

BETHLEHEM CITY COUNCIL MEETING
10 East Church Street - Town Hall
Bethlehem, Pennsylvania
Tuesday, October 6, 2015 - 7:00 PM

INVOCATION

The Very Reverend Anthony R. Pompa, of the Cathedral Church of the Nativity, offered the invocation which was followed by the pledge to the flag.

PLEDGE TO THE FLAG

1. ROLL CALL

President Reynolds called the meeting to order. Present were Bryan G. Callahan, Eric R. Evans, Michael D. Recchiuti, Cathy Reuscher, Louis N. Stellato, Adam R. Waldron, and J. William Reynolds, 7.

PUBLIC HEARING

Zoning Ordinance Amendments-Section 1314-CM-LTN Landmark Conservation and Traditional Neighborhood Overlay District

Prior to the consideration of the regular Agenda items, President Reynolds called to order a Public Hearing to review and accept public comment on the following zoning amendment to the Zoning Ordinance:

Amending Article 1314 of the Zoning Ordinance by deleting the CM-LTN - Landmark Conservation and Traditional Neighborhood Overlay District and replacing it with an OMU - Office Mixed Use District consisting of the specific tract of property in the City of Bethlehem, Lehigh County, known as the Martin Tower site located at Eighth Avenue and Route 378 containing approximately 52 acres.

Communication 5 A - Director of Planning and Zoning - Zoning Text Amendment - OMU - Office Mixed Use

The Clerk read a memorandum dated August 28, 2015 from Darlene Heller, Director of Planning and Zoning attached to which is a proposed Zoning Ordinance Amendment to create a new Zoning District, Office Mixed Use (OMU), for the Martin Tower site at 8th and Easton Avenues. The site is slightly greater than 50 acres. The Tower is listed on the National Register of Historic Places and included as one of the designated CRIZ parcels and is a priority redevelopment project for Bethlehem. The site has also been vacant for many years. The Tower is blighted and obsolete; its reuse is extremely challenging. In order to be proactive in the reuse and redevelopment of this parcel, this proposed zoning amendment is forwarded to assist in the reuse of the site. The current ordinance provisions for this site were originally adopted in 2006 and prior to the housing recession. The attached amendment provides for a broad mix of permitted uses while still requiring standards of design that provide quality development. The amendment proposes a new zoning district, the Office Mixed Use (OMU) district, to replace the existing Landmark and Traditional Neighborhood district. The amendment also includes a few new definitions, reference to the map change and inclusion of the OMU district in the chapter related to Design Standards.

President Reynolds remarked that he will recognize Darlene Heller, Director of Planning and Zoning to make a presentation. He noted that it is the desire of the Administration as they are going through the presentation to have Members of Council ask questions as we go slide by slide rather than waiting until the end of the presentation.

The City Clerk then read Communication 5 B.

Communication 5 B - Lehigh Valley Planning Commission - Zoning Map Revision and Text Amendments - Replacement of Landmark Conservation and Traditional Neighborhood Development District (CM-LTN) with the Office Mixed Use District (OMU) at the Martin Tower Site

The Clerk read a correspondence dated September 25, 2015 from Eric McAfee, Director of Community Planning of the Lehigh Valley Planning Commission with comments regarding the zoning map revision and text amendment for the replacement of the Landmark and Traditional Neighborhood Overlay District with the Office Mixed Use District. The Lehigh Valley Planning Commission Comprehensive Planning Committee considered the subject at its September 21, 2015 meeting. The requirements of the long-vacant Martin Tower property have long been a priority of the City of Bethlehem, and the LVPC encourages any strategic modification in zoning that might abet this process. The creation of the Office Mixed Use District is thus consistent with the County Comprehensive Plan, particularly the point that “supports the renewal, redevelopment and retrofitting of existing shopping centers, industrial sites and office complexes in preference to the development of new facilities on greenfield sites”. The OMU creates parameters that guide the direction of development toward a mixture of uses while still allowing considerable flexibility as to exactly what that mixture will entail, including demolition of the existing structures on that tract, if necessary. The LVPC finds no fault with the fundamentals of this OMU district, which, in some respects, modifies the parameters set by the Landmark Conservation and Traditional Neighborhood Development Overlay District that, if adopted, it will replace. Most importantly, however, this new district does not mandate the preservation of the Martin Tower. A few elements of the amendment merit further consideration. Sections 1302.105 and 1302.106: The definitions proposed here for “Restaurant, Fast-Casual” and “Restaurant, Fast-Food” are matters of local concern, but the LVPC fears they could yield problematic results, since the two uses receive different treatment in Section 1305.01. The major distinction between these two restaurant types is, by definition, that “Fast-Casual” offer “a higher quality of food with fewer frozen or processed ingredients”, while “Fast-Food” offer “food and beverages prepared in a highly-processed fashion”. Such qualitative definitions may make it difficult to distinguish between “Fast-Casual” and “Fast Food”, while only one of the two uses gets the by-right privilege to build a drive-thru in the OMU district. This conflict, however modest, could be averted if the zoning ordinance specifies that both types of restaurants receive drive-thrus as a by-right use, or if the definitions employ quantitative or more objective metrics to distinguish the two uses. Section 1305.01: The reference to “Group Home within a lawful existing dwelling unit” as a “not permitted” use, while at the same time permitting the residential uses that would typically contain group homes could run afoul of Fairing Housing laws, since it could subject certain protected classes – the typical clients in group homes – to different treatment and housing considerations than the rest of the population. If the City has not yet consulted with an attorney, it may be advisable to do so.

Section 1311.01(g): The word “principals” should be changed to “principles”.

Section 1311.06(a): In allowing for decorative pavers to “be used as accents”, the LVPC commends the City for effectively reconciling the aesthetics of ornamental sidewalks with long-term maintenance and overlay safety considerations. The County Comprehensive plan recognizes that “site design can be accomplished to be more conducive to pedestrian travel”, and one subtle method of achieving this is to combine both aesthetics with safety fundamentals – exactly what this section already achieved, and still does by promoting “new or replacing sidewalks” to the same standards.

Section: 1314.01: The LVPC commends the clear and concise statement of purpose, particularly the appropriate emphasis that this OMU district “is intended to encourage residential and commercial buildings on the overall tract”.

Section 1304.02(a): The majority of the parameters in this section are of local concern or consistent with the County Comprehensive Plan. The LVPC would like to address three particular subsections:

The first asterisk “*” references “specifically excluding proposed public streets that shall be controlled and/or maintained by a Homeowners’ Association”. It is unclear who the primary steward would be in a “public street” that a Homeowners’ Association (HA) maintains. Private streets have the potential for inconsistent maintenance, the burden of which could fall upon the City as a later point, if the HA were to dissolve. Page 65 of the County Comprehensive Plan advises that “municipalities should plan and budget for the orderly development of services”, which would include the potential adoption of new, formerly rights-of-way. The LVPC encourages the City to clarify the intent of this clause.

The second asterisk "***" explicitly relieve property owners from the setback when constructing a handicapped ramp, which the LVPC strongly encourages, to promote serving the needs of individuals with disabilities whenever possible.

The final asterisk "****" relaxes the provisions for minimum yard requirement in condominium arrangements, which the LVPC also finds laudable for encouraging housing types for which the region may once again soon see renewed demand.

Section 1314.02(d): The LVPC commends the provisions for open land, as well as explicit statements of what can comprise open land, both in terms of use as well as natural features. The LVPC observes that the City also wishes to include prohibitions for stormwater management infrastructure to avoid development proposal that attempt to include these uses as viable open land.

Section 1314.03: The LVPC commends the City for integrating the mixed-use component thoroughly into the planning process. A suitable mixture of uses is clearly one of the most desired features in the replacement of this tract - potentially more desirable than preservation of the existing structures. Thus, the requirement that the "Overall Master Plan shall show proposed uses in enough detail to verify that the ultimate build out of the site will include mixed use development" is vital in ensuring that the earliest stages of redevelopment of the Martin Tower site address the fundamental of mixed uses and suitable design.

Mayor Donchez explained that this plan provides the best opportunity in his opinion for this site to become productive once again. He mentioned the property has sat unused for too long and the consensus shared by many is that the time has come to do something with this property. He continued, what is needed is something to productively develop this site to make it an asset again. Mayor Donchez advised the plan that is presented to you this evening provides the best opportunity for the site to be productive. It was prepared by our City Planning and Zoning officials who have been part of this process for 15 years. They know well and understand what has not worked, and have used their expertise to make the adjustments to address what has not worked at this site. Mayor Donchez pointed out he wanted to complement Alicia Karner, Director of Community and Economic Development and Darlene Heller, Director of Planning and Zoning, and the rest of the Planning and Zoning staff, for their professionalism and expertise in the accomplishment of this process. Mayor Donchez expressed the fact that this proposal has been approved by the Lehigh Valley Planning Commission and the Bethlehem Planning Commission. As Mayor he strongly supports this plan, because he believes this provides the flexibility needed by a developer to make the site attractive for residential, retail and commercial uses. Mayor Donchez stated at this stage, after so many years, less flexible plans have failed and it is time to confer more flexibility on the site. Mayor Donchez observed when he looks at the tax amount of \$178,000 that was paid in 2003 for the whole site to the tax of 2015 in the amount of \$24,691 he believes that this plan provides the best opportunity for this site to become productive once again.

Ms. Heller noted that because there are so many people at this meeting and there is a lot of detail to go through, they thought a Power Point presentation would be the most efficient way to be inclusive for this meeting. Ms. Heller remarked what they want to do in this presentation is to talk about some of the history of the site. They want to talk about some of the prior attempts to reuse the site and noted a variety of different tools have been tried to be utilized to redevelop this site. There is quite a bit of detail here so they tried to be as efficient as they can about showing these changes. She advised if Council has questions as they go through this they should feel free to stop and interrupt.

Ms. Heller expressed that most people in this room are familiar with the site but she wanted to talk a little bit about where the site exists in the community. Referring to the presentation slide she noted this is outlined in red on the screen and it is a 53 acre site and sits at the corners of Route 378, Eighth Avenue to the west, and Eaton Avenue to the north. Ms. Heller explained this is a prime site and has exceptional transportation access but it is also surrounded by a variety of uses. She noted that to the north there is a variety of office and retail uses and to the west there is a new development on the west side of Eighth Avenue, which has a variety of office and retail uses. Ms. Heller advised beyond that there are long standing stable residential communities. The interchange of Route 378 is to the south and then to the east it is much quieter, it slopes off and there is a little bit of a wooded area. Burnside Plantation is there as well as Monocacy Way. To the east of that is a rail line and some smaller industrial sites. Ms.

Heller continued to say that to the north is Hanover Township, park land, and the Recycling Center for the City.

Ms. Heller explained there are a wide variety of uses that surround the parcel and she thinks that sets it up to be eligible for a wide variety of uses on the site itself that could be quite compatible. Ms. Heller noted when you look at the site itself there is the quite iconic 21 story tower along Eighth Avenue and then pointed out some of the out buildings that include the Annex building, the Printery and the CH & R. She reiterated that this is 53 acres. In 2006 the site was broken into two parcels for financing purposes so the tower sits on its own site, which is about 7 ½ acres. Ms. Heller continued to say that the balance of the site which she refers to as the remnant piece is about 44 acres and that piece includes all the out buildings and about a thousand or so surface parking spaces with undeveloped slope areas to the east and to the south. Ms. Heller noted the tower itself includes about 900,000 square feet and the out buildings total about 375,000 square feet.

Ms. Heller explained that construction was completed in 1971 after a few years of construction and it served about 1,800 employees at its opening. The tower itself is about 900,000 square feet and there is 375,000 square feet in the out buildings. The building all the way to the east includes all of heating, cooling and mechanicals and that is one of the major components that makes this site and layout of the buildings inefficient, outdated and very difficult to redevelop. The Mayor referred to some of the taxes and the assessment and they will talk about that but in 1990 the annual paid taxes were about \$1.5 million dollars for the site. In 1995 the steel plant closes and then things started to change at the site quickly and significantly. Ms. Heller commented they tried to look at some relief for the site and how to be able to successfully reuse and redevelop the site. In 2006 a zoning overlay was approved and the underlying zoning is CM which is Commercial and Office Research. The zoning was added to the site when it was owned and operated by Bethlehem Steel. It is the same zoning that exists up on Mountain Top and the only use that was permitted there was office and research headquarters. Ms. Heller advised it is not likely that this will be a new use for that site any time in the future especially for a 21 story tower. So the overlay was to provide some relief and some flexibility and it included the provision that the tower would need to be retained, but it did allow for a variety of residential uses and general commercial use on the site. That was referred to as the CM-LTN, the Traditional Commercial Neighborhood Overlay District. Ms. Heller informed the tower was fully vacated in 2007 and she does not believe there has been any occupancy of that building at all since that time, so it has been quite a bit of years that this building has been completely vacant. Ms. Heller remarked that the landowner and developer at that time did move ahead with a land development proposal in 2007 and it was strictly residential. It did not use the tower. Phase One was only for most of the remnant parcel, not all of it. It included over 900 dwelling units and most of those were stacked town homes, which is a housing type that does not exist anywhere in the region and was a cutting edge redevelopment for residential during the housing peak. Ms. Heller advised then in 2008 the housing market changed considerably. The blight determination was pursued in 2008 and was granted because the building had been vacant for some time. We could already see one of the qualifications for a blighted property really is obsolescence of the building and certainly this site did qualify for that determination. Ms. Heller informed other tools have been proposed to help to reuse the site. The RCAP designation was granted by the State in 2008 for \$8 million dollars for the redevelopment of the parcel. She noted that a Tax Incremental Financing (TIF) was pursued in 2010 and that was for the residential project that received land development approval in 2007. It was not supported by the Bethlehem Area School District, so that did not move forward. She continued, there was concern about the density of the development that was proposed for the site, the number of units that was proposed, and the impact that this would have on the school district. Ms. Heller asserted this was not supported by the school district.

