



Allentown

435 Hamilton Street
Allentown, Pa. 18101

Minutes - Final

City Council

Wednesday, May 15, 2019

6:00 PM

Council Chambers

City Center Presentation and Comp Plan Update

Roll Call

Present: 7 - Candida Affa, Roger MacLean, Courtney Robinson, Cynthia Mota, Daryl Hendricks, Julio Guridy, and Ed Zucal

City Center Presentation and Comp Plan Update

Mr. J. B. Reilly stated that Amazon is doing in the DC area and New York. Businesses are chasing talent. That is what is happening in Allentown. What they are doing in Allentown is truly aligned with the trends across the country. A lot of people work from home, travel and concept of hotelling and you don't have a fixed office. Allentown has buildings with large floor plates. They are building new space with open concept. One great example is ADP. ADP could have moved anywhere. They are doubling their Lehigh Valley operations to 750 upwards of 1500 people. They are able to have these big open concept. They will have about 125 people on each floor. They are taking 10 floors. ADP wanted to be in an urban area. It is one of four sales centers: Norfolk, Tampa, and Tempe, Arizona. What is the future of office space in downtown Allentown? He stated that City Center hired JLL. In the Lehigh Valley there is 20 million square feet of office space, Class A, B and C. They have an opportunity to grow. Two thirds of the office buildings in the Lehigh Valley are 30 years old. For companies to stay in the Lehigh, including ADP it is good for the Lehigh Valley that we are doing what we are doing in Allentown or we would have lost ADP to another geographic region. Think about Martin Towers this weekend. That is 450,000 square feet of office building that will be demolished. How about the Guardian building. They knocked down their former headquarter building in Hanover Township. Air Products is building an entire new campus and abandoning their old campus. He stated that they are bullish about the market. Companies are going to continue to look for an urban environment to attract young workers. The biggest determinate of the future is for us in Allentown is whether or not there is a sufficient population of workers. City Center is busy building apartment buildings. They just delivered their fifth office buildings. Walnut Street Common is the fifth building that get them at 440 apartments. They are building more apartments. The fact that there are so much demand for people to move downtown. There were a lot of naysayers saying no one

would move to Allentown. He stated that they did not plan enough. Some of the trends in apartments are millennials want risk free, and street free environments. Center City is doing concierge services, deliveries, dog walking services, pet walking services, and housekeeping. They want to be part of the community. Lifestyle and socialization go hand and hand. That's a big part of the amenity packages. Center City will hire a social director to create Social interactions. He stated that they are turning people away from apartment because they don't have the inventory. He thanked Candida and Daryl on the pedestrian bridge attached to the community parking deck. Five years about Center City was planning 3 City Center office building, they needed to have parking to be able to build this building. They went to the Parking Authority and made a commitment to them to fill 400 of the space and they made a commitment that they will build the facility. The Parking Authority and City of Allentown made the surface lot into a beautiful parking deck. They built 3 City Center, Tower 6, the Merrill Lynch building, 520 Lofts, and they just completed Walnut Street Commons. The annual parking revenue that the Parking Authority earns on that facility is over \$850,000 a year. That is the reason why Allentown revitalization has been so successful because of the commitment to economic development. Not only are people moving downtown Allentown, but the renewal rates are very high. It is over 80 percent. They are higher than any other properties in their portfolio. Even though we are a work in progress downtown, people are enjoying the environment and the apartment complexes. Five years ago, the city and ANIZDA commissioned Goody Clancy to do a downtown study. They study got a national award from the National Planning Association. The study said that they city would need 1,500 new apartments. Two hundred a year could be absorbed. They were dead right and we were wrong. We did not trust the study. Lots of lessons learned on Retail. Retail is a tough business. Early on we had too many upscale casual restaurants. We want people from the neighborhood to come in and enjoy. We have done some retooling and an example of that is Tacos and Tequila. You will see more and more establishments life that in downtown Allentown. People want to grab and go. Downtown Easton has a very successful public market and we are going to have one too that will open in September. We will have nine vendors in the Arts Walk. It will be family and neighborhood friendly. We have been utilizing pop up shops. We are living up the Arts Walk with programming. Going on the next five years, we have to figure out how we have a better connection between downtown and the neighborhoods around downtown Allentown and our beautiful parks system. We have one of the best Parks System in the country. There is work going on. The pocket park along the Arts Park on the left there is a screen so they will be able show movies at night, soccer game and performances. Future concerns, you need to retain the businesses that are already here. He stated that they lost about 1,000 jobs downtown. There are from long-time

