't think \$500,000 is going to be sufficient. He agrees that the city has helped apply for grants on behalf of DaVinci, but this is an immediate and certain allocation versus an application process that may or may not yield an actual tangible amount of money. He prefers that it stays at \$1.5 million. He asked if anybody had a more reasonable number that is not \$500,000 or below. He would be amendable of hearing that amount.

Mr. Daryl Hendricks stated that he was the one who originally made the motion on this in the committee from \$1.5 million to \$1 million. He urged his colleagues to stick with that amount. He stated that he believes it is a fair amount. This is an institution that will mirror that of the Franklin Institute in Philadelphia. This will be there for the children. Both are very great opportunities for our children and adults alike. This is going to be transformational for school children here in the city of Allentown. He encouraged his colleagues not to vote on the amendment, but to leave it as

formally amended at \$1 million.

Ms. Ce Ce Gerlach stated that she from the beginning has been pushing for a process so it is fair, it is transparent and so that the big organizations like DaVinci and the IronPigs and CACLV and all these large organizations and the smaller organizations would be on some type of even footing. She stated that they went through this whole conversation about having public testimony and having these experts come in. They had them all come in. We listened. We learned. The administration put out a press release that talked about if you want to seek this money, give his office a call and talk through the application process. Council was given the application. They were given essentially were CDBG guidelines. The same kind of guidelines CDBG follows, and we were told that this is going to be the process. At that time, a number of us have expressed concerns about certain organizations. These two, skipping ahead of that process. They have applied before Council even had the conversation about applications under the old administration. These were concern. Honestly, he was hesitant to even to say yes to any amount to either organization despite the credible amount of work that DaVinci has put into this. They have an advisory committee made up of the people in the community figuring how they are going to hire Allentown residents. They committed to having the museums for all which will allow low-income folks to enter into their facility for real cheap, like \$2. She stated that she sees that. She sees the effort has been made which she is more incline to say something knowing that all circumstances change and grants might not be awarded and this could be revisited if they needed more because she does think that based on the efforts that she has seen them make and if you look at the application you were supposed to get applications a long time ago, but we got them last night and DaVinci is 109 pages. For any of them that sat on that CDBG committee, that mirrors a CDBG application. They are thick and thorough. They went through and they have their staff listed. Their salaries are listed. Their ethnicity is listed. Their municipality is listed. It is an awesome application. Her hesitancy to do the million is what appears to be a lack of a consistent process for everyone and also knowing that we can go back and if need be do more. She stated that she did not see in the email and may have missed it. She stated that she saw the summary of the score, but did not see the rubric.

Ms. Cynthia Mota asked if Ms. Gerlach was seeking clarification.

Mr. Seth O'Neill stated that he did send that.

Ms. Ce Ce Gerlach stated that he might have to help guide her. She stated that Council did just get this last night and may have missed it. She stated that she saw the rubric that was used to determine the score, but she could

not find the completed rubric with how they ranked on each item. Se stated that she just sees the summary.

Mayor Matt Tuerk stated that there are four items.

Mr. Michael Hanlon stated that they are hanging on the website if someone wants to look at them.

Ms. Ce Ce Gerlach stated that they have the application. That is the first document. That is what Leonard Lightner sent us. Way back when, there is language from the feds, the CDBG process, and then there is a summary which has the cumulative score for both organizations, but there is not a breakdown of on this item they got three out of five. On this item, they got two out of five. She is wondering who did the scoring. Was there a committee. She stated that she knows that the county has an ARPA committee that determines this.

Attorney Charles Smith stated that where we are right now is that they are debating the issue of the motions to amend to \$500,000.

Ms. Ce Ce Gerlach stated yes, part of her rationale for the \$500,000 and not the \$1 million is the lack of the full understanding. She stated that if she is out of line, she will back off.

Ms. Cynthia Mota stated that what she does not understand is that they had enough time to ask questions. Even when they were here presenting and you did mention that this was going to be something so good for our community. And yet, you are not willing to.

Ms. Ce Ce Gerlach stated that as she expressed that the reason she has her hesitancy is not knowing how the scores and she read the scores of 90 out of 100. An awesome score for DaVinci which it puts them up at the 100 percent category for funding. If you score between 90 and 100, you get 100 percent funding. She stated that if she is taking that application into consideration about how much money they should be allocated, she would like to know how that score was determined and who determined it. She stated that she thinks that is fair, but if she is out of line, she will stop.

Ms. Candida Affa stated that she would like to echo Ms. Gerlach's statements and Mr. Siegel's. She stated that she believes this is going to be great for our community. She is certainly looking forward to it. She stated that \$1.5 million for them and \$1.5 million is \$3 million we are looking at. She stated that if they can find a sweet spot where they can all come together. She stated that Ms. Gerlach's point which changed her to \$500,000 is the fact that there are grants out there and there are many

grants that they are going to get. If something should happen and you are not able to and we do have the money. We are looking this ARPA fund and they are looking at \$1.5 and \$1.5. That is \$2 million just this one alone. We will save ourselves \$1 million and we can put that back in our ARPA fund. We can still help with the DaVinci Center if they fail with the grants or if something should happen, the city will be there for that. For now, she believes that \$500,000 is fair and one of the reasons she is going for it is the fact that the money is there. If you are having problems and you can't get the grants, the money is there. We can come back and we can do it again. She asked if Council can do that.

Attorney Charles Smith stated that he does not know the answer to that. This has been kicking around at \$1.5 million. He stated to Ms. Affa that this is in front of Council tonight. He can look to see if there is an opportunity for a second bite of the apple, if that is what you are asking.

Mr. Michael Hanlon stated that this is a budgetary question. The money would go back into the ARPA fund and they can adjust the ARPA fund. Whenever they want, correct?

Ms. Candida Affa stated that is exactly what she was trying to say.

Mayor Matt Tuerk stated that one consideration that they should keep in mind. It does not affect their discussion tonight. The funds do need to be expended by the end of 2026 for projects like this and committed by 2024. The process that is developed is a result in a commitment of ARPA funds does need to be completed by December 31, 2024.

Ms. Candida Affa stated a year from now.

Mayor Matt Tuerk stated two years from now.

Ms. Cynthia Mota asked if there were any other questions from Council or the public.