Mr. Callahan asked about the tax rate and wondered what the property taxes were that the Tower was generating for the City at that time, prior to the TIF being rejected by the Bethlehem Area School District Board.

Ms. Heller noted they have a slide later on in the presentation that speaks to that. In 2008 the taxes that were generated for the site were at \$86,292, which is page 6 on her slides.

Mr. Callahan queried if that was prior to the TIF being rejected by the Board.

Ms. Heller informed that was in 2008.

Mr. Callahan asked what the property taxes after the developer boarded up the property and the property was reassessed.

Ms. Heller advised the property was reassessed in 2012 and at that time the taxes that were paid were \$19,748 dollars.

Ms. Reuscher remarked Ms. Heller said she believes that office and research uses would be inappropriate and she is asking her to speak a little more about why that would be.

Ms. Heller explained she does not think they would be inappropriate. Office research uses are still permitted in the proposal that we will go through tonight, but it is unlikely that this will be the only use that would be supported on that site. The idea that we would ever get a new headquarters for a company that would be able to fill a 21 story tower is not reasonable. She continued, even if it would be strictly office use broken up by several companies, it is not reasonable because the office market is not the same as it was at that time.

Ms. Reuscher believes she must have understood and she thought Ms. Heller was saying that was not appropriate as part of the whole package.

Ms. Heller informed the most appropriate reuse of this site would be mixed use, where that would be one of the permitted uses.

Ms. Heller mentioned the other item they wanted to reference as a tool is the CRIZ (Community Revitalization and Improvement Zone). The City received that designation very late in 2013 and there are 14 project sites located throughout the City that have been included in that designation. Ms. Heller added that the 53 acres Martin Tower parcel is included in this designation.

Mr. Stellato noted he is curious about the CRIZ and he queried if there is a time limit with that money.

Ms. Karner reported there is a limit associated with it and the clock started when the first project had finance so we are limited in the amount of time that we can use those. It is not as if there is cash that flows to it; it flows as a result of paying taxes into the fund and so there is nothing coming to it now. We do see limits on the RACP funds that have been assigned to it. We are in a process of annually asking for an extension on the use of those dollars. She continued, any time you have a direct cash outlay, we have the possibility of an expiration date. Ms. Karner noted the opportunity for this site to take advantage of some EPA revolving loan funds for environmental remediation actually expired and those funds had to be returned. It was something she believes that the Lehigh County Industrial Development Authority was administering. Ms. Karner explained that because of the inability to develop that site, those funds assigned to the project expired, and were returned for other projects somewhere else in the country.

President Reynolds asked if there is any other time in this presentation where they would discuss how the CRIZ operates as it pertains to Bethlehem. There has been some question about the CRIZ at the site, as we know the way this is set up it is structured very different from economic development tools that are often included in the same sentence such as the one in Allentown. President Reynolds asked for a short explanation about how the CRIZ operates throughout the City.

Ms. Karner reported we have 129 plus acres of CRIZ designated property in the City. The CRIZ will take the State taxes, and this excludes property taxes, it will predominately take State taxes that are paid as a result of development that occurs on these locations. She noted it will return those dollars to the developer to help offset the cost of development. She added, you need to have tenants to occupy a location. Bethlehem pick sites that really were undeveloped, and that did not have a lot of activity. Ms. Karner informed we have a very low base line, and very few businesses operate in our CRIZ. That was intentional so that we could take anything that came into those areas and reinvest it into the project. Until there is development and until the risk is taken by the developer to secure the financing and to secure the debt to do these projects, and it is a catch-22 situation, because they need the tenants to secure the financing to come in and do a project. But until that occurs there is no building for the developer to reap anything. What would happen is that a tenant would locate in a facility after the building was constructed or renovated. The company has to operate for the calendar year

and then we do reporting subsequent to that time period. It is then 11 months after the end of the calendar year that the developer may see funds. That comes back through the CRIZ authority and then distributed to the project.

President Reynolds remarked this is different from the NIZ in Allentown by which a developer or someone is able to get money upfront and to build a building as compared to here where someone has to pay for the construction and after about a year they may see funds.

Ms. Karner stated she likes to say just because the two programs rhyme it does not remotely make them similar.

President Reynolds knows this is confusing and she has spent a lot of time explaining this but he thought it might be beneficial.

Ms. Karner stated unlike in the NIZ in Allentown, they are able to collect all the taxes paid in that zone from day one, so any existing business was not exempt. In Bethlehem, our existing businesses are exempt, so we do not have funds to start with to incentivize developers to invest in projects. The risk is completely on the developer, unlike in Allentown where they were able to take all these businesses and collect millions of dollars or bring in, in that case a cigarette stamping operation to bring in, which she would argue, billions of dollars to incentivize development. Ms. Karner remarked that we are not able to do that in Bethlehem. The risk has to be borne by the developers. She continued, something we would not typically talk about is that if the City wants to back them, which she is certain we are not going to do, it is completely on the developer to develop these projects. When we talk about expensive projects, whether it is a small project on Third Street in South Bethlehem or a 21 story tower the initial cost associated with demolition or construction are borne by the developer. Ms. Karner added there may be the opportunity for a return if they get new businesses to locate in those zones. They can collect those taxes but ultimately it is a significant risk that banks seem hesitant so far to finance.

President Reynolds queried if relocations are able to go into the CRIZ zone.

Ms. Karner noted only relocations from outside the Commonwealth of Pennsylvania. We are not able to talk to companies located whether they are in Hanover Township, York or Pittsburgh about moving in unless there is an expansion of a business and we would have to see a significant expansion. It is only for new corporate entities to benefit from.

Ms. Heller continued with slides that include photos of the interior of a variety of buildings on the site to give everyone a view of what we are dealing with at that parcel. It can be seen that it has been a long time since anything has been utilized. There is no heat; no cooling, and there has been much degradation to the building and to the integrity of the building. Another unique circumstance in the building is the floor plates and the inefficient layout of those floor plates. Ms. Heller turned to a slide that shows the Tower and the typical core area that shows an area that is laid out inefficiently in that it increases the cost per square footage of any kind of use for this site. Each of these floors are the same so that is 25% of each floor for 21 floors. The inefficiency really runs throughout the building and that is something we would not normally see in most other buildings or structures that we want to adaptively reuse. Ms. Heller noted that we do have a few buildings in other areas of the City that we are struggling to adaptively use but this certainly is quite unique.

Ms. Heller mentioned that they took a look with some of the costs associated with reusing the tower and there are several factors that really would make it difficult. There is asbestos throughout the building, it has no sprinkler system at this time and would need to be installed. She continued to say that they would need to re-fireproof the building once the asbestos is remediated. The eleven elevators would need to be modernized and rebuilt. The associated costs are laid out here, and these are not current costs; they are somewhat dated. This slide had been put together some time ago but even at that time all this would cost \$12 million to be able to reuse the tower.

President Reynolds queried if that was the cost in December of 2008 according to that slide. Ms. Heller stated that was the time that this was determined to be blighted.

Ms. Heller continued with the next few slides that include the assessed value and the taxes collected. In 2003 the total property was assessed at \$15,825,000. In 2006 the parcel was

subdivided so at that point we were looking at the tower parcel and the remnant parcel separately, but together those two parcels were only assessed at a little over \$6 million at that point in time. Ms. Heller noted in 2012 the assessment dropped to \$1.3 million. The assessment does go back to \$4.6 in 2013 due to a County wide reassessment in Lehigh County. When you look at those numbers it is more than an \$11 million decline in the assessed value of the property just since 2003, which is a 70% decline in value and calculated on the 2013 assessment, which is actually an increase.

Mr. Callahan queried if that is including school and county taxes.

Ms. Heller noted this is not taxes, rather it is just the assessed value of the parcels.

Ms. Heller mentioned on the next slide they do look at taxes and actually on this slide we are only looking at the City tax. We do not have the County and School District tax included in this. Again, because the parcel was subdivided in 2006 we do not have numbers from prior years; we only have the total parcel. Ms. Heller continued to say that in 2003 the total parcel taxes paid were \$178,347, and in 2015 for both parcels combined it is \$24,691 dollars. The reduction is considerable, and you can see as the assessment dropped obviously so does the collected tax.

President Reynolds queried about the \$1.3 number and if that is the City lost revenue or does that include the City, County, and School tax.

Ms. Heller mentioned on the next slide they have the \$1.3 number and that is just the City tax lost since 2003. It does not take into consideration a change in millage rates. This is just a flat out loss calculated from the prior slide.

Ms. Karner added that in 1990 the taxes for all three taxing bodies was approximately \$1.5 million dollars, and in 2015 that is \$117,598 dollars for all three taxing bodies. So just to give an understanding of what all three taxing bodies get today, that is \$117,598.

Ms. Heller noted they have now laid out what the problems are and what got us to a point where we need to find another tool, another solution, and a way to move ahead with redevelopment of the parcel. What we are choosing to do is look at whether or not the zoning continues to be appropriate for the site. Ms. Heller pointed out one of the things they start off with is just looking at the Comprehensive Plan. We adapted this plan in 2009 and that takes a long range look at where we want Bethlehem to be in 10 or 15 years. This takes a look at many different matters that include transportation, quality of neighborhoods, parks and open space, economic development and a variety of things. Ms. Heller mentioned in the rear of the Comprehensive Plan is an Action Program and the Action Program really pulls from the goals and objectives of each of those chapters, and three of those she believes are pertinent here. Ms. Heller stated one is that we need to ensure that the City zoning encourages mixed residential and non-residential uses in appropriate locations. Mixed use development is the most sustainable for commercial development areas. In the downtown areas we continue to look at how we will get more residential units into the downtown. Ms. Heller noted that we want feet on the street and we want activity nights, weekends, and of course during the week from those who work in the area. Ms. Heller continued to say they will want to revise the City Zoning Ordinance as appropriate to facilitate economic development and that is a big broad goal, but certainly it applies in this situation. We want to use the City's review of the City's Zoning Ordinance revisions to promote smart growth. If she reads out that whole sentence it says: "The City's review of land development and zoning", but we are not looking at a specific land development at this point. We want to use the Zoning Ordinance to promote smart growth and that is something we talk about in the Comprehensive Plan. In the next slide they talk a little bit about what smart growth principles actually are. Ms. Heller noted the common goal of most urban communities and suburban communities is sustainable development, well rounded development, and we want to have land uses that attract a variety of residents and users to our community. So just to run through them briefly, we want to create a range of housing opportunities and choices. When we go through the permitted uses in this proposal we do provide for a wide variety of residential uses. Ms. Heller continued to say they want to create walkable neighborhoods and basically we do that anywhere in the City now, we want to be a walkable community and be well connected so that is a given. Ms. Heller added they want to foster distinctive, attractive communities with a strong sense of place. When we adopted the new Zoning Ordinance in 2012, we did add a new chapter called Design Standards and in the core areas of the community and most of our core areas we include provisions to get better

design. Ms. Heller noted we already have that in our Historic Districts but there are certainly plenty of areas outside the Historic Districts where we want to make sure we have quality development. Ms. Heller spoke to the Smart Growth Principles slide that states "make development decisions predictable, fair and cost effective" related that has to do with our responsibility for development to ensure that when people come to their office with proposals we want property owners or developers to know what kind of development we are looking for in the City. Ms. Heller thinks we do that with our Comprehensive Plan and our Subdivision Ordinance and our Zoning Ordinance. She added we are able to tell a story of the kind of quality development we want in the City of Bethlehem. Ms. Heller continued with mix land uses and noted that you will see that in the proposal that we provide for a variety of land uses and that makes for the most sustainable and the most attractive development for this site and for other areas of the City as well. We need to preserve open space, farmland, natural beauty and critical environmental areas. There are some open areas on this site and there are provisions that we include in the proposal to retain those, but this provision is even broader than that. We want to develop and redevelop the parcels that are interior to the City; that already have an existing infrastructure, which this site certainly does. Ms. Heller informed that allows for the preservation of green fields, etc. in outlying areas. Ms. Heller then included providing a variety of transportation choices and when you look at this site on the plan you can see clearly that we provide transportation options for vehicles, pedestrians, and also for bicyclists to access that site. The proposal includes a layout design that would allow for easy access throughout the site as well.

Ms. Heller continued with the Ordinance draft and the public review process. This is a typical process but we spent a lot of time looking at many of the details of the proposal before it had come to this point of a hearing. We had two reviews by the Planning Commission, one in July and one in August.

President Reynolds mentioned that she stated the first review of the City Planning Commission was July 9, 2015, but just to clarify, this is the Administration's decision to look at what was going on to suggest this change. One thing that has come up as well is that it is the feeling that the property owner or the developer is bringing this forward, but it is the Administration. President Reynolds just wanted to make that clear; it was Mayor Donchez and his staff that brought this forward. When we talked about this meeting on July 9th, there is an internal process that the Administration looked at this site and saw what was working, what was not working and what the challenges were and then decided to come forward with the plan, is that correct?

Ms. Heller noted it was clear that we needed to be proactive in moving something forward to help jump start redevelopment at that site and that is what this proposal is.