companies. Retaining businesses downtown is really important. Talen lost 400 jobs. We would we have been if we did not have this new developments to substitute these jobs. The fiscal stability and the fiscal budget of the school district and to a lesser degree the city of Allentown. Think about economic development in the Central business district over the last five to eight years. This year alone, from the Lehigh County Assessor's Office there has been \$5 million of new real estate taxes generated in the projects within the Neighborhood Improvement Zone. That does not in Earned Income Taxes or Business Privilege Taxes or \$2 million of parking revenue. By the end of the year, ADP and a couple other building that number will be up to \$7 million annually. By 2021, that number will be almost \$9 million. If you pay taxes in Allentown, it has helped you. If this development didn't happen, this \$9 million will be made up of the existing property throughout the city. With Mayor O'Connell and the tax increase, would have been significantly higher than we had. In the future, if the development doesn't continue the tax revenues would have to be raised as well. it is not all about the fiscal benefits. It is about the community benefits and everything that is happening in the community because of the vibrancy and the revitalization of Allentown. He showed a picture of the Learning Hub that is a Head Start Program run by Community Services for Children. The Executive Director Paula Margraf is here with us tonight. He stated that Paul had a \$1.7 million federal grant to serve 120 poor students that she would have had to give back if she wasn't able to find a facility to educate these young people. City Center renovated this 10 - 12 classrooms in the facility. There are 110 kids in The Morning Call building and this summer there will be 100 kids to have a very immersive summer program that Air Products have jumped in to support. They are working with the United Way and Jill Pereira who is vice president of Education and Impact. It coordinates with companies like City Center, PPL, Air Products and others. The amount of volunteer time and dollars are immeasurable. In Building 21, there are 500 kids that are getting an experiential learning experience at Building 21. The funding came from businesses in downtown Allentown. We have to strengthen our neighborhood. We have blight and densed concentrated poverty. Make sure your policy is rooted in data. We need a strategic plan around housing. The value of homes are 60 percent under the homes in the Lehigh Valley. It is one of the problems the school district has. Because of the values are low. The rental rates are low. They did a survey of 250 MLS rental listings in 2018 - 2019 and a mile or so around the downtown area. We looked at 250 listings, one, two, and three bedroom listing and the average rent in those listing was 907 dollars a month. If you go into HUD or Allentown Financing Agency Affordability Charts which basically says 30 percent of a person income can go to housing. Those rental rates show that a person making 60 percent of the average income in the valley would be able to afford those rents. He stated that the rental rates are fairly

affordable. The program that we have is that we have housing stock over a 100 years old and have not been invested in 30, 40, or 50 years. They need to come up with a strategy: Public/Private Comprehensive Strategies. We need to improve those properties. Leonard and Tom are doing a great job, inspecting thousands of units. We have to look at other communities: tax abatement programs. It creates an incentive. More aggressive continued support of the Code Enforcement activities of the city. Figure out a way for the private sector to support housing renovations and programs around home ownership. We need to continue to push ourselves to make Allentown better. We need to invest more in our neighborhoods and have the kind of dialogue with community and civic leaders so that we come up with solutions that are data based and not arbitrary. What has been going on in Allentown is extraordinary. It is the envy of cities all along Pennsylvania. The future is bright. He stated that they can keep going for another five to 10 years.

Mr. Roger MacLean asked if there were any comments.

Ms. Candida Affa stated that when she wintered in West Palm Beach. So many people wanted to come to Allentown, and see her bar. She stated that she did not want to bring them. Maybe the Promenade. Several years later, two of her friends decided to do a road trip. They loved the city. Not only the downtown, but the pictures of the old homes. They were amazed at the beauty. She stated that now she is proud of it. She thanked J B Reilly.