Ms. Sharon Fillegan, Allentown, stated that she understands that the idea is not to pit organizations against each other, but there are some things in the community that deserves to be looked at as a crisis. She stated housing she does not think that there were almost 1100 Allentown School District children who are homeless are going to benefit from the DaVinci Center. It is almost like the house is on fire and we are making a garden. There are some things that need a focus. if all that money is allocated and they sound

like amazing projects. She is not saying they are not or not worthy, but you can with priorities. She was on the corner of Seventh and Gordon this weekend when the shooting happened and what she was struck after the shot was that was a child and a child running away. These things can be helped. It has been shown time and again that community programs make neighborhoods safer. She knows that money has been allocated to these things and housing. Allentown is 25 out of the whole nation, we are 25 overvalued. There is a 17 percent increase in rents in the past year which is eight times the normal increase. When it comes to people, you can look at the big programs and that is fantastic, but you have to come down to the people and take care the urgent things first and recognize that they are crisis.

Ms. Lin Kriss, Controller, DaVinci Science Center and an Allentown resident. She will be the spokesperson for the DaVinci Science Center this evening. Several staff and trustees are also in attendance. She thanked Council for taking their comments. She joined the DaVinci Science staff this past summer because of the opportunity to be a part of an organization investing in downtown Allentown to make a difference in the lives of children and families. She was born and raised in the Lehigh Valley. She attended college in Allentown, worked over 20 years on Hamilton Street at three different locations and have been living in the city for over 30 years. Her father and his two brothers started their own businesses in the first ward in the 1970s. Her father and his two brother stated their own businesses. All three businesses with the support of the city became 48 plus years of success. In addition, her grandfather helped pioneer the West Park Civic Association. Needless to say the neighborhoods of Allentown are personal to her and her family. The city is her home and a place where she and her husband are raising their daughter and two dogs. She stated that she is here tonight to ask them to consider investment of the \$1.5 million in city ARPA funds for the new downtown city Science Center. She stated as the Controller, she brings unique perspective to the financial requirements to the projects to be successful. She would like to share with them briefly why the \$1.5 million in support from the City of Allentown is so important. As you know from the Science prior comments to Council, the total project cost is \$72 million. We raised \$64 million and have a \$8 million gap to fill. While \$64 million is a lot of money, we need to raise the full \$72 million to realize the projects full vision. Falling short of our means that we will not have the resources to fully develop the program and experiences that will well attract over 400,000 people to downtown Allentown each year. Bringing new businesses to our shops and restaurants. Falling short also means we will not have the resources to provide the kinds of sustained programming that will help make a difference for our kids after school on weekends and during summer months. It is really important to raise all the money for the

project upfront. She stated that as Controller she is most concerned if they are not able to close the \$8 million funding gap, they may need to incur debt that needs to be paid by the Science Center overtime from our operating funds. The new facility will be costly to operate. We need to ensure that we have the angle on the operating dollars to be financially sustainable. Having to pay off long-term debt will eat into our available operating dollars. Furthermore, it will eliminate our ability to provide access to the exhibits and programs for residents who could not afford to pay the Science Center fees. The DaVinci Science Center has a bold vision to expand the educational opportunities for youth who live in the neighborhood surrounding the new center and throughout our city. Our new downtown facility will have an entire floor dedicated to the state-of-the-art classrooms, labs, maker spaces, and a special area of pre-school children with programs in English and Spanish. Programs during out of school hours will engage Allentown youth and put productive activities that will put skills and open doors for future careers. They want to make sure that every child in this city has access to these programs and Council can help them do that. She knows from DaVinci colleagues that many people told them not to build downtown and cautioned about the challenges they will face drawing an audience from outside the city. The DaVinci Science Center chose to move forward and build their new facility in downtown Allentown because we believe in this city. She stated that she believes in this city and the ability to make a difference here both economically and educationally. We need support to reduce the funding gap and help ensure we open a new facility on solid financial footing. Your commitment of \$1.5 million will make a big difference. As a Controller, she recognize the daunting task we face evaluating the distribution of these ARPA funds. As a resident of Allentown, she appreciates the city has many priorities to address. As a parent, she understands how important for our children to have access to place like the DaVinci Science Center. Places where they can learn and grow. All of us at the DaVinci Science Center realize that the city has many priorities to address. They support the investment in the IronPigs. They hope that Council will give the same consideration to major educational resources in the heart of downtown that will benefit Allentown residents for decades to come. She thanked Council for their consideration and support.

Mr. Pas Simpson, Allentown, stated that he is here to support the DaVinci Center. With the loss our new superintendent, STEAM education is important. We are talking about STEAM education versus a baseball field. If we are going to move some money around, take that from the IronPigs. That is not as important. When we are investing in the future of our children, that is so key. STEAM education, we are talking about math, technology, and things that they are not going to get from ASD. ASD has been failing our children, unfortunately, for a very long time and they are

about to take a couple steps back with our leadership. If we are going to take away the money that is going to the DaVinci Center. We will actually harm our children and creating more spaces for violence. Education is the key and a way up. He stated that they focus on the four Es in his organization which is education, employment, entrepreneurship, and emotional support which sometime mean mental health. The DaVinci Center helps us take care of three of those things. Education, employment, and allows some people to think about entrepreneurship. If you are going to make a difference, make the difference in the places that count and let's make our moves and take money from the places that don't mean as much. This is in the heart, center city. The IronPigs is a county thing. That means that there are other municipalities that can invest to the IronPigs. There are other municipalities that benefit from the IronPigs. They are not the Allentown IronPigs. The DaVinci Center will be in the heart of our city. Where we can do more. We can ask for more. He gave Lin Erickson a heck of a lot of credit for the amount of diversity that she has brought in. He stated that he does not agree with everything, but he agrees with the investment necessary for our children. He was glad that Councilwoman Gerlach was able to clarify that we can separate the vote between the money that is going to DaVinci Center and the money that is going to the IronPigs. They are not the same. We have been talking about the DaVinci Center money, but no one is talking about the IronPigs. Why do they need \$1.5 million. Why are we not discussing that. That is at the next discussion because he needs to be sure because we need to invest in our children and education is where it starts. Give as much as you can to DaVinci and take as much as we can from the IronPigs.

Attorney Charles Smith stated to Council to ask people to confine their comments to the matter that's in front of them.

Ms. Cynthia Mota stated which is DaVinci.

Attorney Charles Smith stated that they are on Bill 39 and Bill 40 will be addressed in its normal course.