Ms. Heller continued to say for the first review in July the City Planning Commission members did have many questions. This is a big proposal and there is a lot to absorb. This is a new district and affects many different sections of the Ordinance. Ms. Heller noted the members did have good questions that we spent some time researching in July. We also met with a few of them one on one since they had other questions prior to the August meeting. Ms. Heller mentioned the Commission met then in August and there was a thorough review at that time and they had several changes that we will go through tonight. Several of the people that are here tonight were at those meetings and were able to provide comment as well. Ms. Heller remarked that some of the comments from the Planning Commission and the interested parties are included in the proposal and she will go through those comments.

President Reynolds remarked these are changes that were added as suggested by the Planning Commission.

Ms. Heller stated yes, we received some good input from the Planning Commission and interested parties, so some of their comments we were able to incorporate in the Ordinance. The Lehigh Valley Planning Commission then reviewed this and provided a letter of support. Their meeting was on September 24, 2015. The City Clerk did read much of the letter but Ms. Heller does want to speak on some points within that letter. Ms. Heller noted this letter is in with the packet that Council has and some were also out on the table in the hallway. Ms. Heller informed this letter is very complimentary. She noted not only does it state that it is in compliance with the County Comprehensive Plan, but they do go through several points to note how it is consistent in compliance. Ms. Heller noted she will go through this when she gets to that slide.

Ms. Heller remarked that we have the Public Hearing tonight; there is a First Reading and Second Reading for this proposal that will allow additional opportunities for people to comment.

Ms. Heller continued with the Planning Commission recommendations. They included a minimum and maximum of building floor area for office, retail and residential use. They included some provisions that require that there is a mix of all three uses on the site and the percentages still allow much flexibility for development on the site, but they do ensure that we would get mixed use on the site. Ms. Heller stated we have a cap, a limit on the amount of building that can be one story construction. We did that because we want to get density on the site. We want to get as much square footage of construction as we can. Ms. Heller informed they do allow a lot of density in as far as height and square footage, so we capped the amount of building that can be one story from 350,000 square feet to 270,000 square feet.

Ms. Heller mentioned they included a sentence: "The Overall Master Plan shall be designed to reflect the overall provisions of the Purpose section of Article 1311, Design Standards." She believes that is certainly appropriate. We do refer to that and will go through that chapter when we go through the proposal. Ms. Heller mentioned the next slide shows some of the appropriate light industrial uses already permitted in the CM District, and that was one of the suggestions that came to us from some of the interested parties. They noticed that in the current Ordinance we allow some light industrial because it is permitted in the base zone of CM, and we had neglected to include that and so we did add that and it does broaden out the types of uses that are permitted at the site. Ms. Heller continued to say that they deleted a sentence that states that when the site is 50% built out the requirement for three types of uses would be deleted. We decided that the site should be master planned and it should be developed as a district, and so whenever we talk about lots of parcels or anything like that we took that language out and we replaced it with the term "districts". This is so that we would always be looking at the 53 acre parcel as whole. Ms. Heller noted they changed the word "may" to "shall" in the section that talks about the Overall Master Plan as it relates to mixed use developments. We will require that the Overall Master Plan continue to comply with the provisions of the Ordinance throughout each phase of development. Ms. Heller stated they tweaked some of the design standards related to landscaping and will talk more about that when they get to that in the proposal.

Ms. Heller continued with the slide that detailed more about the Lehigh Valley Planning Commission letter. It talks about how the proposal is consistent with the County Comprehensive Plan. It commends the City for the clear and concise statement of purpose and they specifically call out the fact that they appreciate the reference to mixed use in the purpose section. Ms. Heller added they commend the City for the statements about the retention of open land and open space, and also for integrating mixed use throughout the planning process. They appreciated the idea of the requirement of mixed use on the site. She does not think it is something that is being done elsewhere in the Valley at this point in time. Ms. Heller mentioned they did call out a couple of things that she thinks are minor in nature but were a few oversights, a few spelling errors. There is long list of uses that are either permitted or not permitted and inadvertently we did not permit the group home to be one of the residential uses on the site, but that clearly is an oversight and we do concur with their comment there. Ms. Heller noted that otherwise their comments are extremely minor. The last sentence also talks about the City being able to respond proactively in an effort to expedite redevelopment of a parcel that is essential to the Lehigh Valley both geographically and in terms of visual prominence. They were supportive of the proposal on a variety of levels.

Mr. Evans queried to confirm whether Ms. Heller was referring to Communication 5 B, which is the letter from the Lehigh Valley Planning Commission. Ms. Heller replied, yes. Mr. Evans agrees that the feedback from the group was very positive. He remarked some of the feedback that she spoke of were minimal and minor, but in the section regarding the reference to the group home he saw the words that maybe we should consult with an Attorney. Mr. Evans noted there are six different areas that he would like her thoughts on regarding their comments. He would like to know if she plans to move on them, or what is her reaction is to what the Planning Commission is telling us. Secondly, when would that happen in this process now that this is in front of Council.

Ms. Heller queried if he is talking about six revisions.

Mr. Evans noted there are six points and some state they are pleased with what was done, but other parts are comments that he would like to speak about at this time. The first one is with Sections 1302.105 and 1302.106, which include the fast food casual and fast food regular, and they had some questions about the definitions.

Ms. Heller mentioned they went back and forth about a lot of different uses at the site and one of the things they talked about was the drive through lanes. We want to keep them to a minimum, but we felt there were some situations where they might be appropriate. Ms. Heller noted they included them for banks, pharmacies, and for restaurant fast casual. We broke out the types of uses so that we felt we could limit the number and impact of the drive thru and that is the ultimate reason for adding these definitions. Ms. Heller pointed out they tried to be as specific as possible, but sometimes it is easier by example. We know what a fast food restaurant is, such as Burger King or McDonalds. Fast casual would be something along the lines of Panera Restaurant where it is a sit down restaurant where you are still getting food on a tray. Some of those restaurants now have a drive thru service. We did not think that was totally inappropriate as long as they are limited on the site.

Mr. Evans noted under this proposal if a Burger King or McDonalds would move in, which they could, they would not be allowed to have a drive thru. Ms. Heller stated that is correct.

Mr. Evans pointed out that a Panera restaurant would be able to have a one lane drive thru. Ms. Heller stated that is correct.

Mr. Evans related that the concern from the Lehigh Valley Planning Commission is that if McDonalds would come in with different ingredients or the level of quality perhaps McDonalds could say they are higher quality due to the wording of the definition and this could be an argument. Mr. Evans queried at the end of the day would Ms. Heller propose in keeping it the way it is.

Ms. Heller noted we are moving into something we have not done before, but we did spend a lot of time trying to be specific in these definitions. She believes it is clear enough that we would certainly be able to determine which category that a restaurant would fall into as we would review a proposal. Ms. Heller thinks that they are even noting that this is a matter of local concern and they are just raising this as something to think about. That is how she reads that point.

Mr. Evans continued with the next point in Section 1305.01 regarding group homes and consulting with an Attorney. Have we done that yet or what is our level of concern?

Ms. Heller thinks we agree that a group home is permitted anywhere in the City and if you look at the Ordinance it is permitted anywhere now. It was certainly an oversight that we typed in an N instead of a P in that column. It was not intended and the LVPC concurs with that. She believes if we talked to our own Planning Commission they would concur as well. Ms. Heller thinks that is just a typo and we can easily change that.

Mr. Evans mentioned for that if we just change the N to a P is that similar to next one which is Section 1311.01 which is a typo with the spelling of "principals" changed to "principles". To make those changes is that something we can do in one of the readings.

Ms. Heller stated they do not think this requires a full review because it was an inadvertent oversight and she thinks that is easily corrected.

Mr. Evans remarked they can make an amendment to do that at the appropriate time in a few weeks and we would not have to go back to the Administration, and planning. Ms. Heller stated that is the plan.

Mr. Evans queried if Council Solicitor John J. Spirk, Esq., had a comment on that.

Solicitor Spirk stated that he does and he would not want to change the letter without serious consideration of whether that needs to go back for further review to the other agency. This is the Administration's proposal so he would not want to presume what the Solicitors office would say.

Ms. Heller understands that the Zoning Ordinance is a document that we continue to review and revise over time. This is not the first zoning amendment we have forwarded to Council this calendar year. Ms. Heller noted they do get things that come before them fairly routinely. It would not be difficult to include this revision in the next round of amendments that you see.

Mr. Evans understands that and that was one of the questions he asked to know if she feels this needs to be acted on and if so, when would that be. He does agree that we do see zoning changes all of the time. Some may be minor and some may be an amendment to an existing one. I think these are minor and fall under that area. Mr. Evans continued with Section 1314.02 which is the one that deals with the private street versus homeowners associations.

Ms. Heller mentioned they have language in this that all streets are turned over to public street but we do allow that if there is a homeowners association that they could maintain those streets. We do require that they put agreements together and that our Solicitor's office review those agreements prior to approval. Ms. Heller noted some other situations she can think of, over in LVIP or other areas, there things that the City does not maintain so they have owners associations that do that in perpetuity. There are other situations where we have done similar things.

Mr. Evans explained the other one has to do with the asterisks and this was under Section 1314.02(a), the asterisk at the bottom had to do with setback and the impact on handicapped entrances.

Ms. Heller commented that actually the Lehigh Valley Planning Commission is being complimentary on that. We are not requiring any setback for putting in a handicap ramp, which they are agreeing with. They recognize that we are being supportive of people with disabilities and that we are not impacting them in a negative way. We are not requiring something of them such as a setback that we would require elsewhere. Ms. Heller believes the last one is pretty much the same. We relaxed the provisions for minimum yard requirements in condominium arrangements and they find that laudable for encouraging a housing type for which the region may once again soon see renewed demand.

Mr. Evans then mentioned the one below that, Section 1312.02(d) which has to do with open land space protections and we might want to add something to protect that they may not use storm water management infrastructure, etc....

Ms. Heller stated they do say specifically that areas for parking and other things are not able to be used as open space. We do not go so far as to call out the fact that you cannot use storm water detention basins and such for open space. We do not do that anywhere else in the City and we have never had a problem. Ms. Heller noted the fact that we do not use storm water basins very much. We have a storm water infrastructure that we utilize, and we want dense development. We do not want open ground to be open detention, sometimes underground detention, but that would make this a moot point. Ms. Heller does not think that is applicable here. It might be applicable in outlying areas, such as the townships, but not in Bethlehem.

Ms. Reuscher stated she did have a few questions but Mr. Evan's questions addressed her concerns.

Ms. Heller informed that she will now get into the proposal. Ms. Heller remarked they are trying to do this as efficiently as they can so that the people that came to be a part of this that do not have a handout of the presentation may follow along with the power point. Ms. Heller stated she will be taking this page by page. The following are either the additions to the Ordinance or the changes to the Ordinance. Some of what makes this a little bit confusing is that we are adding a new zoning district and adding some new definitions, and it affects many more chapters of the Zoning Ordinance than just the OMU chapter. Ms. Heller mentioned the first slide shows the three definitions that they just added - Restaurant, Fast-Casual, Restaurant, Fast-Food and Tasting Room. There are comments from the LVPC that she just spoke about following Mr. Evans question. We added two types of restaurants so that we could try to limit drive thru service. Ms. Heller noted they also added a definition of a Tasting Room. We did not just add that to the OMU district in the use chart. We added that as a permitted use in any Commercial District where we allow restaurants. Sometimes there are new uses that come on board that are not a part of the Zoning Ordinance and Tasting Room was one of those. Ms.

Heller stated those are the only definition changes that they have, and can talk about those in more detail if Council so desires.

Ms. Heller advised for any new Zoning District we create a purpose. This goes in the very front section on the second page of the Ordinance. In the front section of the Zoning Ordinance they list each Zoning District and the purpose of that district. For OMU-Office Mixed Use we talk about promoting the development of an area that is currently unutilized. We talk about recognizing some specific characteristics of the parcel, unique in terms of its size, unique in terms of its proximity to the interchange with Route 378 and adjacent to two arterial streets. This provides some transitional zoning to the Burnside Plantation. We do have a provision in there, and we do have it in the current Ordinance, and we retained it in the proposal that does protect Burnside Plantation and the viewshed from that site. Ms. Heller pointed out they encourage some ground floor retail and service usage to create some connectivity between each of the buildings and throughout the site. Ms. Heller mentioned they have a purpose section also in the chapter itself.

Ms. Heller mentioned the next few pages include the metes and bounds of the district itself. We do need to change the zoning map when we change the district and when we add a district. The next slide has more to do with the chart of permitted uses in Section 1305. The first slide looks at the residential uses that are permitted and again she is trying to do this in a way that shows what is in the current Ordinance and what we are proposing. Ms. Heller stated what they are proposing to add is on the list and is bolded. In the current Ordinance we do not allow Single Family Detached Dwellings or Townhouses, and both of those they feel are appropriate residential types for this district. The only stipulation for the Detached Dwelling is that we are allowing a maximum lot size of 4,000 square feet. The balance of the permitted residential uses is the same as we see in the current Ordinance. The only change on that page would be that again, group homes is listed as a permitted residential use and we would note that this should be a change also in the future.