Mr. Julio Guridy thanked J B Reilly for all the work and stated that he knows it is tough. He talked about the policies that will be data based policies. People say that it is only going to one side of the city, the business district. We need to do more. He stated to J B Reilly what you have done to our city to revitalize our city with the help of the city and other people has been magnificent. He stated that there are people in Harrisburg telling him and congratulating him on how well the city is doing to revitalize the city of Allentown. He asked about 23 years from now when the NIZ is done, what is going to happen to millennials and our city. We have to do more fighting blight to restore Pennsylvania. He stated that they have to do more throughout the city, fighting blight and the Private/Public Partnerships. He asked if there are plans for people buying apartments in the future.

Mr. J B Reilly stated that they don't have immediate plans. He is hoping people like that might consider renovating a house on 8th Street or 9th Street or off of Walnut Street. They are very affordable. You can buy a house for \$100,000. You can't buy a house for \$100,000 anywhere, except downtown Allentown. People are attracted to a lifestyle. Millennials don't want to buy. They want to rent.

Mr. Julio Guridy stated that there is about 50,000 homes in Allentown and out of that 52 percent are rental properties. The average income for a family of four is about \$36,000. Who can afford to live in your apartment. How can we support those people losing their home and renting undesirable properties.

Mr. J B Reilly stated that the average rental is about \$900. We need plans to encourage reinvestment in those properties. From a homeownership standpoint, the businesses downtown has a homeownership incentive where they pay employees \$10,000 grant money to encourage them to buy a house and move downtown Allentown. The people that are taking advantage of it are on the lower income scales of the companies employee payroll. In the downtown area, the average homeownership rate is closer to 20 percent. When you talk about 50 percent, you have the west end of Allentown that is 100 percent homeownership. That number needs to be higher to add stability, security and safety to the neighborhoods. The biggest thing we need to do in Allentown is to provide as a community job training to people in these neighborhood. We need people to have a path to increase their skills.

Ms. Paula Margraf, Community Services for Children, reiterated on what Mr. Reilly said and the learning hub in the city of Allentown. In 2018, the Head Start faced a really serious predicament. We had an opportunity to serve 120 children in our pre-school head start program, but we wanted to serve the children in the greatest need. In the city of Allentown which has the highest poverty rate in children ages three and four. We had no place to put them, where it was affordable, accessible, healthy, safe for children and meet the stringent regulations in the head start program. It was a serious situation that kept her up at night that they were going to have to tell the federal government that they would have to return about \$1.7 million in federal funding and let go about 18 people and tell 120 families that they won't have access to a high quality pre-school experience nor would the families have opportunities for parent development and leadership skills development. It was a fantastic thing that occurred one day when she learned that Mr. Reilly and City Center Corporation was willing to help them out by providing The Morning Call building. They not only renovated that facility for us, but provided it to us for the next four years. It has embraced children and families who live in that neighborhood. When you look at the zip code data, it is the poorest of the poor. The most economically disadvantaged and the most vulnerable children. These are the children that are enrolled right fro the neighborhood and the program. Both the children and families are receiving high quality pre-school education everyday. In addition, these families had an opportunity to be part of the revitalization in Allentown, They are now using the community. They visit the Art Museum or use the Arts Walk where they can go and sit and enjoy

or visiting all the places behind. They never been in the Art Museum. They had never been in the Allentown Symphony. They are now. The Baum School of Art is providing additional resources. A lot is happening to bring the community together and embrace the families that live there. Investment in early childhood education is a part of a community development, a strategy, an economic solution in the long-term. We know if children are healthy and ready for school, they will ultimately be successful in school and take their place in society. She thanked City Center Investment Corporation on what they have done for very vulnerable children. They will expand in the summer and go through another 100 children through a summer school project. They will look for more opportunities to continue to expand this program. She invited Council to see it.

Mr. Roger MacLean stated that he just signed on to an Op-Ed column Fight Crime, Invest in Kids today.

Mr. James Whitney , 924 Walnut Street, thanked J B Reilly. City Center is why he came him and played a vital role when his family visited. Once and again after a year. When you go to Tower 5, it is a beautiful building going up and giving a huge opportunity for people who already live in the city. It is an amazing way for them to make \$70,000 without the skillset. He thanked City Center, the city of Allentown for creating an environment that it is happening. It is miraculous what is happening and can't wait where it goes.