Ms. Nicole Estano, senior from Dieruff High School, stated that she really likes the DaVinci Science Center because they bring science to life. It is really fun and interesting to go and see all the exhibitions they have. She would love to have this Science Center comes here, especially for her brothers because for them, learning became interesting and entertaining. They don't even know they are learning. They absolutely love going to the DaVinci Science Center and she loves seeing their spark of excitement when she tells them they are going there. Her mom loves taking them there. They are usually home all the time and they need those interactive activities that DaVinci offers. Mostly, she loves it because it is a place

where both her love for arts and science come together. She is very excited for the new Center to come to Allentown. It is such a great opportunity for the Allentown students. She knows many, many of her peers would love for this DaVinci Science Center to be here in Allentown.

Milagros Canales, president - Old Fairgrounds Neighborhood Association, stated that she supports the \$1.5 million going to the DaVinci Center. This summer, she did a grandma day camp for her granddaughters. They had an opportunity to go to DaVinci with kids who have never been. She told Council, they lit up. Her granddaughter is a little bossy and she does not know where they get that from. They were telling the kids what to touch and what not to touch, but the staff was so good. The girls came home with a bigger vocabulary what they can do in science. It was amazing. Her daughter, Rebecca Ramos sits on the MPP with Dan Bosket, and she was one of the people that said we needed this in the downtown area. This is a walkable community that is needed. Before, she went to the one on Cedar Crest when they used to have Star Wars and there was no parking and it was hard to get into and it wasn't what she could see. If the city is going to give \$1.5 million to something, she would like to see that. Not only we are going to have our kids looking at other kids, who looks like them. Staff that looks like them representing them. People who live in the city and who understands what city life looks like, who understands the dynamics that we bring. Also, they teach you in a language that is not brought down to them, but is understandable and comprehensive on all levels. The fact that some of the staff is bilingual can help those who can maneuver and speak to them to their core who they are. She stated that she is so much in favor of this and cannot wait to officially be there. This is the best investment we can do as a city is to invest something that is right here in the heart of us. Remember, we always talking about how we want to connect the dots and we want to bring all the neighborhoods down here. This is a way to open that door.

Ms. Ruby Cruz, Allentown, thanked everybody and every organization for all your hard work and for making this community a better place. Everything that has been going on in center city and all of the developments, it is beautiful. She stated that she loves it. It is also exciting to know that this Bill scored 90 percent out of 100. It must mean that they obviously need the funding. She is curious as to how that is determined. Is there a breakdown for the need of this funding. She asked about how is the dollar amount determined for any application when an organization applies. She feels if they have until 2024, what is the rush. If they received \$325,000 and you meet somewhere in the middle and leave that money to other organizations that might be hindered because this money is sitting dormant. She stated that she would like that to be considered. She seconded what Mr. Simpson said. There are so many other places that the money can come

from. She stated that she is curious as to how it is being decided that this amount is needed because it is a lot of money and they are a lot of organizations that may need it. At that time where they won't.

Ms. Lin Erickson, DaVinci Science Center, thanked Council for considering funding for the DaVinci Science Center. She stated that she wants to clear up a couple of points that have come up in the conversation. The first is they really need the money. They have raised \$64 million bringing it to downtown Allentown. That is a huge amount of money. The largest nonprofit project in the region by far taking out the colleges, universities and healthcare is an enormous undertaking. The last dollars are very, very hard. The challenge they face now is that they are in construction. They went ahead to make sure that they were not hit by the escalating prices. If you can get some of the prices locked in. They were told to expect the prices to go up at least another 15 percent. They went ahead, but if they do not raise all the dollars, some of the things her colleague just mentioned will be true. If we have to take on debt and we don't get those dollars, they will not be able to fully develop those projects and bring the number of people downtown that we would like to because we won't have the kind of experience. The second is if they decide to take on a little bit more debt for operations. They did that in 2005 when they built the current facility. It about killed them in the recession. The strain it puts on operations when you have huge amount of debt service to pay is extraordinary. It would mean cutting back on what they would be able to do for the children and the access type programs because they would not have the staff to support them. She stated that the last point that she wanted to make was the fact that they are in construction, the building will get a Certificate of Occupancy in December/January. Just a little over a year from now. When you apply for grants, it takes six to eight months to actually get them. Many times, you can't enter into new contracts with that grant. You can't get the money retroactively. We need to get these dollars now in order to continue moving forward to complete the project and not have debt service later.

Mayor Matthew Tuerk thanked Mr. Hendricks for mentioning The Franklin Institute. It brought to his mind his dad briefly telling a story about a kid from a poor part of Philly. The only neighborhood being bused down to The Franklin Institute and playing in that gigantic park. He stated that he does not know if any of them had the chance to visit. One of the core experiences you can have in Philadelphia. It instilled in him the love of science and ultimately lead him to pursue a Ph.D. at the University of Colorado and develop technology for mag degeneration drugs and a host of other treatments for ailments that would affect people across the globe. These science centers have an opportunity to inspire kids of all backgrounds and all ages to pursue something interesting. He stated that

his oldest Mel is pursuing a degree in Environmental Science now at Washington College in part of the tremendous experiences that she had learning a DaVinci Science Center. It is a very real benefit to making these investments. He stated that he wants to be respectful of the comment that Mr. Smith made in regard to staying on topic with a single project, but these comments should be considered for both of these projects. This is a larger investment in our youth. When we make these investments in our youth in a city like Allentown, we are investing in educational opportunities for our kids. We are making investments in economic opportunity whether there are construction projects associated with these various projects. We are making investments on these economic opportunities on job creation that has been talked about in downtown Allentown and for the eastside. We are talking about investments in tourism. People coming to Allentown and spending additional dollars. We are talking about investment in improving an environment that sustains a healthier outcome for all of our residents. All things that go to stem things like homelessness and gun violence. Things that are a crisis that do affect us now. It is a worthwhile investment. The other thing to consider and he is going to ask them to consider at least in the case of DaVinci Science Center and talks about bringing roughly 400,000 residents downtown annually. There is a very real economic impact with 400,000 plus visitors every year that we can count on in the future. Whatever Council chooses to invest, whether it is \$1 million or \$1.5 million, you should consider that as an upfront investment that will be amortized over many, many years. The investment that brings DaVinci to our downtown or keeps the IronPigs on the eastside and is an investment that would be amortized over a very long period of time and should repay itself many times over for our city and the youth in our city. He stated those are the only comments that he wishes to make from the administration.

Attorney Charles Smith stated that he would like to recap with the acknowledgement from the Clerk that he is viewing this correctly at this time, but what he sees in front of them is that they have Bill 39 and that is for \$1.5 million. It was a primary amendment to reduce that \$1.5 million to \$250,000. Then there was a secondary amendment, amending the primary amendment from \$250,000 to \$500,000. He stated that he believes what's in front of Council at this time is whether to accept that amendment to \$500,000 and then we will back our way out of what is in front of you to get back to Bill 39. He asked Mr. Hanlon before any votes to please say with clarity what is it Council is voting on.