Ms. Heller continued there are a few slides that list the commercial uses that are permitted in the district, and on the first slide they are all bolded because these are all specific commercial uses that are not specifically called out in the current Ordinance. She read through some of uses and they include Amusement Arcade, Commercial Auditorium, Retail Bakery, Bed and Breakfast, Catering, Communications Antenna, Artisan's Studio, Custom Printing, and Dog Daycare and Construction Headquarters, which is just office use. The asterisk notes that there would be no outdoor storage permitted on the site. Ms. Heller noted on the next slide some of uses are bolded and some are not. The ones that are not bolded are already included in the existing Zoning Ordinance. Ms. Heller advised they are adding provisions for a Gas Station, and the asterisk says it must front on a minor arterial street which is either Eaton Avenue or Eighth Avenue, and must be located near the highway interchange. We felt that a gas station was an appropriate use for the site, but we wanted to limit that use to one and that was one way that we would be able to do that. The rest of the bolded include a Laundromat, Micro-brewery, and Nightclub. Ms. Heller continued with the additional permitted Commercial Uses that include Recording Studio, Restaurant, Fast-Casual with drive through and it notes that any drive through for Fast-Casual Restaurant or Pharmacy is limited to one lane. If we want dense development we want to limit square footage of the land area that is utilized by a drive through.

Ms. Heller advised the next slide shows the restaurants and explains Fast-Casual versus Fast-Food due to some question about them. Ms. Heller note the fact that this is a new type of a use that we do not permit in the Ordinance now.

Ms. Heller continued with the next slide regarding Retail Store provision and stated this is a permitted use. She added, drive through facilities are allowed for pharmacy, retail stores and the other uses are all bolded so they are all new uses permitted in the proposal. The uses include a Shopping Center, Tasting Room, Tavern, Television or Radio Station, Theater or Veterinarian Office. Again, the drive-thrus are limited to one lane.

Ms. Heller noted the next slide is actually from the current Ordinance. There was some question about interpreting the amount of retail use that is permitted in the current Ordinance versus the new proposal. Ms. Heller clarified that even in the current proposal, although the land development that had been submitted to the City and approved by the Planning Commission was largely residential, that was for the remnant piece but not the entire remnant piece of property. It did not include the Tower or the frontage on Eighth Avenue. Even in the

current proposal it was anticipated that we would have mixed use development on the site. The prior developer chose to move ahead strictly with residential for that space, but the zoning that we put into place does allow for more mixtures and would encourage it within the Tower and along the frontage. Ms. Heller stated their interpretation is that overall what we would permit is greater than 50,000 square feet of retail because we had tried to layout an Ordinance originally in the existing proposal that would allow for mixed use.

President Reynolds mentioned as the Ordinance currently exists it states that it shall not exceed 50,000 of new square feet of retail and asked Ms. Heller if that is correct. He noted this is one thing that there have been questions on. He asked to confirm if it is the Administration's position that if the Ordinance was not changed there could also be retail as well in the buildings that exist on the property.

Ms. Heller replied that is correct. The buildings would be permitted to be used for non-residential uses such as retail, and then there are other uses associated with that, which include financial institutions and restaurants and personal service uses.

President Reynolds queried how many square feet currently exist in those buildings.

Ms. Heller noted for the out buildings it is 375,000 square feet. She does not know that we actually at that point in time calculated the square footage but it was of the understanding that we wanted to support mixed use, and currently those buildings could be used, and we would hope they would be used in non-residential ways.

President Reynolds remarked currently as it stands now she is saying that 375,000 plus the 50,000 that is here in Section 1314.03 is 425,000 square feet. He knows that this has been a point of contention and this is her opinion, but is this one that Solicitor Leeson shares as well or the Legal Department has weighed in on what is currently allowed there.

Ms. Heller reported they have talked with the Legal office. Clearly when we wrote this it was to allow for mixed use on the site and so it would have been silly for us to only allow 50,000 square feet of retail, personal service, or restaurant use on the site. She believes that would just be ineffective. So yes, we did anticipate that the square footage for the out buildings would be part of the retail or restaurant use on the site.

Ms. Heller continued to say those are all the commercial uses that are listed in the charts but there also are institutional and semi-public uses and, the ones that are bolded on the slide are the new ones in the proposal and not included in the existing Zoning Ordinance. That would include College or University, Community recreation, Hospital or Surgery Center, Place of Worship, City Government or Government Facility.

Ms. Heller mentioned the next side lists the permitted industrial uses and this is a revision that was added by the Planning Commission. It is a recommendation that we received from the interested parties when we spoke to them about the original proposal. The CM underlying zoning allowed some industrial uses and when we first drafted the proposal we did not carry those over but in order to allow a broad range of mixed use it was suggested that we should have some light industrial uses, some low impact industrial uses is included in the mix of uses. Ms. Heller stated they did include these by recommendation of both the interested parties and the Planning Commission. Some permitted accessory uses were added that include Bus Shelter and we limited the amount of Outdoor Retail Sales. Ms. Heller advised with Miscellaneous Uses that includes Forestry, which is required to be a permitted use anywhere, Natural Preserve/Environmental Education center and Wind Turbines. We did include Wind Turbines in a limited way in the 2012 Zoning Ordinance and so we include them here. Ms. Heller noted this rounds out the list of permitted uses for the use chart that we created and updated in this proposal.

Mr. Waldron noted this is a pretty encompassing list and he wonders what is not permitted.

Ms. Heller noted there are some commercial uses that we only allow in outlying commercial areas that include car wash, car sales, things like that that would not allow for more open space, we do not want that on this parcel. We also do not allow the more significant or more impactful industrial uses.

Mr. Waldron queried if she will be speaking about parking or parking structures or lots.

Ms. Heller mentioned for the parking for use that would be consistent with the parking we have anywhere else. We are not changing those specifically for this district.

Mr. Waldron asked if parking decks are permitted as well.

Ms. Heller informed yes, and if we would want compact development then we would build up parking.

Ms. Heller explained next in the Ordinance they will go through Chapter 1311, which is Design Standards. We created this chapter when we created the new Zoning Ordinance in 2012. Originally, this was laid out for CL, Limited Commercial, CB, Central Business and RT which is our highest density residential zoning district. It applies basically anywhere in the four areas of the City. Ms. Heller noted they use to have a provision for a style guide to be included in here and we took that out. We felt that since we have design standards now we could utilize them in OMU and so we add OMU to this chapter. Ms. Heller commented that they did tweak the Purpose Section because the term we are using more often in our Comprehensive Plan and in this document as well and in other areas is Smart Growth. We decided to refer to the principles of Smart Growth here and it would be a more broad range and not necessarily TND (Traditional Neighborhood Development). Ms. Heller mentioned she is only going through with these slides sections of the Ordinance where there is a change. She is not specifically going through every section in her presentation, but everywhere there is a change. Ms. Heller continued with 1311.04 that includes Building and Site Layouts and Setbacks. We are talking here about surface off street parking and that garage doors shall be located to the rear or side or principal buildings as opposed to be newly placed between the front lot line along a street and the front wall of a new principal building. Ms. Heller noted in the OMU District we are saying that garage doors shall be located to the rear or side or principal non-residential and mixed use buildings. The reason for this is that we do allow Townhomes and some buildings where you would have a garage door in front of a building and in a Townhome you would. The provision kind of conflicts with other permitted uses and so we just called that out to clarify in the OMU District it only applies to non-residential and mixed use buildings.

Ms. Heller continued with 1311.05, which is regarding Design Requirements. In Section (a) we do limit the amount of vinyl or aluminum siding that is permitted and we did revise that from 25% to 33% for outside of a structure. Ms. Heller then went to the next slide which shows we separate out Sections (c) and (d). In Section (c) on the top of the slide it reads: A long new principal building should have the appearance of smaller connected buildings. The second paragraph is the revision for the proposal and that particular sentence is called out to section (d), and Article 1311.05 (d) does not apply in the OMU district.

Ms. Heller noted that the next slide talks about Blank walls and that Blank walls without a least one door and one window shall not face an arterial street. We also talk about retail stores and that they shall have display windows facing the street for security purposes. She continued below in bold is the sentence that is added for OMU District, which reads: In the OMU district, landscape screening and decorative plantings or architectural elements of such walls may replace the requirement of the placement of windows and doors. Such landscaping shall be approved by the City Forester. Ms. Heller mentioned the reason they included this provision is that there is a setback from the street for some sections of the OMU District and we do allow a row of parking between the street and the front of a building and landscaping would be there as well.

Ms. Heller advised the next section still relates to Section 1311.05. It includes Tractor-Trailer Loading Docks. The loading docks shall not be visible from a street frontage. In the second paragraph below in bold we added in the OMU district that tractor-trailer loading docks and service areas shall be well screened from any street frontage by landscaping or ornamental fencing of at least 4 feet in height when planted, and be of such species and spacing that can be expected to produce, within 3 years, a complete visual screen of at least 6 feet in height. This is a landscaping requirement that matches a requirement that we have in other sections of the Zoning Ordinance. Ms. Heller noted in the next section is 1311.06 and includes Sidewalks and Pedestrian Access and the Lehigh Valley Planning Commission commented on this in their letter. We do suggest that decorative brick, concrete pavers or patterned concrete be installed along arterial streets, and refer to the guidelines from the Public Works Department. In our

discussions we decided that it is not reasonable to expect that anywhere there already are new sidewalks that do not need to be replaced, we will not require that. Ms. Heller stated we changed that to say new or replaced sidewalks would have to meet that requirement and that would apply everywhere, not just in the OMU District.

Ms. Heller continued with 1311.08- Parking and Driveways. In this section it states no new off-street parking spaces shall be placed between a principal building and the curb line of an arterial street along the front of a lot. In the core downtown area that does make sense since we have denser developments. We revised that for the OMU District because we do allow a row of parking and a parking aisle between the front of a building and a sidewalk. We tried to mirror the kind of development and layout that we see on the west side of Eighth Avenue. This development on the east side of Eighth Avenue would replicate what we have recently approved and seen developed on the west side. Ms. Heller noted we allow one row of parking spaces and one driving island so we revised that in OMU that would be permitted as well.

Mr. Evans stated he had a question on Section 1311.08 (b) that states: No new vehicle driveway shall enter or exit onto an arterial street, unless the applicant proves that no feasible alternative exists, such as use of alleys or a side street. Right now he is counting three entrances onto the property.

Ms. Heller advised she would consider them streets; those are not vehicle driveways. A vehicle driveway would be more for a specific use, so we do not want new driveways out onto Eighth or Eaton Avenues. The entrances they have there now are ample. The driveway entrances should come off the interior street system that was built on the site. Ms. Heller noted that sentence is in there now, we just moved down.

Mr. Evans mentioned Tower up or Tower down, the entrance onto the 53 acres will be the three that exist now. They are the two on Eaton Avenue and the one on Eighth Avenue.

Ms. Heller remarked the entrance on Eighth Avenue will certainly remain. That particular entrance is lined up specifically with Martin Court across the street. What she is suggesting is the goal would be to retain those. If a developer came in the future to revise those entrances we could look at them but we certainly would not want driveways going in and out on those streets. This does not permit driveways onto those arterial streets.

Mr. Evans mentioned that there are three entrances, but maybe some can be added. Mr. Evans noted that is something that if they want to add another entrance or exit this would be something that would be handled by Planning.

Ms. Heller advised they would look at that very closely and would want to scrutinize that very carefully. The access management is limiting the amount of ingress and egress points that you have along major streets, and in order for traffic to move more efficiently we want to keep those limited. Ms. Heller noted if they came in with anything additional we would scrutinize that.

Ms. Heller continued with Section 1311.08-Parking and Driveways. Section (c) says Parking areas should be well-screened, and we changed that to shall be well screened, from the street by landscaping. Ms. Heller move on to the next slide and noted is one of the suggestions that was made by the Planning Commission and we can look at the example of the west side of Eighth Avenue. Right now we suggest that parking areas should be well screened from arterial and collector streets by landscaping, and a decorative masonry wall or ornamental fencing not exceeding 4 feet in height. What we really thought was that the decorative masonry wall or ornamental fencing really separates the sidewalk from the development and we really do not want to do that. Ms. Heller stated we want pedestrians to feel like they can interact with those uses, and so we deleted the wording that says "and a decorative masonry wall or ornamental fencing". We also changed the language that says "not exceeding 4 feet in height" and we changed that to "at least 4 feet in height", and the 4 feet should be the minimum. Ms. Heller noted if there is landscaping that is utilized, it should meet the minimum requirements.

Ms. Heller mentioned that in Section 1311.08 (e) it says "Where a driveway needs to enter from the front to access a garage, the garage shall be setback further from the street than the house, and the driveway should be as narrow as practical through the front yard", that does not apply. It was deleted by the Planning Commission as a recommendation, but we did choose to retain that.

Ms. Heller continued with Section 1311.10-Additional Requirements and noted subsection (a) states "Architectural designs shall be used to minimize the visual impact of garage doors when they front upon a street". We added "the visual impact of non-residential garage doors" and that would apply anywhere. We do allow Townhomes in the OMU District and elsewhere. We would not try to impact the garage doors of a Townhome or some other residential use. The non-residential garage doors are what we want to address there. Continuing with Addition Requirement 1311.10 (e) which states; "Every effort should be made to preserve and reuse older buildings and to rehabilitate historic features. Modern additions and features should be placed towards the rear of the property." This is in the design standards chapter now and we added in bold below that this does not apply in the OMU District because it certainly conflicts with the provision where we are not requiring that the Tower be retained. That provision is in conflict with removing the requirement to retain the Tower.

Ms. Heller stated the next slide is basically the same idea with Section 1311.10 (f), which states; "Where existing adjacent older buildings have a certain horizontal or vertical pattern, that orientation or pattern should be continued in new construction. Where existing older buildings have a certain spacing of windows and doors, similar spacing (and similar sizes of windows and doors) should be continued." Ms. Heller noted that is really for infield development in our denser core areas of the City. It does not apply here, especially the out buildings. There is not a pattern of development on that site. In the second paragraph, in bold, we state the fact that it does not apply in the OMU District.

