



# Allentown

435 Hamilton Street  
Allentown, Pa. 18101

## Minutes - Final

### City Council

---

Wednesday, July 19, 2023

6:00 PM

Council Chambers

---

#### ARPA Resolution Discussion

#### Roll Call

**Present:** 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Natalie Santos, and Santo Napoli

[15-5865](#)

R87

Recommends 21M in ARPA funding: 11M for city capital and physical infrastructure to avoid tax increases and 10M in Housing for affordable housing, enhancing the city's housing stock, home ownership and rental legal assistance – funds to taken from unallocated funds and 10M the Mayor plans to use for operational expenses in 2023 and 2024.

**Sponsors:** Gerlach, Mr. Zucal, Affa and Santos

**Attachments:** [R87 ARPA funding request](#)

Mr. Daryl Hendricks thanked Mr. Hanlon and asked if there were any comments from his colleagues.

Mr. Ed Zucal stated that he has been saying this ever since they got the ARPA money. He has concerns on some of the ways they are distributing it. He played the American Rescue Plan Act Support Team voicemail. He stated that it is called the American Rescue Plan. A rescue is something that is done to recover something that has occurred. In this case, it is Covid. It is to be used to get the city back stabilized and affordable housing. The city has given money to people that are private and at some time that are going to obtain a profit from this and he does not think that it was the purpose that it was intended. He stated that later on, he has a motion that he is going to make.

Ms. Ce Ce Gerlach asked a procedural question and asked if they are having that conversation tonight.

Mr. Daryl Hendricks stated in general. That is the purpose.

Ms. Ce Ce Gerlach stated that she supports R87 as it stands. She stated that the \$11 million for the infrastructure and \$10 million for housing. She shares some concerns on process and procedures. She looked at

Reading's website and it is basic. She has concerns that they don't have this process in place. Allocation for 8th and Walnut and her challenge of not doing anything discuss the process is messed up. They already done stuff and the process has been messed up. They gave money to developers, DaVinci, and affordable housing for disabled folks. They need to vote on this as a Council. You are either for it or against it. If it fails, then you need to have a conversation about what we want to spend this money on and how much. It reeks as a lack of transparency and they have to fix it.

Mr. Michael Hanlon stated that the point of this meeting was to discuss this Resolution. It is scheduled for a half hour.

Ms. Ce Ce Gerlach asked when do they talk about the other stuff.

Mr. Michael Hanlon with the Bill.

Mr. Santo Napoli stated regarding this, Council is only talking about R87. Does this still involve taking \$5 million from this year's budget.

Mr. Michael Hanlon stated that this is a Resolution and how people that signed this at that particular point in time. We are stealing \$5 million from this year's budget and next year's budget and the sense that they might do that. In this year's budget, you need something to come from the mayor.

Mr. Santo Napoli stated that they discussed this and he will mention it again. Taking from this year's budget is unacceptable. He stated that they are almost into August. These funds have been allocated and most likely have been used. He can't believe they are having that conversation about 2023. Regarding 2024, they do have a budget process coming up. He would love to hear from the mayor's office. What are they planning to use that \$5 million for. For all they know, they have initiatives planned that line up with what they want. With the budget process coming up, he thinks it would be an unwise move to do it at this time. He suggested to hear from the mayor's office and find out what their plans are with the \$5 million for next year.

Ms. Ce Ce Gerlach stated that she will wait for Mr. Zucal's amendment. Depending on what happens with that she would entertain making an amendment adjusting the numbers to account for that \$5 million. Decreasing the \$11 million to an agreed upon number. Decreasing the \$10 million to an agreed upon number. Maybe it is eight and eight or some other. Right now, they don't have the \$21 million because of the \$5 million. Subtract that five and do the math.

Mr. Daryl Hendricks asked if Ms. Gerlach wanted to make that amendment.

Ms. Cynthia Mota stated that it is important to hear from the administration.

Ms. Vicky Kistler spoke on behalf of the mayor who is out of the area right now. The mayor would be happy to meet with Council and delineate out what the revenue replacement money for 2024 would be. She agrees with Mr. Napoli on the fact that they already expended the 2023 budget. It would be catastrophic to deal with the 2023 budget. The 2024 budget is exactly what Mr. Zucal is talking about. Is the revenue replacement that is being carried from year to year to year as a result of Covid. That is what many cities have done with the money, including Reading.

Mr. Daryl Hendricks stated that he agrees with Mr. Napoli and has had the conversation with the Clerk and the mayor himself. The money for 2023 has been spent or is being spent. That is not in place. It is a good idea to wait to the mayor gets back to have that discussion.

Attorney Charles Smith stated that it says \$10 million from 2023 and 2024 and you would like it to say \$5 million from 2024.

Mr. Ed Zucal stated correct. Until they have a conversation to determine if that will be part of R87 down the road.

Ms. Ce Ce Gerlach stated that \$5 million isn't anything. That is so minuscule. She asked if Mr. Zucal is willing to amending his amendment to more than \$5 million.

Mr. Ed Zucal stated that the only problem is they only have \$11 million.

Ms. Ce Ce Gerlach stated that they will have to reduce the \$11 million for infrastructure to \$10 million and do \$6 million for housing.

Mr. Ed Zucal stated that after he makes his other motion, it is possible and will consider that at that time.