Ms. Cynthia Mota stated that they have to first vote on this. She asked if she could make an amendment.

Attorney Charles Smith stated once they get to the amendment. He does not know when Ms. Gerlach when she amended and seconded the

secondary amendment. He does not know what Ms. Gerlach's intent is in regard to original motion that she made. He stated that they should work their way from the secondary and start with the \$500,000 and if that passes, we are at \$500,000 and then we are back at Bill 39 and someone could make a further amendment at that point. He stated that they need to work themselves out of where they are which is that they have a primary and secondary amendment in front of them right now.

A motion was made by Candida Affa, seconded by Ce-Ce Gerlach, that this Bill be amended to change the amount to \$500,000 with the same stipulations that Ms. Gerlach brought forward about the grants.

Yes: 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Joshua Siegel, and Natalie Santos

Enactment No: 15850

Ms. Ce Ce Gerlach asked if she is going to vote on this and she understands again for some you may not see a direct correlation between her line of questioning and this particular item, but there is since there is a rubric that was used that was determined that this item qualified for ARPA funds. She asked for clarification as to how that happened who was on that committee. Who determined this? Who rated them 90?

Mayor Matthew Tuerk stated that he is going to ask Mr. O'Neill to remind him, but he thinks it was CDBG Scoring Committee with the same members.

Ms. Ce Ce Gerlach stated no, it could not have been.

Mayor Matthew Tuerk stated that it included a member of the Mayor's office, a member of the CED department, and a member of HUD under CED.

Ms. Ce Ce Gerlach asked if that is the current CED Director. Is that Ms. Kistler? Is that Mr. Lightner?

Mayor Matthew Tuerk stated that it was under Mr. Lightner and a member of HUD and a member of CED. The member of CED is no longer at CED, he is in the Department of Public Works.

Ms. Ce Ce Gerlach stated no member of Council was on that committee.

Mayor Matthew Tuerk stated that is correct.

Ms. Ce Ce Gerlach stated that she did not know that committee existed. That is new. Fun times. Great. She stated \$1 million. She stated that she feels so bad. It is not DaVinci. It is not your application. It is lack of the fact that we are just now finding out who was on a committee to score you. That

is the issue she is having. Council is getting applications last night. We don't have the rubric that was used. We have the summary. We don't have the rubric and meanwhile we have people coming to us talking about all these other issues that is going on and that is her challenge is the lack of a transparent process in this whole thing.

Ms. Cynthia Mota asked if there were any other questions from the dais.

Ms. Candida Affa stated that this is just a question, she does not know and does not really have much to do with it. After listening to all of this, everybody was talking about the children, the children. Everyone on the dais wants a community center. That is going to cost millions of dollars. That is for the children. Those are funds we are able to give if we don't give to other ones. She will be willing to give a million dollars to the DaVinci Center and zero to the IronPigs if that is what we are looking at with the children and community. It is the Lehigh Valley IronPigs. This is so confusing and difficult for us and everybody brought up children. She stated that she was listening intently and what they said about the children, this DaVinci Center is going to be great for them. Also, we are talking about a community center that we want to build for the children. All this stuff we are talking about with our community and our children, she will go for the million dollars to DaVinci, but she does not want to give anything to the IronPigs.

Ms. Cynthia Mota stated that we are talking about Bill 39. We are talking about DaVinci. We have to stick with Bill 39. She asked if there were any other comments from the dais. She asked if there were comments from the public.

A motion was made by Daryl Hendricks, seconded by Cynthia Mota, that this Bill be amended to increase from the initial Amendment of \$250,000 then from \$500,000 to \$1 million.

Yes: 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Joshua Siegel, and Natalie Santos

Enactment No: 15850

A motion was made by Cynthia Mota that this Ordinance be approved as amended. The motion carried by the following vote:

Yes: 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Joshua Siegel, and Natalie Santos

Enactment No: 15850

[15-5102](#)

Bill 40 Budget and Finance Committee (Siegel, Santos, Hendricks), October 4, forwarded favorably as proposed.

Amending the 2022 ARPA Fund Budget to provide for a transfer of One Million Five Hundred Thousand (\$1,500,000) Dollars to Coca Cola Park for

COVID-19 Safety Improvements.

Sponsors: Administration

Attachments: [Bill 40 \\$1.5 M ARPA - COCA COLA PARK](#)

[Application 6-3-2022](#)

[ARPA Application 5.15.22](#)

[Memo from Mayor Matt Tuerk regarding Step Up To the Plate - IronPigs \(Coca - Cola Park\)](#)

Mr. Joshua Siegel stated that this Bill was forwarded favorably, 3 - 0 to a Special Committee Meeting for full consideration.

Ms. Candida Affa stated that she already stated how she felt and would like to expand on it a little bit. She thinks Major League Baseball is holding the city hostage. They put zero money into this. Our stadium is about 12 - 15 years old. She sees no reason, but she knows they are good for the community and it is a great brand. She knows all of that. She has lost sleep over this. We discussed this so many times. She stated that she flipped and flopped, but when the DaVinci Center situation came up and \$1.5 million. That is \$3 million from the ARPA funds. If we can save \$2 million by just giving DaVinci a million and not giving the IronPigs anything, we save \$2 million. Something for a Community Center. Something for homeless. More Police Officers and so many other things and the county now has chipped in a lot more money which they should. It is the Lehigh Valley IronPigs. There are a lot of municipalities that they are not asking. Are they asking Emmaus, Easton or Bethlehem. No, they are only asking Allentown for \$1.5 million. She does not see how it, but it helps our economy in some ways. It helps taxes. When it comes to our community, we need to take care of ourselves. We need infrastructure, we need to do for homeless, police officers. She stated that she thinks this ARPA money should be spent on the city taxpayers. The DaVinci Center is something she truly believes it is going to be great. Other than that let's spend the money on us.