Ms. Heller commented that completes the chapter on Design Standards and she will answer any questions anyone has. She will then go onto the new chapter. They created Article 1314, which replaces the chapter for CM-LTN. This is a chapter with additional requirements for the OMU District. She continued this is a completely new chapter and we have a Purpose section at the start and basically we are reiterating the purpose we have in front of the Ordinance. It talks about using underutilized sites and the fact that this is uniquely situated property. It is a large parcel that would allow for some master development. Ms. Heller continued to say there is also protection for the Burnside Plantation and it encourages ground-floor retail and commercial uses that would connect buildings throughout the site.

In the Section 1314.02 we get into some of the Area, Yard and Building Regulations and the first few slides talk about the regulations for Residential uses. Ms. Heller noted the first thing they revised is the density. The existing Ordinance allows 18 dwelling units per acre and we increased that to 21 dwelling units per acre. We did this because that remains consistent with other density developed areas where we do want dense development in other areas of the City, such as Beth Works site and the downtown area.

Ms. Heller continued with another revision for Residential uses. Referencing Section 1314.02(a)(2)-Minimum Lot Area she noted we have a one acre lot size. The minimum lot size for residential use that seems to be impractical, so we revised that to one acre per phase of development. We understand that the development of the 53 acre parcel will occur in phases and probably many phases, and just to keep things somewhat practical and efficient we are requiring one acre minimum lot size per phase. Ms. Heller noted the asterisk basically remains the same except that they did delete a sentence that talks about the lot size for individual residential units and the amount of rear yard that it can have and things like that. We took that out because for the kind of development that could exist at this site. We think that residential development should be as flexible as possible, and that it could be clustered. We did not think that requirement was practical, and took that out of both residential and non-residential sections.

Ms. Heller advised the next section, Area, Yard and Building Regulations which is 1314.02(a)(7) is where they talk about side yard setbacks. They are five feet each which is consistent between the current Ordinance and the proposed Ordinance. We did increase the separation between buildings. If it needs four stories or more it should be a 35 foot minimum. In the current Ordinance we have a 20 foot minimum. Ms. Heller noted on the next slide, which is 1314.02 (a)(8), they talk about building height by story. We allow a maximum building height of four habitable stories and there is an asterisk noted and she will talk about that in the next slide because if you increase the setback we do allow you to increase the height. Ms. Heller informed we are permitting also a maximum of one above ground parking level and that is also consistent with the current Ordinance. Ms. Heller mentioned the next slide actually outlines the fact that as you get more interior to the site we allow more height. The maximum height that we are allowing is 120 feet or 12 stories, whichever is more restrictive. That is consistent with

other areas of the City. We talk about for the residential proportions of the development. Porches and stoops and such like that are consistent with the current Ordinance. The last sentence is in italics and we did take that out. She continued this is consistent with what we looked at on the prior page requiring an open rear or side yard for residential units. We deleted that because there could be situation where there is cluster development and shared open space.

Mr. Evans mentioned in 1314.02 (9), it states that building coverage at 60% and his question has to do with impervious coverage. We have done work with this recently, especially in residential areas regarding percentages. Mr. Evans asked if that applies here anywhere because he is thinking that with runoff and we have a slope and a creek in the back that we will look to protect from flooding. He wonders if there is something in this section that protects us. Mr. Evans queried would it apply with what we just voted on regarding impervious coverage and could this maybe be added to the Ordinance.

Ms. Heller advised the other voting amendment does not impact this at all. This does not specifically include a provision for impervious coverage, but there is a requirement later in this chapter for required open space. Right now if we look at the surface parking lots on that site she thinks what is green will remain green to retain the open space on that parcel. Ms. Heller believes we are pretty much maxed out on impervious coverage now, if you look at retention of the 10% open space.

Ms. Heller continued with minimum rear yard setback, Section 1314.02(b)(5) and in this we increased that from 20 feet to 30 feet and these are non-residential provisions now. The next slide is the minimum side yard setback, Section 1314.05 (b)(6) and this is increased as well. Side yard setbacks would be from interior streets and also from interior buildings. We added the provision that a 35 foot separation from any other building shall be required for buildings that are more than 4 stories in height.

Ms. Heller mentioned the next slide talks about maximum building height in the non-residential zones. This reflects the same provisions that we had in the residential zone. With 4 habitable stories with the two asterisks and the setback requirements and provision for height, more height to the interior parcel applies here as well. Ms. Heller related the next slide is the Buffer Yard Requirement, Section 1314.02 (b) (9) and in the existing Ordinance we require a buffer between non-residential uses. We took that out because nowhere else in the City do we require a buffer between non-residential uses. The requirement is really between residential and non-residential uses.

Ms. Heller advised they have put a cap on the amount of square footage of building footprint that can be of one habitable story design. We did this because we want to get density on the site. We want the developer to build up and want that to be included in the Master Plan. Ms. Heller stated they did feel it is appropriate to allow some one story development. The number they have in Section 1314.02 (c) is between 20% and 25% of the total possible buildout of the site. This was a recommendation we looked at with the Planning Commission. In our original proposal we had 350,000 square feet and in their discussions they reduced it to 275,000 square feet. We now end up with a proposal here of 300,000 square feet, which is about 23%. So three quarters of the build out at the site needs to be at least one story in height.

Ms. Heller continued with the next section which is 1314.02 (d) that relates to the set aside of open space. All of this is in the existing Ordinance. The section that is bolded is what was added. "This open space provision may include steep slope areas and/or other natural areas and may include a recreational trail as described below." Ms. Heller related that Monocacy Way is near this site and has been discussed at the Planning Commission meetings that we have had regarding Monocacy Way and other trails and an abandoned rail line to the south. We think that would be an excellent opportunity for a rail trail in the future.

Ms. Heller mentioned the next section, 1314.03, gets into the Overall Master Plan Phasing and Deed Restrictions. We do have provisions for that now in the Ordinance.

Mr. Evans queried about the 300,000 square feet of a one story building and asked for a reference of what kind of a size building that would be and if that would be the size of a Home Depot or a Walmart.

Ms. Heller noted that Walmart would be quite a bit bigger than that. Regarding the total build out of the site, Ms. Heller informed you can have building coverage of 60% of the site. If

you round that off to a 50 acre parcel, that is about 1.3 million square feet of building footprint. That can be permitted on the parcel. 300,000 square feet is about 23% and is less than a quarter of the build out of the site. It is limited but we do allow it. Ms. Heller added that more than 75% of the site is going to have to be at least two stories or higher and we are allowing density there. We are allowing building height at the core of the site. We felt that the 300,000 square feet allows some flexibility for development, but it is not by any means the majority of what can be developed on that parcel. A typical Home Depot and probably the Lowe's across the street are little over 100,000 square feet. There is a lot of development that can occur and the Ordinance is written to allow that.

Ms. Reuscher stated she wanted to refer to the open space provision and asked what percentage of the property on this site is currently open space or not paved surface.

Ms. Heller related she does not know specifically, but if we look at the site and what we see that is green now is about 10%. As the site is built out in residential areas they would need to incorporate green space with in those portions.

Ms. Reuscher mentioned the thought there is to provide a buffer between the development and Monocacy Way.

Ms. Heller stated with Monocacy Way and Burnside Plantation there is a provision in here further along that talks about protection of that viewshed.

Ms. Heller then continued with the Overall Master Plan Phasing and Deed Restrictions. She pointed out that we do have that section in the Ordinance, now but it is not nearly as specific as the provisions that we have in the new proposal. Ms. Heller pointed out what is bolded is what they are adding. We do require an Overall Master Plan currently but now we are requiring that the Overall Master Plan shall show proposed uses in detail to verify that the ultimate build out includes mixed use development. Each phase of development shall show uses in the following mix or proportion, and we broke them out into three types of building use. Those three types are Office, Institutional, Light Industrial and related uses. The next category is Retail, Restaurant, Entertainment and related uses; the third is Residential uses. This still provides a developer with a significant amount of flexibility because there is a broad range of percentages for each use, but it does require that each use needs to be represented at the build out. Ms. Heller noted it does not mean that each phase of development needs to include all three uses, but in the Overall Master Plan they need to show us that all three uses are still represented.

President Reynolds queried as to how that would be enforced as the phases go on and how would that be followed. He wondered what the process would be for this. He noted he understands that this has to be shown in the Overall Master Plan, but as the build out of the site occurs, he queried what would be the safeguards on the process as far as that would be followed.

Ms. Heller noted as you get further into this section it does require that the Overall Master Plan is reviewed by our bureau and the Public Works Department, and also the City Planning Commission. So for each phase of development the developer will also show the Overall Master Plan. Ms. Heller thinks we understand that this is a very large site. It is rare that an urban dense community like ours would have an opportunity to develop a large parcel like this, but it only happens over time. We can obligate a developer to provide an Overall Master Plan initially, and then we will know how they will be building 10-15 years out. We understand that this Overall Master Plan will morph and change over time as then come into different phases. Ms. Heller reported that each time they come in with a phase we can review that Master Plan against the Ordinance provisions to make sure they are all met.

Mr. Callahan wondered who came up with these percentages.

Ms. Heller replied they did some and actually the Planning Commission assisted us with this, and this is one of the Planning Commissions additions. She thinks the Planning Commission worked really hard on this proposal. They did some of their own research. We met with a few of them individually. They had questions about implications with some of these provisions and they came up with some of their own recommendations. Ms. Heller noted this was based on some reports that were put out by Urban Land Institute (ULI) about mixed use development. They have some model Ordinances and some recommendations within those

reports. Ms. Heller related that some of these provisions were pulled out of that, and this is a suggestion that came out of their model Ordinances. The percentage range is not exactly the way it is laid out in the model Ordinance, but we felt that this worked for us. With the Restaurant category, their recommendation was that the maximum percentage of building area was 50% but we are recommending that it be 65% to allow more flexibility on the site.

Mr. Callahan mentioned we had no percentages in the development of the Coke Works and Steel Stacks area. He continued the acreage in that area is a lot more than the Martin Tower site

Ms. Heller stated he is correct. We had a Master Plan at that site and it showed a variety of uses and how the reuse of several of those sites was intended to be used. She thinks that we had a better understanding of how that project might move forward, and that is a good example of how a Master Plan does change over time. The first Master Plan that we saw for that site did not include a Casino. The Casino was not even permitted by the State of Pennsylvania at that time, so a Master Plan does change over time. Ms. Heller pointed out that we still allow for flexibility to change the Master Plan. There is nothing that prohibits that; it is just that the percentages are included in order to ensure a mix of uses.

Mr. Callahan stated his concern is that we have never put percentages on any project in the City. There is 4 million square feet of office space being in the NIZ. We have all accepted that the NIZ is a much stronger economic engine than is the CRIZ. We have businesses that are leaving Bethlehem as we speak that are going to Allentown, so why would we want to tell a developer that they have to build 5% of commercial office space when there is 4 million square feet of office space and another 700,000 square feet being proposed for a water front and with the residential component there is another 4,000 residential units that are planned in the Bethlehem area that are already being built or in the planning stages. Mr. Callahan wonders why we would want to tell a developer that they have to build 10% of this property with a certain usage when there might not be a market for it. The question is why would we want to put percentages on a property like this? Mr. Callahan does not think the developer would be against any of these three uses. He has developed commercial and office space and has profited from it. And I think he has built residential and profited from it. If you are building something and cannot lease that property out if residential, because there is something elsewhere that is much cheaper, why would we put percentages on a property when we have never done this before in the City?

Ms. Heller stated she would answer that is a couple of ways. First of all, we understand that this will be long term development. It will not happen overnight and the market will change over time. This will allow for what the market will demand. Also, 5% is a very small amount of what can go on the site. There is a lot of development that can occur on that site and 5% of that is a small amount. Ms. Heller noted the amount of flexibility that is still permitted to a developer is still pretty significant. She does not see this as a restraint on development, especially since we know that the development of this site could take at least 10 to 20 years. We will see changes in our community and in the market in that amount of time.

Ms. Reuscher noted her question is on the other side, the maximum percentages. She knows this is something that was done to try to make everyone happy and that is never easy. She understands there was a push for lower percentage from some of the local business owners and also that the Planning Commission had recommended 50%. She was wondering if Ms. Heller could explain where the 65% came from in comparison to those lower percentages.

Ms. Heller stated that is true. There was a lot of discussion about what that percentage should be. Again, we are trying to provide some parameters for development to require mixed use but still allow a lot of flexibility. We felt that the 65% really did allow for that. We do have some cap on the amount of one story buildings that can go in there, and so the balance of the Retail/Restaurant would need to be incorporated within multi-story buildings. Ms. Heller mentioned for those buildings we envisioned Retail/Restaurant on the first floor and then Residential or Office above. She added, that does require a mix of uses, but on the first floor we would want to see some Retail/Restaurant and that is the kind of use we would want to see.

President Reynolds called for a recess at 9:10 p.m. commented that they will take a break in about 10 minutes just to let everyone stretch and come back and continue with the Administration's presentation.

Mr. Evans noted hypothetically, if the area is built 100% retail on the first floor and the second floor built out of office or residential, if that is done would it be possible to build it all retail and the second floor office and residential and say retail is now 50%. Mr. Evans clarified, if we have retail at 100% of the land on the first floor and the second floor would be either office or residential would they be able to do that with these percentages.

Ms. Heller replied yes. The main goal is to mix the uses so that we are bringing residents and office users into the site so that it is not just all retail. If offices and residents are brought in we are bringing in people who would not only support the retail and restaurants on this site, but it would also spill over into other retail and commercial uses in the City. Ms. Heller noted we have a lot of commercial areas in the City and we feel that bringing additional people into the City helps to support, not just this site, but the areas surrounding it. So that is why we need to have the office and residential above and why we want to limit the amount of one story buildings.