Ms. Ce Ce Gerlach stated that she will vote no on his because she wants to get the extra \$1 million for housing.

Mr. Daryl Hendricks asked if there are any comments from his colleagues or the public.

**A motion was made by Ed Zucal, seconded by Candida Affa, that this Resolution be amended Amend R87 to change the \$10 million to \$5 million to coincide with the 2023 Budget and 2024 Budget until they can resolve that issue.**

**Yes:** 5 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, and Santo Napoli

**No:** 2 - Ce-Ce Gerlach, and Natalie Santos

Mr. Ed Zucal stated that there are a mired of infrastructure projects that need to be undertaken in the city. The Police Academy, the Police facilities, Center Fire Station, Park maintenance, roofing, HVAC updates, renovations of two pools (three of Fountain Pools included), renovations to the Parks and Recreation facilities that would offset about 2 mils in taxes for the city residents. There are two ways to look at that. We have that money; it was given to us to do it for us and not for everyone else. If we don't use that money for us, two things are going to happen and is very basic, or either services are going to have to be cut down the road. You have to raise taxes. There is absolutely no other answer to this.

Mr. Daryl Hendricks asked if there is a second.

Ms. Candida Affa stated that this is to table this now. Mr. Ed Zucal stated and bring it back in the future once we determine whether or not Bill 64 passes and should it not pass, that would give us \$11.5 million and increase the \$5 million for affordable housing under R87 to \$6 million.

Mr. Michael Hanlon stated that Mr. Zucal wants to table this Resolution that is expressing how you feel contingent upon getting a better sense of how much money you will have left. Mr. Zucal indicated that if the Cortex goes for \$2 million, your down to \$9.5 million. That is it. That is recapturing the Credible Messenger money. If you do Cortex and you take \$5 million in cost recovery next year and another \$1 million and that is what you look at when you develop next year's budget, if you table this.

Ms. Candida Affa stated that they are not voting on anything on how they are going to spend this.

Mr. Ed Zucal stated no.

Attorney Charles Smith stated that the Motion to Table this Resolution.

Mr. Michael Hanlon stated that this does not authorize any expenditure. The Resolution doesn't. This is how you feel. It would be up to the mayor to introduce something to you during this budget year. He stated that Mr. Zucal is saying that you table it until you get good numbers after the Cortex vote, and you can look at it when you actually do something in the budget.

Ms. Candida Affa asked if this will be after the Cortex vote and then they will have an idea of how much money they actually have.

Mr. Ed Zucal stated that they are tabling to see if it will be \$9.5 million or \$11.5 million.

Attorney Charles Smith stated that it has not been seconded yet. The way it works is there is a Motion to Table. The Rules specifically says that a Motion to Table must be decided without debate. He asked if there was a second.

Ms. Candida Affa asked if they don't seconded tonight, what is the procedure.

Ms. Ce Ce Gerlach stated you just vote on.

Attorney Charles Smith stated that you will consider the Resolution as amended. You will consider R87 with the fifth paragraph that Now, Therefore Be it Resolved and instead of saying \$10 million from 2023/24, you will say \$5 million from 2024.

Ms. Vicky Kistler stated from an administration's point can she clarify that if this motion should be tabled, it would provide the administration the opportunity to explain to you what the use for the revenue replacement would be.

Mr. Michael Hanlon stated that he does not want to be a stickler, but if it is Tabled and you pick it up at the Budget, during Budget negotiations that is the only time you can do anything. You can make an amendment or do a budget appropriation.

Ms. Ce Ce Gerlach stated that since they are talking, her concern is that more people will continue to come and want ARPA money between now and then and they will have conversations with folks and they will be put in a position where they will give people money for affordable housing, or they don't.

Ms. Candida Affa stated that she doesn't think just to consider affordable housing. There are other issues that Mr. Zucal has brought up. Infrastructure is most important. If they are giving tonight the \$2 million for affordable housing for Mr. Strauss, then they have parks, pools, fire station and so much infrastructure that they need that she at this point you can come up and ask for all the money you want, she is going for the infrastructure. If they have to Table it, so be it. You cannot just think about housing. Some of the problems will be alleviated today with Mr. Strauss' building. These are things that have to be done. If we don't address the problems with the police department, the police station, the fire station, and the pools, the taxpayers are going to wind up paying for it in the end.

Ms. Ce Ce Gerlach stated that if it is Tabled, procedurally can someone ask to Suspend the Rules at the regular Council meeting to reintroduce it

tonight. She stated depending on what happens with the Strauss property. Once Council votes on the Strauss property, could they then just suspend the Rules and introduce this tonight with adjusted numbers.

Attorney Charles Smith stated if it is in committee, it has to come out.

Mr. Ed Zucal stated that based on what Mr. Napoli said that \$5 million that the mayor is going to talk about at Budget time, Council may have to amend it because it may no effect or a positive effect. Later down the road, they might have to amend it anyway, depending on what the administration comes back with.

Mr. Daryl Hendricks stated that he believes that is the extent of the contents of this agenda for this meeting.

**A motion was made by Ed Zucal, seconded by Candida Affa, that this Resolution be Tabled contingent upon adding an additional \$1 million to affordable housing and take up the discussion which could be \$9.5 million or \$11.5 million, depending on the outcome at a future date.**

**Yes:** 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Natalie Santos, and Santo Napoli

**ADJOURNED: 6:24 PM**