Mr. Joshua Siegel that he does not know much that he can say to be frank that would change anybody's mind. He is not nor has he ever been against spending money on violence, corruption, public safety, programs like mental health responders to co- responders. He stated that he has never been against to building additional affordable housing. He has never been against addressing the homelessness issue in the city of Allentown. But the operative difference between those concerns and this is that these are shovel ready projects that we can invest in that has ROI that we can track. He stated that he has not seen in the year and a half that this money has been ahead of us and in front of us and in a pile a tangible concrete proposal put forth to address any of those things. We are not just going to hand over a \$2 million check to an organization to address homelessness

without knowing what the proposal is and what the specific program itself is going to be and exactly how it is going to be used to address that concern. If an organization comes forward tomorrow with a violence interruption plan and they ask for \$2 million, he will gladly cut that check in a heartbeat. If an organization comes forward tomorrow and has a proposal to build 80 units of affordable housing and they need \$1.5 million. He stated that it sounds good to him. He will cut that check. The reality is that and he has said from the beginning that they have to stop creating zero sum games analysis. We have to stop making it about one versus the other. the City of Allentown has cut and clawed and stride to become a state-of-the-art premier midsized city and organizations like the IronPigs and organizations like DaVinci are what allows us to create economic opportunities and through economic opportunities, we create economic mobility. We create opportunities to attract new businesses which creates new jobs, which creates new opportunities for people to find gainful employment to support themselves and their families. Organizations like the IronPigs aren't just business partners and not just economic development assets, they are community partners. If we are shutting the door to the IronPigs, we are shutting the door on charitable contributions to sports leagues across the city that keep kids off the streets and keep them safe. We are shutting the door to making sure we finance baseball teams for our youth. When we shut the door on those kids, we give them nowhere else to go. He stated that he knows it seems like an alien concept and he knows it seems like we are asking ourselves to put economic development before children and poor family, but that is the complete opposite. By shutting the door on an asset like this, we are making it harder for the city of Allentown to be competitive economically. It would be a regional place where people want to bring their businesses to or raise their families. These are quality of life issues. He stated that he does not know if he is going to change anybody's mind, but it seems likely that it will be dropped down to zero and ultimately at the end of the day, we are going to look back in a year and a half from now and the IronPigs may be closing up shop as the Phillies won a World Series and we are going to be the Council and the administration that lost the IronPigs. That is going to be our legacy. He stated that he believes that. Maybe some of you don't. Maybe some of you think that it won't happen. He stated that he thinks Trenton thought that and many cities thought that. He stated that he does not think this is a zero sum game. He stated that they can do all the things that we care about. At the end of the day, \$18 million does not go that far. We are not going to solve all of Allentown's problems overnight. There are a whole host of things that require state and federal investment. He stated that \$18 million barely scrapes the surface and the neglect that the city experienced over the decades. Programs like these. Projects like these actually do provide a tangible investment and it's a one-time investment. If we put \$2 million towards a program, when those funds dry up, guess what, those programs

go away and so does the benefit, so does the outcome, so does the impact. This is something that is going to endure for generations and so are the benefits of that. He stated that they will leave it at that and they will make their own decisions.

Ms. Cynthia Mota thanked Mr. Siegel and stated that she does agree with him. If the IronPigs go away, it will be a horrible thing for the city of Allentown.

Mr. Daryl Hendricks stated that he would like to mimic some of the comments made by his colleague, Mr. Siegel. One thing that is very important to him is that they have a developing waterfront right now which will end with possibly thousand housing units on the Waterfront which is a stone's throw from Coca Cola Park. What they are possibly doing is taking away another tourism and recreational venue for those people who will be living there. Not say the entire city of Allentown. Our schoolchildren who are able to utilize the park for high school baseball games, for charitable causes. He stated that he is a member of a nonprofit charitable organization and they have allowed his organization to utilize it and to raise funds for it and this is for children. The biggest reason here is again, it comes down to children. Giving them an opportunity to visit a site like this to be so close in the city of Allentown. He stated that he will make an amendment after this to give them an equal amount as of that of the Da Vinci Center. Both are very important to the city of Allentown in supporting them and again, supporting children. He stated that is most important to him.

Ms. Cynthia Mota thanked Mr. Hendricks and asked if he is making an amendment.

Ms. Ce Ce Gerlach stated no.

Attorney Charles Smith stated Mr. Hendricks would like to make a motion on the reduction of \$0 to be moved.

Ms. Ce Ce Gerlach stated that the question at hand is not whether or not they are baseball fans or believe that the IronPigs is an asset. The question at hand is who owns the stadium. The county owns the stadium. She stated that she was at the meeting on October 12th where the Commissioners put forth the budget. She read quotes: Geoff Brace, president of the County Commissioners said it's not often that an item has complete board sponsorship, especially when we are talking about an item of this magnitude. Everyone on the Commissioners supported \$3 million because they understand that is a county asset. Also, he said that the face financial realities that they face as decision makers and the impact that this

will have. He stated that the taxpayers prompted him to bring this forward. She stated that Commissioner Beitler said the county owns the facility and is something that they inherited. They paid for those construction bonds. Commissioner Elbich said they are responsible for the welfare of the county. They do get benefits from the team being here. The \$3 million that the county is allocating is contingent upon the IronPigs extending their lease. It will also amend the lease to say that in the future there is refinancing of debt that the county and the stadium would split the benefits of that 50/50. That is not currently in there. The county stands to benefit because it is their stadium. She stated that this is not Allentown's stadium and when she read the application, the application states that the IronPigs will be going to other municipalities to seek funding. She stated that she did not hear any from Ms. Affa's point of any other municipalities that is going to be giving forth funding. Maybe that has changed, but as of the last time it was a presentation Northampton, Macungie and all the other small towns and Bethlehem and Easton. In terms of the last meeting that they had on this issue where it was stated that the amount on the paper of \$3 million was incorrect. It wasn't. It is just that it is a little detailed so the \$2.3 million that was referenced prior is being given to the IronPigs from the county for construction costs. If construction costs, but if construction costs go over the \$2.3 million, they will then give them the extra to get up to that \$3 million. They are getting the \$3 million if they need it. She stated that Allentown is an urban city in which has urban problems and have parks, playgrounds and pools to fix. She stated that she wants to make sure they get fixed. The city has a gun violence situation when someone was shot again on her goddaughter's block. They came home from visiting a college, with happy joy, joy and thinking about the future and all that she can be and dreaming, hoping and all of that then they get the phone call that once again someone on her block was shot. Is it her brother, is it her sister, is it her mom. That is the reality that they are facing in Allentown and that is how she is basing her vote. That is why she made the motion for zero dollars to the IronPigs. It is a county owned stadium.

Ms. Cynthia Mota asked if there were any other comments from the dais or the public.