Mr. Steven Smith stated that he was born and raised in Allentown. He was involved in CFC and was on the board for about a year and a half. His son was actually involved in CFC. He stated that he is grateful and he is fond of Allentown. It is such a huge change. It wasn't safe in the 80s and 90s. Early education will carry on to the Allentown School system. it is a blessing to see all the growth. He stated that he knows a lot of times we think of the problems. What is the solution? He stated that he recently invested in Allentown. He knows it is going to pay off. He stated that he is grateful.

Ms. Sharon Fraser, 25 N. 11th Street, stated that progress is good. She lives in Allentown, a homeowner, and love the city. There are neighborhoods around them that are being ignored. It is time to focus on them. It is important that we leave no body out. There is a big poverty gap in the city. They city is a donut. Everybody takes the resources and leave. It is time to take care the people who live here and want to stay here.

Mr. David Melman, 1050 N. 19th Street, stated that he lived in Allentown all his life. He is 35 years old and grew up in Allentown. If they would have taken him 20 years ago and put him on Seventh Street he would not be able to tell them what city he was in, but for the statue in the middle. What

has happened here is remarkable. It is astonishing and amazing and he congratulated them all. He stated as an attorney for all walks of life in downtown Allentown and echoed the thoughts that people are feeling left behind. He stated that he has witnessed the divide between the halves and the half notes. He would love to see more of the development come outside a way from the immediate downtown area and fight the blight.

Mr. Mike Kaminsky, 779 Benton Street, stated that one of things they talked about that we so many colleges in the area. Savannah, Georgia in the 70s was a crime-ridden, drug-infested area. He stated someone started Savannah College of Art and Design. They started the college, brought buildings that were rundown in the downtown area. They fixed them up and painted them. Some were kept as part of the college campus and also sold back. If we can get Cedar Crest College, J B Reilly and Butz bit by bit we could get a creative class involved.

Mr. Glenn Hunsicker stated that he is interested in revenues in the city. He asked if J B Reilly said that the NIZ Zone puts in about \$5 million to the city and what timeframe. What are we collecting from the real estate taxes?

Mr. J B Reilly stated that is the school district, city and county.

Mr. Glenn Hunsicker asked what are we projecting in the next two or three years.

Mr. Joseph McMahon stated that it is not all city.

Mr. Julio Guridy stated \$1.4 million.

Mr. J B Reilly stated that is just the increase.

Mr. Daryl Hendricks stated to Mr. Hunsicker that the city does have Lehigh Carbon Community College downtown. There is only one building, but that is a possibility too for expansion.

Ms. Paula Margraft for

Mr. Leonard Lightner talked about the Comprehensive Plan Update. The Community and Economic Development Department came to Council about the Comprehensive Development Plan for the city. It is required every 10 years. They are half way through. He wanted to give them a concept of what they have done, where they are at, and what they have left and where they are going. He stated as JB Reilly talked about the collaboration between what the community is saying. They want to get to the grassroots of what the public is saying. They want to make sure that it

is equality across the entire city. Downtown is vibrant. It is happening and it's own engine right now by itself. We know there is a divide and hear that in the comprehensive plan. How do we spill that in the neighborhood and make it equally across the board. This is their Steering Committee. Nothing has really changed on the Steering Committee except adding one, Sharon Frazier.

Ms. Hannah Clark talked about where they have been and where they are going. She talked about the two Phases on the Allentown Vision 2030 process and get the community input. They want to do a very large data deep dive. They are working with a consultant team of Fourth Economy and Evolve Environment and Architecture and they have been essential to help them inform the ideas and strategies they are hearing from the community with data and best practices. They are what is going to be the key focus areas of this plan. What are some of the key recommendations and strategies that they really want to move forward and make into an action oriented implementable Comprehensive and Economic Development Plan. The next plan is the draft Plan and then the presentation and the adoption and then they will launch into 2020. They opened a community engagement hub to do one on one engagement. They launched a community ambassador program. One of the key areas they talked about in the meeting was future scenarios aligned with five major community values: mobility, well being and safety, community services, living systems (conservation and natural areas), and prosperity (inclusive, equitable, economic development in the city). They talked about apprenticeship programs, the city of opportunity (workforce development and knowledge economy), increase in wages, entrepreneurial opportunities, and incubators. Housing is a huge piece of this plan. With strategies thinking about mixed income housing, live/work units, and starter housing were very important and rose to the top of this discussion. They talked about quality of life scenarios. They are doing a data deep dive to really see what makes sense in Allentown and will bring back recommendations at the next community meeting in June. From that point in February, they moved to a series of build sessions. They convened a group over 200 technical and community experts. The next community meeting is on Tuesday, June 18, 2019 at 6:00 PM at the JCC.