Mr. Evans mentioned this would require two or three upward stories and then that would have to be office or residential. He is following the thinking that there would be retail on the first floor and residents above pouring out into that district and surrounding areas to support those areas.

Ms. Heller advised that we want dense development there. The site is on an interchange of a highway and very accessible off of two other arterial streets. It is a site that should be built out. We should take advantage of this opportunity here that has been languishing for years, but in order for it to be healthy development we need three types of uses to be mixed on that site.

Mr. Evans queried when this was first put in place in 2006, and when amended the Zoning Ordinance for the whole City in 2012, did we touch this at all.

Ms. Heller stated we did tweak it. There were minor changes but it was very minor.

Mr. Evans inquired, when this overlay gets built out in a decade or more, does the overlay go away and be removed. For example, if Eaton Avenue would be developed as residential and once it is all built out, does that eventually become a residential district or does this overlay stay in place with these requirements.

Ms. Heller informed what we are proposing now is not an overlay. It is a new Zoning District and that would remain. There is no reason for it to have to go away. It would remain just as any other area that has been built out. There could be infill or redevelopment, but the provisions would remain.

Mr. Evans noted as it is built out and an area becomes residential, then some later time could that flip because that is a mixed use in that district. Could that then become commercial? For example, he lives on Butztown Road and that is residential. That cannot flip and become commercial property.

Ms. Heller mentioned that is zoned Residential. If anyone would want to put commercial use in there it would require a zoning appeal, and that would be reviewed by the Zoning Hearing Board because it is not permitted.

Mr. Evans stated in this district, if homes are built, and it takes on the characteristics of a residential neighborhood, would a developer at some point still have the ability to put commercial in.

Ms. Heller noted this is a mixed use district, so a broad range of uses are permitted there. Just like in any other Zoning District where a mix of uses is permitted, buildings can be reused for different purposes. So areas could be redeveloped and reused in other ways.

Mr. Evans continued to say that an area that is developed as residential on this property, and if we have 50 or 60 townhomes, that still holds that characteristic that it could someday be commercial even though it is developed as residential.

Ms. Heller reiterated this is a mixed use district.

Mr. Evans stated on the map he is talking about the three shades of green and we have the dense and the RR sections and asked that does not come into play with this.

Ms. Heller noted there is no residential zoning district there. We are not saying there is a residential component and then an office component and then a retail component. We are hoping that it is mixed use and those uses are mingled throughout the site.

Ms. Heller mentioned the next slide talks about the Overall Master Plan and some of these sections are already in and need to be available for review by the City Planning Commission, Planning and Zoning Bureau and the City Engineer. All phases have to show that they are in accordance with the Overall Master Plan that has been approved by the Planning Commission. Ms. Heller noted the Overall Master Plan shall be revised provided it still complies with the applicable section of 1311, which is the design standards and 1314 which is this chapter. Ms. Heller added if this is revised it needs to again be approved by the Planning Commission. The last sentence is something that was added by the Planning Commission; "The Overall Master Plan shall be designed to reflect the overall provisions of the Purpose section of Article 1311, Design Standards." It is understood that this would apply anyway because the design standards are in affect but that was something that the Planning Commission added to be clear.

Ms. Heller commented on the next slide they did delete some provisions from the existing CM-LTN District, and because they added language about each phase of development and that it needs to go back to the Planning Commission, it is really new language that replaces what is there now. The next section was also deleted and that is where we talk about the style guide. Originally we did not require that the development on this site comply with the Design Standards and we are requiring that now so there is no need for a style guide. The development should be consistent in style with the requirements in that chapter.

Ms. Heller continued with Section 1314.06 - Street and Alley Requirement and this was completely deleted from the proposed Ordinance. In the current Ordinance we have special provisions for narrow alleys and we felt like there was no need for that. The standard provisions that we have for public streets would apply here as well. The next slide is Section 1314.04 - Off-street Parking and Loading Regulations. There is a provision that states that no more than 50% of the first floor front façade shall be composed of vehicle garage doors. Ms. Heller informed that we do want to limit what the front façade will look like and revised that. It now says: "No portion of the front façade of any non-residential building shall be composed of vehicle garage doors. For residential buildings, no more than 60% of the first floor front façade of any building shall be composed of vehicle garage doors." Ms. Heller noted on the next slide they deleted a provision that allows for narrower parking aisles for two way streets. The standard requirement for anywhere else in the City is 25 feet, and that will apply in the OMU district as well.

Ms. Heller advised there is a Sign Regulation section in the current chapter. Basically, it just refers you to the existing sign chapter so it seemed repetitive and unnecessary and so to shorten up the chapter they did delete that. Ms. Heller continued with the last slide which is Steep Slopes and in the current Ordinance the site is exempted from steep slope requirements. We deleted that so that in the future steep slope requirements will apply at this site.

Ms. Heller pointed out that they wanted to hone in with this presentation on three general points. One is that in the site the structures that are there now are antiquated and obsolete and difficult to redevelop. We talked about some of the costs associated with that redevelopment. We talked a little bit about the prior attempts that the City had tried to move forward with to assist redevelopment and has not happened. Ms. Heller reported that then in the proposal what we are trying to do is present something that would allow for quality development on the site and allow flexible development as well. Ms. Heller believes that they have been able to do that with this proposal and will entertain any questions.

President Reynolds remarked that before Council makes any comments or asks any questions and before the public comments, because they have been at this for two hours and fifteen minutes they will take a and will re-adjourn in 10 minutes.

The meeting reconvened at 9:30 p.m.

President Reynolds re-adjourned the Public Hearing and queried if the Mayor or the Administration had any comments, and then asked Council Members for any comments.

Mr. Waldron asked about what the thought was for the trees on this property since there are many beautiful mature trees throughout that site.

Ms. Heller remarked that the Ordinance does not address that specifically. We do have a section in the Zoning Ordinance that pertains to trees city-wide. She continued, if you remove trees of a certain caliper they need to be replaced and they would have to be replaced throughout the site. The idea of that provision is that we want to preserve the tree canopy that is in the City. If you cannot replace the trees on your own site, you give us the cost per tree to be replaced, which is placed in an escrow fund, and we can replace those trees elsewhere in the City. They could be replaced in our parks or maybe street trees. The alternative allows for the preservation of the tree canopy in the core City. Ms. Heller explained that we could at least be able to maintain the trees, if not on that site then nearby in the City.

Mr. Waldron wondered if there was any thought in trying to beef that up or make the Ordinance stronger with this.

Ms. Heller stated the actual tree for tree replacement is stronger than what we had before and it was originally intended for naturally wooded areas that we would be able to replace those trees. We had found in the urban core where there have been parking lots or other places it has been helpful in retaining the tree canopy, especially in the core areas of the City.

Mr. Waldron asked if there is a model of something in the region, and if not in the region, then nationally, of an example of a development that she could point to and say this is our goal. Mr. Waldron referenced National Harbor, Maryland and the large convention center.

Ms. Heller stated not so much in the region but there are other developments that they looked at through the Urban Land Institute (ULI) and in the model Ordinance they refer to other sites throughout the Country. There were a few that were within that Ordinance but she cannot recall them at the moment. Ms. Heller noted it is not unheard of to have this kind of development, and we can get some of that information to Council if they are interested.

Mr. Waldron queried what Ms. Heller would say to some of the interested attendees at this meeting and who will speak, regarding concerns that this rezoning will create a third downtown and will cannibalize business from Main Street and the south side.

Ms. Heller advised that they met with several groups, several times and have tried to include some of their comments in the Ordinance. She thinks that the thing within the Ordinance proposal that really works against the idea of cannibalization is this idea that we would require mixed use. We do allow for retail and it does allow for a lot of retail but matching that should also be residential and office uses that bring people to the site and bring people into our community that probably are not in our community now. Ms. Heller stated there will be new dwelling units, new jobs, so those people would be not only supporting this site but there would be a spillover effect in outlying areas of the site.

Mr. Waldron queried if her thought is that we could grow the population of the City.

Ms. Heller replied yes, we could grow the population of the City. We could grow the job network in the City and that is really what the purpose of mixed use development is. It is the most sustainable kind of development. We have also talked about that on the Beth Works site. The more uses we get on a site the healthier that site is in the long run.

Mr. Callahan expressed his appreciation to Ms. Heller, the Mayor and the Administration for putting together this proposal. It is pretty obvious that there was an extreme amount of work and thought that went into this whole process. He knows this has been a long process. Mr. Callahan informed he is not really thrilled with the percentages and he personally does not think there should be any. He continued, no one will be happy with this and he knows that the neighbors in the school district are totally against residential or a large percentage of residential use. He has talked to a large number of business owners on Main Street and noted he lives on Main Street, not far from the Apollo Grill and Edge. Mr. Callahan added he has invested in his property and his own hard earned money on Main Street. He

commented, if Main Street goes, so goes his property. He does not want anything to happen to Main Street either; it is beautiful and we all love it. The developer is not happy, Main Street is not happy, the south side is not happy, the School District is not happy and neither are the neighbors. Mr. Callahan noted our goal hopefully is to find a fair and balanced approach because this property has to be developed. Since the TIF was voted down 10 years ago the County, School District and the City have lost over \$40 million dollars in taxes, if you would have accounted for the assessed value going up for it being fully developed. He thinks if the plan is done in a fair and balanced way, although Ms. Heller gave a very thorough presentation and he does praise the Mayor at times and criticizes him at times, but this development will go on his watch and we will look back on this someday. Mr. Callahan remembers there were many people against Lowes' and fought that development, and that was much to do about nothing. Mr. Callahan mentioned that when he was knocking on doors about two years ago a person who was a real critic about the Lowes' did apologize to him and told him to tell the former Mayor that he was one of the ones who fought it but he is now at Lowe's all the time. If we look at that development and the build out of that we can see that it was well planned and well done. Mr. Callahan noted that it was same situation with the Sands Casino. Many were against that project. People ask where the Sands money is, but they do not understand we are not collecting any tax money from the Sands right now because of the TIF, but we do collect the Host Fee which is about \$8 or \$9 million a year. Had we not had the Sands on that site, which was unused, we would not have \$9 million on a yearly basis. When we look back on this he thinks they should be congratulated for the vision and putting this together. Mr. Callahan does not know where this will go but he does want to listen to the residents and the business community. He has talked with them already, but reiterated, this needs to be developed but it needs to be fair and balanced.

President Reynolds pointed out that the Sands do pay property taxes, just some goes to pay the TIF and we are getting a percentage. When that expires in 2020 we will begin to receive the full amount.

Mr. Recchiuti thanked the Mayor, Ms. Karner and Ms. Heller for tackling this issue. This is something he knows that has been an issue for the last 10 years. It comes up every year and at every election people want to know what will happen with Martin Tower. Mr. Recchiuti recalled for a long time we hoped certain things but this is a definite step in the right direction. This is not a plan. This is a Zoning Ordinance. The plans will come later and they will get reviewed thoroughly by our Planning Bureau and our Planning Commission. Mr. Recchiuti stated while he knows there are some fears out there about what is coming and what is not coming, this is only a framework to allow certain development to take place on that parcel. This is a good start but we still have a long way to go. This is one of the things that we, as a City as a whole, have to look at, is external competition. Mr. Recchiuti noted there is a TIF in Lower Macungie to build a Costco and that is green space out there. This is redevelopment of former Bethlehem Steel property and we have made it a priority in the last 10-15 years in the City to redevelop our former Steel property. He continued, as far as he is concerned, this is no different than the parcels on the south side. Mr. Recchiuti thinks we have given those south side parcels a very good chance at renewal because we are providing a mixed use, and that is what this parcel needs. Mr. Recchiuti wanted to again thank the Mayor, Ms. Heller and Ms. Karner. He remarked they went out of their way to do this; he does not believe the developer came and requested this change. They saw a problem and addressed this. The Administration went after an issue of 53 acres of land, and in the long run this will add to our tax rolls and help our City financially going forward.

President Reynolds mentioned that Mr. Waldron had asked the question about the undercutting of the downtown and he knows this is something many are concerned about. He knows that Ms. Heller stated what they see going on in the future, but inquired if they also would talk a little bit about what we are currently doing to support our downtowns on north and south side as well as some of the things that we will do in the future.

Ms. Karner remarked we do a really good job of throwing all of the tools that the Local, State and Federal Government give us and at all of our problems. She remarked from a purely economic development standpoint you should probably go back to when the north side started with LERTA. LERTA was a very successful tool used by the City early in the LERTA approval process to incentivize development in areas that were struggling. Ms. Karner believes that it was 2006 before the LERTA on the north side expired and it continues on the south side to incentivize additional development. That is the property tax abatement. It is graduated over ten years so that at the most basic level anytime you invest in your property that involves

commercial property, you will see some tax relief in the next 10 years associated with it, if you are considered qualified for the LERTA program. Ms. Karner stated we continue to use partners in the community to offer loan products. We have had our Bear Program, our Façade Program, and our FRED Program. These are all about blight remediation; and it is about machinery and equipment purchase; and small business loan products. She continued whether that is interest free or low interest loans we very successfully invested about \$2.5 or \$3 million in the businesses throughout the City. Ms. Karner noted that is not just specific to the north side or the south side but it is a good example of a tool they have seen all over. We have used programs such as the Enterprise Zone to invest in our downtowns. The Enterprise Zone is a program that the State has designated with Bethlehem years and years ago and we are probably in the last two years of that designation. Ms. Karner reported we have been able to secure funding from the Commonwealth to invest in projects as it relates to the Enterprise Zone. We also have the Keystone Innovation Zone (KIZ) and that is specific to the south side. We offer not just grants for technology transfers or commercialization of products but also internships and there is a tax credit component associated with that program. Ms. Karner added there is up to \$100,000 a business can get to sell tax credits to reinvest those dollars into their companies. We have secured more than \$6 million through that program alone. We have RACP which we have been very successful in securing and have put that into projects such as the North Street Garage and Riverport. We have leveraged County resources. Bethlehem received more than \$11 million from the Northampton County 2001 Bond Issuance to invest in projects. We have successfully leveraged those programs, not to mention our CDBG investments, which is for our low income areas which predominantly are for West Bethlehem's corridor and the south side of Bethlehem. We have also used tools like New Market Tax Credits to invest in low income areas. Ms. Karner stated the list goes on and on. She can get specific, but there are very few long standing businesses in Bethlehem that have not looked at these programs and taken advantage of them.