Mr. Kurt Landis, General Manager - IronPigs, stated that they stood here before and he appreciates the time Council has put into these conversations. He stated that he represents all of their opinions but with all due respect. It is difficult. This is a project that benefits kids. The IronPigs work time and time again to do things that benefit the city of Allentown. Regardless, if it is a county owned facility, the IronPigs spends millions of dollars to support the city of Allentown nonprofit organizations. It is a family-friendly affordable location. He agrees with Ms. Affa that it is frustrating with major league baseball, but they are \$1.5 million short. The

entire community has come together to support this project. The state, Lehigh County, Northampton County, he stated that they are in the city of Allentown. We are very proud of that. He stated that they are proud to be in Allentown. They need this last piece to complete the entire funding element. With that, they will be able to stay in Allentown and Lehigh County and support the community for years to come. To allow kids to play at the ballpark. To provide kids and families a place that they can be safe and off the streets. They have education days at the ballpark to invite kids with the opportunity to learn using baseball as a tool to learn about math and science, language art, and social studies. It is a place for high school games. He apologized for not being more prepared for remarks, but it is hard to imagine for everything that they do and aim to do for the entire community and for Allentown to have a support of zero when they work tremendously hard day in and day out to represent the community and represent the city to do amazing things. They draw 600,000 people per year. They support local businesses and spend millions of dollars with the city of Allentown businesses. He stands and recognizes their points and concerns. It is not them threatening to leave. They don't have a choice. If major league baseball chooses and they do not make these improvements, they will take the IronPigs away. It is not what they want. They want to be here forever, but he can't imagine risking not being here and the tourism and the benefits that come because where we are right now. He thanked Council for their consideration.

Mr. Pas Simpson, Allentown, apologized to Mr. Siegel stating that he was not being disrespectful. He agrees that the IronPigs deserve some type of money. He just does not think it is from Allentown. They are Lehigh County like Ms. Gerlach said. He stated that they don't even have a burgeoning baseball program in Allentown. Out of all the sports in Allentown, that is probably the least that they have. To put \$1 million, \$1.5 million is wasteful. It is not serving their children. There is no baseball team. The last one they had was Mountainville and lost that a year ago. Whose children are we serving. He agrees that it is a great tourism spot. There are other municipalities that are benefiting a lot greater. Emmaus has a baseball team. Bethlehem has a baseball team. He stated that he can keep naming. Allentown doesn't. Those municipalities should make up the difference. If they choose to help out behind that because they are in our city, awesome. For us to lead the charge when they are a county municipality and all the other municipalities in Allentown and around the county also benefit from them. Allentown is probably the poorest of those municipalities and we are going to give up the most. It doesn't make sense. This is a one-time investment, but also this is the one-time we have this money. Make sure we are fiscally responsible and good stewards of this money.

Mr. Joe Finley, co - owner of IronPigs, stated that it is ironic that Josh brought up the Trenton Club/Trenton Thunder because you are looking at the guy that was the co-owner of the Trenton Thunder who used to be the AA affiliate of the New York Yankees in the state capital of New Jersey. The one thought he will leave Council with as they ponder these issues, is that the third largest city in Pennsylvania where the state capital of New Jersey lost an AA Yankees is a legacy of this city and this committee is going to be the loss of the AAA Phillies.

Ms. Cynthia Mota asked if there were any other public comments.

Ms. Sharon Finn, Allentown, stated just because he brought of the Yankees that made her think she is going to guarantee that the Bronx is not responsible for the improvements to Yankee stadium.

Ms. Heather Harlen, Emmaus, stated that she wished she lived in Allentown. When she was looking for a home with her husband and they were looking for a home in Allentown and it was the year that the school district cut 400 positions because of budgetary reasons. They ended up moving to Emmaus because it was very hard to pay taxes in the city that didn't value children enough to fully fund the school. She stated that she knows the school district and the city funding is different. It was a value choice that they had to make. She always told people make her regret not living in Allentown. Make her regret that choice. When she hears all this funding for the IronPigs, she understands and gets the financial aspects and get what the IronPigs brings to the community. If we are going to have the waterfront and the NIZ, let them pay for the IronPigs because she promised \$1.5 million out of the pockets of these developers is nothing to them.

Mayor Matt Tuerk stated that he wants to speak to an idea that somehow reflected what Councilman Siegel referred to a zero-sum gain. He flipped it a little away from the organizations that they are talking about between the city and the county. He stated that he does not have a full accounting of the ways that the county supports activities in the city of Allentown. He stated that they will be making a grave mistake to get into you pay for this and I pay for this thing with the county. He stated that he can speak directly with the support that the crisis intervention specialist that ride along with our police department and make sure the city is appropriately treating people who are suffering from mental health crisis. That is the way the county has invested in the city of Allentown and supporting the city of Allentown and has shown an interest in the continuous support. He stated that he does not think they can continue to support the program with the level of vigor that he would hope they would giving the potential circumstances with the city not supporting improvements to Coca Cola Park. The park is in fact in the

city of Allentown. There is \$125,000 approximately annually in taxes that has been generated from activities at Coca Cola Park. There has been for the 14 years that the team has occupied the park which simple math, $14 \times \$125,000 = \1.75 million of revenue that has come to the city of Allentown at no cost to us. The city has yet to invest in the facility and is now faced with a decision about investment in a facility that will certainly be here with support in many years to come and continue to generate revenue for our city of Allentown. He does not want to see his administration or City Council get into a match with the county over who should be paying for what. We are collaborators and partners with the county of Lehigh. The city has a mutual interest in Coca Cola Park, in safety in the city of Allentown. We have a mutual interest in housing in the city of Allentown. The city has a mutual interest in economic development in the city of Allentown. We have a mutual interest in supporting our kids in the city of Allentown. He will leave the last comment in terms of investment that the team make it into the city of Allentown in the form of support for our recreational facilities across the city, particularly Andre Reed Park on the eastside. It is not certain that if City Council chooses not to make an investment in Coca Cola Park that the team will be gone or we will lose the team. The mere probability of an existential threat like that suggest that City Council reconsider the idea of not providing support at all for the IronPigs and at least match to this point supported DaVinci on.

Ms. Candida Affa stated that one thing that they are forgetting is that this is a business. This is not a community thing that they have to chip in. This is a business owned by major league baseball. One of the richest organizations in the world. She stated that they come hat in hand asking the city for \$1 million. Has anyone asked MLB for the money. This is a business, and you are asking us to invest in a business with our ARPA funds. Funds that are supposed to be used to help, restore and regenerate things that happened during COVID. Now, you lost a season, she stated that she understands that, but many people lost their businesses. Once again, remember, this is a business.