Mr. Tom Williams stated that when Leonard talked about the program they were going to embark on they would do things differently. The first step was to hire a consultant. We are extremely pleased in the choice that was made with Fourth Economy and Evolve EA. The document that is implementable in this project. We had robust community engagement. They have over 2,000 people participate in the Community and Economic Development Plan 2030. There was a survey that took place. An add on was the additional of a social media consultant. Faces International has

done an amazing job to connect the plan through social media in ways the city would not be able to do on its own. The Facebook Page and Instagram have been wonderful. Please like them, share them and love them to spread the word on Allentown Vision 2030. It is an idea that is out of the box. There is Planning staff and city staff that is in the engagement hub which is at the corner of 6th and Linden Street every Monday, Wednesday and Friday from noon and 5:00 PM. They had a Saturday opening house. They will have a coffee night with music. The third community meeting will be at the JCC. There will be four community meetings that will build from the previous one. They are totally interactive. One can be an active participant. This is not a meeting where there is one microphone. It is truly interactive. He stated that two thousand people have participated in the activities. They are hoping in the end they can get close to the 3,000 number. One of the documents coming out at the end of the process is a summary called an Investment Prospectus. It will be the goals and actions items that are recommended by the Allentown Vision 2030 process. They will have a champion, supporting organizations, and intended to have commitment and correct stakeholders have bought in and committed to see certain initiatives carry through whether it is a short-term, medium term or comes about at the end of the 10 year period. Some of the ways they are able to do it is through a MOU (Memorandum of Understanding) or other tools to make sure other commitments take place. The city is in an amazing point in its history right now with the NIZ taking hold, economic activity with the national environment. This economy is hopping and they want to make sure that Allentown is poised to take advantage of all the opportunity that awaiting us. He asked if there were any questions from Council.

Mr. Roger MacLean asked if there were any questions from Council. The two presentations dovetailed well.

Mr. Julio Guridy asked about the 2,000 people attended the previous presentation. He asked how has the Hispanic Community participated in this. Have they been attending the meetings? He asked if they were close to Center City.

Mr. Tom Williams stated between the community survey and the community meetings, and folks that have come to the engagement hub. He stated that the community meetings were held at the Eastside Youth Center in November, and South Mountain Middle School in February. There was a Community Survey in Spanish to make sure that they are as inclusive as can be. They contemplated other languages as well. It was cost-prohibited. The attendance at the community meetings has been really diverse from age, ethnic and levels of the financial scales.

Ms. Cynthia Mota stated that they did one at Saradonga and it was well attended by the Latino community. It was a full house.

Mr. Leonard Lightner stated that they had several other ones at the hub and the final one will be in Center City. At the community meetings, they are done in both languages. There is a gentlemen there connected to the earpiece. They can connect to their phones and he does the translations live right there.

Mr. Tom Williams stated that the gentleman is live translating for any participant that wants to hear it in Spanish.

Mr. Leonard Lightner stated that the final plan will be fully translated in Spanish, English and on the website as well.

Ms. Sharon Fraser stated as a member of the Steering Committee, she must say the meetings are a real cross-section of Allentown. It has been well attended, diverse, people are able to put their ideas down and she has been extremely pleased with what Leonard and the city has done.

Mr. Roger McLean stated that he was at the one at the Eastside Youth Center and it was a good mix. He asked if there were any other comments from the community.

[15-2939](#)

Allentown Vision 2030 City Council Update May 15 2019

Attachments: [Allentown Vision 2030_City Council Update](#)

ADJOURNED: 7:11 PM