Ms. Karner mentioned that Mr. Alkhal could perhaps detail some of the investments. Currently there are some investments on Main Street that are occurring this week that he may want to speak about.

Mr. Alkhal noted they focus both on recurring annual maintenance in both the core business districts on the north side and the south side. We have a dedicated street worker that assists in maintenance, even in cleaning of the downtown and the streetscape which is typically the property owner's responsibility. Mr. Alkhal stated beyond that there has been some substantial number of capital investments in both of the downtowns. On the north side some of the projects that come to mind are the construction of the North Street garage, the opening of Broad Street, complete replacement of the sidewalks on Broad Street from Main to Guetter Street, update replacement of all of the decorative brick crosswalks on both Main Street and Broad Street. Mr. Alkhal pointed out more recently partnering with the property owners in repairing the sidewalks on Main Street from Church Street to Broad Street and just as important we relocated all the utilities underground that serve the lighting and the music on Main Street. In the past few days we are repaving Main Street and adding more angled parking to increase the on street parking. Mr. Alkhal stated that over the past 10-15 years we have invested well over \$10 million between grants and City resources on the north side as well as the south side.

President Reynolds explained the Administration and the Mayor brought forth this proposal. It has gone to different Planning Commissions and people have made comments. He added that some of those comments have been included by the Administration and the Mayor and some have not been included in the proposal. The Ordinance that is in front of us is obviously something that no one will be completely happy with. He noted that maybe Administration changed things that they may not have wanted to, and there are things that maybe some City Council Member wish were there and wishes were not there. President Reynolds knows certainly that there are members of the public that oppose certain aspects of this but the product in front of us is a sign of a compromise between a lot of different areas of our City democracy. He stated this is certainly not an easy issue for Bethlehem and I think everyone in this room cares about Bethlehem. Everyone loves the City of Bethlehem, but everyone comes at this doing what they feel is in the best for the City of Bethlehem. President Reynolds related that this includes the Administration, City Council, and people in the community. He remarked that however we move forward it is safe to say that everyone may not always agree, and we should not be questioning the why, but more of just the what.

Public Comment

Carmen LoBaido stated she would like to go last and let Michael Schweder speak first.

President Reynolds remarked that they will go in the order of what is on the Public Speaker Sign-in Sheet which is the order that people have signed up to speak. This is the only orderly way to do this. If not, we will have people saying they will go after this person, and so on, which will be quite difficult. President Reynolds stated the way he generally addresses Public Comment is that we go down from the top of the sheet to the bottom of the sheet. He will then ask if there is anyone on the left side of Town Hall who would like to speak, move to the middle, then to the right side and finally offer the opportunity to speak to for anyone outside in the hall. President Reynolds informed that is the way we have always done this and he thinks that is the best way to continue with the process.

Carmen LoBaido, 458 Main Street, stated she owns the Artsy Diva Boutique. She is at this meeting to help everyone understand the struggles and some of the obstacles that a small business on Main Street in Bethlehem faces on a daily basis and why she is opposed to the retail expansion of the Martin Tower. In the almost five years that she has been on Main Street she has seen the closures of many businesses such as the Girlfriends Boutique, Accessories Boutique, Mixed Bag on Main, Brianna's, Tangled Yarn, Country Capers, Shuze and the most recent, Little Italy on Main and Tallarico's. Ms. LoBaido mentioned almost on a weekly basis she is asked by visitors to our City, where are all the retail shops, there are so many restaurants. Many say they love to come downtown to shop in the unique stores but how can she explain to visitors how difficult it is to make enough money to pay rent, expenses and a small paycheck for the owner when we are all faced with so many obstacles such as lack of foot traffic, paid parking, competition from big box stores and online merchants, the weather, construction, etc.. Ms. LoBaido remarked that now the City of Bethlehem wants to allow Martin Tower to have unlimited retail expansion thereby jeopardizing the livelihood and the viability of the shops on Main Street, the south side and the Westgate Mall. She explained that on Main Street we have seen a drop in sales due to the many obstacles she mentioned, and now the powers that be want to add more retail shops, approximately one mile away. Ms. LoBaido queried, do we want to become another blighted downtown, as many other small Cities are experiencing with their Main Streets. If there are any viable businesses left, they are either pawn shops, tattoo parlors, or cellphone convenience stores. She stated that City Council may believe that this cannot happen, but when a retail shop can no longer stay in business the building owner will rent to whoever can pay the rent. If it is a tattoo parlor business then that is who he will rent to. Ms. LoBaido explained that the building owner has to pay his taxes and expenses. What she is asking is for City Council to consider researching before they come to a decision, is the possibility of seeking to attract some sort of manufacturing to the campus of Martin Tower, so that we do not have this overabundance of retail and housing. This will not only create jobs, but jobs that pay a living wage; not a retail wage of minimum wage. Ms. LoBaido commented if Council is familiar with the existing businesses, how can we thrive in this kind of environment? It is bad that there are days when the business is so slow downtown and there is no foot traffic. She remarked that she walks out of her shop and looks up and down the street to see if there are any other people because she feels like she has become another Twilight Zone survivor. All joking aside, Ms. LoBaido would like to ask the City Council members that when they make their decision today or in two weeks that they please realize how it will impact the two downtowns and the Westgate Mall. Ms. LoBaido thanked Council for the opportunity to speak. She hopes they make a decision that will benefit all the parties involved in a positive way. She wanted to point out one of the comments she saw in one of the pages, that said, "Live, Work and Shop", all in one area. With 425,000 square feet available to this developer it sounds like they are building a brand new City, but will it be called Bethlehem also? Let's not forget the existing, live, shop and work areas that are already in the City that are suffering. Ms. LoBaido remarked to Council and the Mayor, please come downtown on any given day and walk around and see no foot traffic.

Joanne Smida, 452 Main Street, stated she is the owner of Hand Cut Crystal and that her family has owned the business on Main Street since 1986. She took over the business from her mother in 2006. In the last ten years it has been a real challenge to survive a turbulent retail climate with internet sales on the rise and competition from emerging retail markets such as the Promenade Shops. Although she was not in love with the Casino Ms. Smida noted it does bring people into town. She noted there are shops over there, and there are other suburbs that have created little malls, such as in Nazareth and in Bethlehem Township. Ms. Smida informed that weather conditions have also caused problems on Main Street and mentioned the never ending

construction and parking issues. While the City seems to get the benefit of the continuous articles and posts online about the City of Bethlehem having the best downtown historic area to visit, they cannot remain on top without the hard work and effort of the merchants, hotels, businesses and restaurants that put it there. Ms. Smida advised it is difficult to keep and maintain such an honor of being named in national and international publications without the support of City Council and the Mayor. She does appreciate this time to speak. Ms. Smida noted this is why she does oppose the changing of the zoning of Martin Tower to allow for further expansion of retail at this site. She does not totally oppose retail. She is not saying competition does not exist but she thinks it is difficult to be in business.

Michael Schweder, 4 West Church Street stated in 2006 when this proposal first came before the City he sat in the chair that Mr. Reynolds sits in now as President of City Council, and Mr. Donchez sat two seats away from him. He came to this meeting tonight after reading a few things and hearing more tonight to set the record straight before this gets voted on. He stated there are things that are simply not accurate. Mr. Schweder explained that first, somehow or another under the original proposal and the proposal as it exists now, that we have upwards of 250,000 square feet that is eligible for commercial use. That is simply not true; that is not the way the Ordinance was written. Mr. Donchez on that night asked three different times on what would be the maximum amount of retail as opposed to commercial. Three times he was told by these developers and their Attorney that it would either be 20,000 or 50,000 square feet at maximum. Mr. Schweder mentioned on that night, if this is accurate, on that cold night, with Mr. Donchez, before the cock crowed they denied three times what the size of that would be. The record is clear from that meeting that it was explained that the only retail that would go there would be retail that would work toward the small community, the residential, which was overwhelming at least 90% residential. Then we reached the point of how are we here now, and that this has not been developed and that this is blighted. Mr. Schweder commented that in 2006, in meetings, he asked these developers and their Attorney when they would start developing on this property if they were granted the right to do it and this was February 21, 2006. They guaranteed this process would start no later than January 1, 2007 and one of the partners assured us that they would start in June if they got the last of the other tenants out of there. Mr. Schweder pointed out that is over two years before the housing bubble broke, and has nothing to do with this. You may wonder why this was not developed at that time. What they did instead of developing it is that they decided to flip the property. They put it up for sale. There was no intention of ever developing this, and we have no assurances that the same thing is not going to happen with what you will vote on in either two weeks or in four weeks. Mr. Schweder is suggesting through this whole process is that everything that exists on that piece of property was advocated and developed by the developers who owned it, and every one of us as Members of City Council were invited to meetings with them and their Attorney, and everything was laid out. None of us on City Council were concerned one way or the other whether the Tower stayed or not. They insisted that was a vital part, but now all of a sudden that is expendable. Mr. Schweder stated he does not care one way or the other, and he did not nine years ago and he does not think anyone on Council did at that point, but that is not part of what the City set up at that point. The whole process was setup by them and carried on. Mr. Recchiuti was right; this is just a plan. He continued, you have no idea what you are voting for. Mr. Schweder advised that what you are voting for is that you will allow this piece of property to be developed, which will be 95% non-residential. That is what you are being asked to do. You will not know what is going in there but he can give example after example. He noted a project near Route 78. We were told it would be high end dining. We approved that but we got a Waffle House in place of high end dining. Mr. Schweder invites Council to drive out to the corner of East Boulevard and Easton Avenue. He continued what we were told then by the same department was if we voted to change the zoning there we were going to get an upscale drug store that will close at 11:00p.m. every night. Instead what we got is a 16 pump, 24-hour a day gas station. There were other proposals to come there at the same time for Easton Avenue. I said we have one Stefko Boulevard and we do not need another. At the very least, before Council votes on this, they ought to have restrictions put on this. Mr. Schweder remarked he will not tell Council what to do, but he will say that they are seriously mistaken if you think this proposal is what you think it will become. Mr. Schweder noted what we learned in this City over a long period of time is that is not how the process works. If there are enough people that are dissatisfied with this he would suggest it goes back to the drawing board.

Bruce Haines, 63 West Church Street, stated he handed out the minutes from February 21, 2006 and highlighted is the 50,000 square feet maximum. He wanted to clear the air on a few things before he makes his comments. The interested parties that were discussed that had met include himself and others. He can assure that their only concern was not seeing retail

increase beyond 50,000 square feet and none of anything important to us was compromised; we did not get anything we wanted. Mr. Haines noted they clarified things and made changes but not what we were asking for. Secondly, someone asked what 300,000 square feet is and it is 30,000 square feet more than the Westgate Mall. Mr. Haines informed the zoning issue tonight is a watershed moment for Bethlehem to define governance in Bethlehem. Will we emulate Allentown or will we set a new standard for Pennsylvania. The choice is yours. Mr. Haines pointed out his issue is really about whether this Council elects to facilitate one developer to dramatically increase his property value at the expense of existing businesses in downtown Bethlehem. He remarked this issue is about abuse of the CRIZ, the State economic development program whose stated objective in the very first paragraph is to revive downtowns. The current mixed use zoning at Martin Tower is primarily residential, plus office, with 50,000 square feet of limited neighborhood retail. Mr. Haines stated that the hearing minutes that he distributed will verify that, not 325,000 square feet as alleged by Ms. Heller. Mr. Haines noted the proposed zoning change facilitates the developer to create up to 1.3 million square feet of retail in a life style destination shopping center that is more than twice the size of Historic Bethlehem's downtown and four times the size of the Westgate Mall, which is a half mile away. Bethlehem was awarded the CRIZ with Martin Tower being a feature project representing 40% of Bethlehem's CRIZ acreage. Martin Tower was advertised at that time as shovel ready based upon an approved plan consistent with existing zoning. Mr. Haines mentioned now less than two years later the City wants to allow the developer to completely change the zoning and build a new downtown rather than revive its existing downtown. He continued this is because the residential development has no CRIZ benefits for the developer. While office development does have benefits, it is not nearly as lucrative to the developer as retail, which is the low hanging fruit. Mr. Haines noted bringing in a pharmaceutical company from New Jersey is a great thing, but they have already given up on that. We heard them say they cannot attract a major corporation but he says he is ready to help make it happen. Mr. Haines expressed the fact that we have a developer that has not turned one shovel of dirt on a shovel ready project during an economic boom in residential apartment construction, and business after business is constructing new offices in Hanover Township instead of Martin Tower. They have not even used their \$8 million RACP grant to sprinker and remediate the tower during this period. It is now clear that the 53 acre property was misrepresented to the State on the CRIZ application. Mr. Haines noted that Bethlehem was competing with seven other cities for this designation. On December 30, 2013 Lehigh Valley Live stated "Bethlehem beat out Reading due to the phenomenal application of 11 shovel ready projects over 129 acres that wowed State officials, according to Lisa Boscola." Now in 2015 the developers for the largest project in the Bethlehem CRIZ contributed \$4,000 to both the President and Vice President of City Council who will ultimately lead the proceedings in a rule on this zoning revision request. The \$4,000 represents by far the largest campaign contributor for both of these Council leaders for their 2015 City Council campaign. Mr. Haines mentioned in addition to the President of City Council in his zeal to get this rezoning approved actually attempted to influence the Bethlehem Planning Commission in an unprecedented display at their public meeting on July 9, 2015. At that time he berated us Bethlehem business leaders for speaking out against this zoning plan.