A motion was made by Ce-Ce Gerlach, seconded by Candida Affa, that this Bill be amended to Zero Dollars.

Yes: 4 - Candida Affa, Ed Zucal, Ce-Ce Gerlach, and Natalie Santos

No: 3 - Cynthia Mota, Daryl Hendricks, and Joshua Siegel

Enactment No: 15851

Attorney Charles Smith stated that there is an opportunity just like on the prior one once the number got amended an opportunity for a further motion amend should any Councilperson want to make that. Right now, Bill 46 is at zero.

Enactment No: 15851

Mr. Daryl Hendricks stated that both of these endeavors are important to the city of Allentown. He stated that he will make a motion to treat them equally.

Ms. Cynthia Mota stated that it is time to discuss this Bill. She asked if there were any questions from the dais or the public.

A motion was made by Daryl Hendricks, seconded by Joshua Siegel, that this Bill be amended to change from zero to \$1 million.

Yes: 3 - Cynthia Mota, Daryl Hendricks, and Joshua Siegel

No: 4 - Candida Affa, Ed Zucal, Ce-Ce Gerlach, and Natalie Santos

Enactment No: 15851

Ms. Cynthia Mota asked if there were any comments from the public.

Enactment No: 15851

A motion was made by Cynthia Mota that this Bill be approved as amended.

Yes: 4 - Candida Affa, Ed Zucal, Ce-Ce Gerlach, and Natalie Santos

No: 3 - Cynthia Mota, Daryl Hendricks, and Joshua Siegel

Enactment No: 15851

ORDINANCES FOR INTRODUCTION (To be referred to Committee with public comment prior to referral)

The following bills will be taken up during City Council's budget review process.

[15-5399](#)

Bill 77

An Ordinance of the City of Allentown, County of Lehigh, and Commonwealth of Pennsylvania, adopting the Liquid Fuels Fund Budget for 2023.

Sponsors: Administration

Attachments: [Bill 77 2023 LIQUID FUELS](#)

[Ordinance #15857](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Ed Zucal stated that these are all part of Public Works Budget at some point later down the road.

Ms. Cynthia asked if there were questions from the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15857

[15-5400](#)

Bill 78

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, adopting the Trexler Fund Budget for 2023.

Attachments: [Bill 78 2023 TREXLER FUND](#)
[Ordinance #15858](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15858

[15-5401](#)

Bill 79

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the Solid Waste Enterprise Fund Budget for 2023 and amending Article 1131, Municipal Waste Storage, Collection and Disposal by maintaining the Solid Waste Fee at Three Hundred and Seventy-Five (\$375) Dollars.

Sponsors: Administration

Attachments: [Bill 79 2023 SOLID WASTE FUND AND FEE](#)
[Ordinance #15859](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15859

[15-5402](#)

Bill 80

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the Stormwater Fund Budget for 2023 and amending Article 393.15 – Stormwater Utility Fee by maintaining the Stormwater Utility Fee at Twenty (\$20) Dollars per Five Hundred (500) square feet of impervious surface.

Sponsors: Administration

Attachments: [Bill 80 2023 STORMWATER FUND AND FEE](#)
[Ordinance #15860](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15860

[15-5403](#)

Bill 81

An Ordinance of the City of Allentown, County of Lehigh, and Commonwealth of Pennsylvania, establishing and adopting the Rental Unit Licensing Fund Budget for 2023 and amending Article 1759 – Landlord and Rental Fee by maintaining the Residential Rental Fees.

Sponsors: Administration

Attachments: [Bill 81 2023 RENTAL UNIT FUND](#)

[Ordinance #15861](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15861

[15-5404](#)

Bill 82

An Ordinance of the City of Allentown, County of Lehigh, and Commonwealth of Pennsylvania, adopting the American Rescue Plan Fund Budget for 2023.

Sponsors: Administration

Attachments: [Bill 82 2023 ARPA FUND](#)

[Ordinance #15862](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15862

[15-5405](#)

Bill 83

An Ordinance of the City of Allentown, County of Lehigh, and Commonwealth of Pennsylvania, establishing the General Fund, Administrative Order Fund, Risk Management Fund, Debt Service Fund, Equipment Fund, Golf Fund and Hamilton Street Dam Maintenance Fund

Budgets for 2023.

Sponsors: Administration

Attachments: [Bill 83 2023 BUDGET AND TAX RATE](#)

Ms. Cynthia Mota asked if there were any questions from the dais or the public.

Mr. Michael Hanlon stated that all these Bills will be referred to their respective Budget Committee Meetings.

Enactment No: 15863

Budget Discussion:

Budget Message: Mayor Tuerk

Finance Department: Finance Director Seth O'Neill

Inclusive Topics: Five Year Plan, Revenue and Expenditure Estimates, Department Bureaus, Risk, Capital Overview, Debt

Ms. Cynthia Mota stated that she would like to thank the Mayor and his staff for the work they have done in putting the budget together and creating a more detailed narrative for ourselves and the public.

Mayor Matt Tuerk stated Council President Mota, members of Council, Controller Glazier and member of the public thank you for the opportunity to present his team budget proposal for 2023 calendar year. He talked about his deep love for budgeting. He stated and he and Seth talked about zero based budgeting that will be as transparent as possible. The team did an amazing job and worked through July and August making those adjustments. In October they finalized it and last Monday put a big stack on Council's desk. It is a 307 - page Budget Narrative. He stated that he has done lots of Budgets over his career. He stated that he is nerv-excited (nervous and excited). He pointed out the Budget Highlights: they are in the business of providing government services. He talked about making investments in people. They are invested in public safety with the investment of five additional police officers, with four new paramedics, investment in premium pay to achieve a 29 staffing level, asking for new positions, five percent cost of living increase, a double investment in training and development, the city has critical need in fixed assets (equipment and vehicles), and personnel with appropriate levels of staffing. The administration is asking Council to consider spending \$18 million on revenue replacement. The city already commitment \$8 million over 2021 and 2022. He asked Council to commit an additional \$5 million this year and another \$5 million in 2024. He talked about investment policies to allow them to be much more agile and better manage the cash position. This budget does not anticipate any new debt issuance in 2023. The administration will not ask Council to raise taxes on Allentown city taxpayers. It is something that they may have to consider in the future. He

stated that he believes in adjusting revenue to meet adjusting expenses. The Capital Plan is under separate cover. He thanked Seth O'Neill and Bina Patel who stepped up to lead this budget process and did an absolutely phenomenal job with the team Audrey, Cassie, and Jennifer. The administration is proposing to purchase a certain number of gallons of fuel and they expect those gallons of fuel cost of \$4.25 a gallon which was a best guess estimate.

Ms. Cynthia Mota stated that the meeting is being run by Mr. Siegel.

Mr. Matt Tuerk stated that there is an increase in personnel expense has an increase of \$6.1 million. The total personnel expense in the 2023 budget over the 2022 A&E budget. (contract services, repairs and maintenance, and training and professional development)

Mr. Joshua Siegel asked if Mayor Tuerk wanted to take questions of the Budget Narrative or the Finance Department Overview.

Mr. Seth O'Neill echoed some of the things that the Mayor landed on. He talked about the wealth of documentation and stated that Council can contact him anytime. He stated that he won't belabor the Finance Budget. He stated that he will speak on what is relevant in 2023. He talked about the personnel request and reclassification. He talked about the elimination of the general and civic programs. He talked about Line 88 - Interfund Transfers. On Page 24, General, Finance Budget Administration. Electronic Reporting Capability for the NIZ return to certify the taxes. Right now it is a manual process. It is a good investment. Refunds, the 90 Account with an increase in the refunds that revenue and audit will have to process. The city needs more in the account for refund claims. He talked about the Risk Fund and the work that John and Brendon have been doing to have absolutely top notch Worker's Comp and Auto Claim resolutions. The city is at the Gold Standards. They are cleaning up the Retiree Health Plans (OPEB). There is a five percent structural deficit built into the Risk Fund. At the end of the day, the city is going to see a balance fund in the Risk Fund at the end of 2023. The 37 Account that pays for healthcare premium i.e., prescriptions, medical claims are at \$23.5 million which is a five percent increase from the 2022. They want the Risk Fund to sustain \$5 million cash balance. They have to make sure they are funding it. There are two personnel requests. Full-time for the Benefits Coordinator and a reclassification of Risk Claims Coordinator to a Risk Claim Examiner.

Mr. Joshua Siegel asked if there are any comments from his colleagues.

Mr. Ed Zucal stated that in the Budget Book, Page 55 - current acting HR Director is in the salary structure and the same one is in the HR Budget.

Who is going to pay her. He stated that the other stuff he will deal with through a Budget Amendment.

Mr. Seth O'Neill stated that the salary is for the vacant position. It is the same amount of people.

Ms. Natalie Santos asked Mr. O'Neill if he could briefly describe what a structural deficit is.

Mr. Seth O'Neill stated that is when you have in a purposefully built in expenditures that are greater than revenues. Sometimes it is done out of necessity. When he said structural deficits in the Risks Fund, he meant that revenues are currently projected lower than expenditures. In this 2023 Public Works Budget, there is a line item of a Capital Needs Assessment. He hopes Council agrees to fund the study in 2023 so they can properly prepare a long-term Capital Improvement Plan.

Mayor Matt Tuerk stated that this is learning to walk before they can run and making sure they have the appropriate staff in place. They don't have a good quality assessment of the buildings. He suggested a Capital Needs Assessment.

Mr. Joshua Siegel asked what is the timeline for the RFP and contracting, forming a study and getting a holistic analysis.

Mr. Seth O'Neill stated that they usually say from RFP to Contract.

Mr. Joshua Siegel asked if it is a facility by facility inspection and assessment of capital needs.

Mr. Seth O'Neill stated that the Fire Department knows that they have capital needs. They know how to quantify them. It is not just the fire department and no just police as the mayor indicated. It is all city facilities and they just don't know what the needs are.

Mayor Matt Tuerk stated that the administration would like to see a facility-by-facility assessment. Council deserves to see a facility-by-facility assessment to sense where our capital needs are.

Mr. Seth O'Neill talked about the Five Year Plan. He would not necessarily call it a plan. It is a forecast at the moment. A lot would absolutely change year to year, let alone in five years. The revenue estimates, he does not think anyone would have predicted coming off of Covid the city would have two absolutely record years of EIT collection. This year, the city is looking at 14 percent over budget in EIT. The biggest expenditure is personnel.

Mr. Joshua Siegel stated that the city is quite resilient and flexible. The Covid epidemic started a structural deficit and through the ingenuity of our finance department they are able to work that down to extraordinary workable budget. He stated he understands it best as projections and estimates. There will be responsible decisions made on the way that will adjust the course and trajectory of the city to avoid those outcomes. They see the sticker shock of the \$12 million.

Mr. Seth O'Neill stated that maybe it is good to see something like that. He stated that he won't spend a lot of time on the debt because the mayor beat him to the Budget Narrative. The debt portion is amply explained. No new borrowing or debt services anticipated in 2023.

Mayor Matt Tuerk stated that he discussed with Ms. Mota and Mr. Hendricks and strongly encouraged them to reach out to his team. This is the only thing they are focused on to help Council understand the budget.

Mr. Jeffrey Glazier commented the administration for a well thought out budget. He read the narrative. If Council has not done it, they should take the time because it truly explains how the departments intent to use the money. He typically puts questions together for the departments and will do that again this year.

Ms. Cynthia Mota stated that there are a lot of events happening this weekend. She asked the mayor to talk about the events.

Mayor Matt Tuerk stated that he can't begin to talk about all of them. He is excited about Halloween night and trick or treat on Friday. The next day is the Halloween Day Parade starting on 9th and Hamilton. He talked about Movies in the Art Park. The Chamber of Commerce holding a Booze Crawl. Symphony Hall is hosting the Mask of Zorro. The Phantoms have a game.

Ms. Candida Affa thanked Mayor Tuerk for the Budget Book. She stated that once you start reading it, it will take a while. It is so informative.

Mayor Matt Tuerk stated that when Council gets the final version of it, it will be tabbed. This is written by the team. The Budget is just a plan for 2023. He suggested as Council reads it, reach out to department heads.

ADJOURNED: 757 PM

[15-5389](#)

Budget Information

- Attachments:** [Budget Schedule](#)
[Building Standards and Safety - Rental](#)
[APD proposed Budget 2023](#)
[2023 EMS BP V2](#)
[2022 Police PP 1](#)
[2010 NIST Study](#)
[Cedar Crest College - Police Summary of Services Report](#)
[Human Resources Department Current Organizational Structure](#)
[Human Resources Department Proposed Organization Chart](#)
[COA Active Litigation Nov 2022](#)
[Legal fees for the 2019 through 2022](#)