President Reynolds remarked that Mr. Haines' five minutes for Public Comment are up but he will let him finish. He remarked he does not want to cut him off because he has something to say afterwards.

Mr. Haines continued to say that President Reynolds berated the Mayor and Alicia Karner for not attending this important meeting for his campaign contributors rezoning change. Mr. Haines noted unlike the 2006 zoning change for this developer, Council has no plan from the developer this time for the City or us to review.

President Reynolds stated he wanted to take the rare opportunity to respond to something that someone said at the microphone because it is ridiculous. He said the process that had been laid out by the Administration at the beginning is that the Administration and Mayor Donchez, that he has had disagreements with over the years, took it on to move this forward for all of the factors that Ms. Heller spoke of tonight. President Reynolds remarked the idea that there is a conflict here and that anyone can attack the integrity of the Member of Council is ridiculous. It is also insulting. He remarked Mr. Callahan, Mr. Evans, Mr. Recchiuti, Mr. Waldron, Mr. Stellato, Ms. Reuscher and he have grown up in this City. He noted that he can look out see many people here tonight that have known him 15-30 years. We all have a similar story. We all grew up in middle class backgrounds. We all have jobs here. On City Council we have three teachers, one small business man, a retired business man, Ms. Reuscher, who works for an environmental non-profit, and an attorney. President Reynolds remarked

that Mayor Donchez is a retired teacher as well. We would go to college and graduate, and every single one of us had the same opportunity to run in America and lay out our case. He feels Mr. Evans put it best last year when we were attacked for a similar issue when he said we all have hundreds of contributors, and probably in the last eight years Mr. Reynolds noted he had close to a thousand contributions. President Reynolds stated what none of us ever do is make a decision based on a campaign contribution. Mr. Haines has been involved in every step of this process, from meetings with Ms. Karner and Ms. Heller, and going to the Planning Commission meetings. President Reynolds informed his comments at the Planning Commission, as you can read back on the minutes, stated that this City should be more worried about Easton, Allentown and other areas, than we should about not developing in the City. President Reynolds advised he has always looked people in the eye and has been honest with them. He expressed that he knows some like that and some do not. We can disagree on things but Mayor Donchez and the Administration have taken this upon themselves. Mr. Haines is trying to influence this process every way. There is a false narrative that has been shared in the past weeks between the newspaper, the internet, the radio and the emails, that somehow City Council is behind the process when the Administration laid out the proposal before. President Reynolds mentioned that Mr. Haines comes to a lot of meetings, and knows that he has butted heads with Ms. Karner, Ms. Heller, and Mayor Donchez before on issues. The idea that we would want to ruin the downtown is not true. Every one of us walks downtown, we hang out downtown, and we shop downtown. President Reynolds remarked that Mr. Callahan lives across the street, Mr. Waldron lives a few blocks away, and he and Mr. Recchiuti both live a block and a half off of Main Street. He continued this narrative that somehow we are ruining downtown is ridiculous and insulting. President Reynolds remarked he started to wonder why over the past few weeks and months numerous people turned to City Council and to him and started this narrative that somehow we are behind this rezoning. Mr. Donchez drafted this proposal; his staff looked at this; and Council has not touched one sentence. When the previous Mayor was here it was always said that Mayor Callahan did this and Mayor Callahan did that, and City Council were the ones guarding and trying to stop the Administration. The Administration has drafted this proposal, and they brought it to Council. President Reynolds reported since Mr. Haines spoke about campaigns, he would now like talk about 2013. In 2013, Mr. Donchez had three different events at Hotel Bethlehem by which he paid the hotel approximately \$14,000. He had an event on September 15 where Mr. Haines, a lot of developers and people in the City of Bethlehem were in attendance to support Mr. Donchez, and he raised almost \$45,000. President Reynolds is not bringing this up because he did anything wrong. He is saying this because this is the perfect example of what happens. It is not as if Mr. Haines somehow saw all of the people in attendance and turned around and stated the horror of what he saw. A few days later Mr. Donchez put a down payment to have an event there on election night. President Reynolds noted once again, this is completely legal and within his rights. If this was turned around and if Mr. Haines would come out every other week and say we need to move CRIZ land downtown, would then he or people say that Mr. Donchez needs to recuse himself from going to the BRIA Board which approves the changes of the CRIZ land because somehow a change supported by Mr. Donchez would benefit property owners on Main Street. President Reynolds stated, of course not, because Mr. Donchez cares about the City. We all know that I lost the Mayor's election to Mr. Donchez by 100 votes and that he sent out a picture of him with his hat on backwards during the campaign. After the election was over we said we both care about the City. We do come from different backgrounds, but the one thing that the two of us care about, as does everyone on Council, is the idea that we need to do the right thing, and that we care about the City of Bethlehem. President Reynolds noted if we need to repave Main Street, nobody would say Mayor Donchez, are we repaving Main Street because it is in the best interest of the people who supported your campaign on Main Street. Has he ever said that this person contributed now they have a job or contract? The answer is no. That is not the way he conducts himself. President Reynolds stated that is not the way he or City Council operates either. When Mr. Donchez comes to us with an idea we never ever question why he wants to do something. It is what he wants to do for the City. He remarked if people come up to the podium and question the integrity of people on City Council or Mr. Donchez he will stop it, because we all love Bethlehem. President Reynolds welcomed the Mayor to speak if he would like to make any comments regarding the integrity of any elected official on City Council or the Administration.

Mayor Donchez informed that he has had disagreements and agreements with President Reynolds but he truly believes that every member sitting at that dais has the integrity and believes they want to do the best for Bethlehem. We may not all agree on issues but their hearts are in the right place. They may have a different view than others in this room, but they do have integrity and he believes that they believe in what they are doing is the best for the City of

Bethlehem. Mayor Donchez reported, just like him proposing this change, he thinks this will be the best for the City of Bethlehem. Mayor Donchez stressed that he would never question the integrity of anyone on Council. We all do get campaign contributions from all the same people basically, and that is what politics is unfortunately. You need to raise money. Mayor Donchez added he would not question the integrity of Mr. Schweder when he was President of Council and he would not question any of his colleagues, past or present on their integrity. They may have different views than his and that is fine, but he does respect their commitment to the City.

Mr. Haines mentioned he would like to speak.

President Reynolds noted he has spoken already in this public comment and is welcome to speak at the second courtesy of the floor.

Mr. Haines queried if he could rebuttal. He continued that he just wanted to say he does not question Mr. Reynolds integrity.

President Reynolds remarked that Mayor Donchez has received campaign contributions from the same people and for the better part of several months Mr. Haines has never brought that up once. President Reynolds noted that if Mr. Haines wants to bring this up at the second courtesy of the floor he is welcome to do so, but we will move on now.

Rachel Griffiths, from the Apollo Grille, stated she presented to Council a petition to reject this zoning proposal. The City of Bethlehem's proposal to rezone the Martin Tower property from CM-LTN Overlay District to OMU Office Mixed Use District is injurious to the existing historic and south side Bethlehem districts as well as existing shopping centers nearby. Ms. Griffiths noted the existing zoning of the property is primarily residential that would complement our downtown district businesses. It allows for office and light industrial applications while limiting retail, restaurant, financial, and personal service uses to approximately 50,000 square feet of convenience retail. Ms. Griffiths stated that means that the new retail demand created by the people living and working at the property would be primarily served by existing local businesses. The proposed zoning undercuts downtown Bethlehem merchants by effectively creating the equivalent of a third downtown with CRIZ subsidized tax incentives to undercut market lease rates. The proposed zoning changes the property from convenience retail to destination retail by drastically increasing the square footage of retail, restaurant, financial, personal services as well as allowing additional commercial uses. Ms. Griffiths stated while the proposed zoning change may be in the best interest of the owner/developer of the property it is certainly not in the best interest of Historic Bethlehem, north and south side. The undersigned thereby request that the proposed zoning change be rejected outright. Consideration could be given to amending the existing Overlay to permit the demolition of the tower if that is in the best interest of attracting out of State corporate offices to the site. Ms. Griffiths then listed the businesses that have signed the petition: The Apollo Grille, Hotel Bethlehem, Musselman Jewelers, Rudy's Floral Factory, Franklin Hill Vineyard, Image Evolution, Aardvark Sports Shop, Rockin' Good Health, Moravian Book Shop, Seasons, Artsy Diva, David Hausman Design, Hand Cut Crystal, Designer Consigner, Artfully Elegant, KRM Financial Services, Clever Closets, Corked, Thai Thai II, Tapas on Main, Mama Nina's, Johnny's Bagel, Jewelwerks, IIRP, In the Mood, James Weiss Association, Bone Appetit, The Spy Shop, The Game Gallery, McCarthy's Red Stag, Paisley Sun, Chaikowsky Appraisals, The Steel Beam, Bethlehem House Gallery, The Gem Shop, FOP Star Lodge #20, Hair Studio Main, Style Beauty Lounge, Main Street Rentals, Rippers Pub, Purity Beverage, Glen Anthony Design, Edge, Krisanne Albanese Massage Therapist, BNC Solutions, Sophisticate, Brown Stone Design, Stations Café, Where than Wears, Dan Patterson Art Gallery, and Couture Salon and Spa. Ms. Griffiths mentioned there are over 50 businesses that have signed this petition. Certain City Council Members tell her, why is the Apollo worried, they will always be the Apollo, but quite honestly that is not the reality. It is not just about the Apollo. This is about the store down the street. Ms. Griffiths noted if they did not have a good Christmas they would have had to close their store. It is about a sense of community that we all have and we are all in this together and we need to support one another. Ms. Griffiths mentioned every time we lose a piece it directly affects us. We need the support from our City if we want to have a bright future. Ms. Griffiths advised she is the future of the Apollo, and sees herself as a vital part of downtown, and we need the support of City Council to strengthen us. North and south side Bethlehem continue to struggle. She added there are empty store fronts, and restaurants and shops are closing, and Council must see the lack of foot traffic that we have. Ms. Griffiths noted it is time that Council, please, starts listening to us. The

Apollo Grille and the other 50 businesses that signed this petition are depending on you so please keep the current zoning.

Bruce E. Haines, 825 Barnsdale Road, commented that he is the owner of the Aardvark Sports Shop and has had the honor of working on Main Street for over 20 years. When he began working at Aardvark in July 1995, Aardvark was located in what is currently the Johnny's Bagel location. Several prominent downtown businesses closed just after he started. Mr. Haines noted that many will recall that in the mid to late 90's there were vacancies at the corners of Main and Broad where the Orr's Department Store was, as well as in the Woolworth building and in the Hotel Bethlehem. On the opposite corner to the Orr's building sat a vacant lot that was used as a surface parking lot. He noted at that time there was no restaurant row; instead just a smattering of small sandwich shops. Mr. Haines advised all of which, if he remembers correctly, are gone. He explained that they saw the Historic District start to pick itself up after the opening of the Shops at Main Street Commons which included the Brew Works, and his business, and Franklin Hill Vineyards, among others in the spring of 1998, along with the reopening of the Hotel Bethlehem and the establishment of the Apollo Grille. Mr. Haines remarked that other restaurants and retailers would soon follow. The reason he mentions this is that it is important to note that the retail businesses and restaurants on Main Street, like their predecessors, are not immune to economic difficulty. Mr. Haines advised that many of them have still not recovered from the economic downturn of 2008, and they now face additional competition with the revitalization of Allentown and Easton. We are seeing vacancies on Main Street and Broad Street that remind him of what was happening in the mid 1990's. Mr. Haines stated while festivals and the holiday season provide foot traffic, often Broad and Main are quiet from Monday to Friday. He will submit that the proposed changes allow enough retail development on that site to essentially create a destination life style center similar to the Promenade Shops in Saucon Valley. Mr. Haines thinks Ms. Heller's testimony affirms that. He noted if allowed to move forward, this third downtown would decimate much of the remaining retail in the Historic and south side districts, as well as the Westgate Mall. It would decimate the existing retail, not because it is competition. He thinks that most of us in this room generally feel that competition is a good thing, but rather because that competition would be subsidized by sales and payroll tax dollars that the developer would be able to capture from the businesses in the CRIZ zone. Mr. Haines expressed the fact that there is an impression that this proposal is not much different from the current zoning with regard to how much of the property can be developed for retail use. The current zoning that was approved in 2006, if he reads the minutes correctly from that meeting in February, 2006, allows for no more than 50,000 square feet of retail development. He would refer to page 11 of the minutes of the City Council Meeting in February 1, 2006 which he believes Council now have a copy of, for clarification of that. Mr. Haines stated he would respectfully request that City Council deny this zoning change and he would also ask each and every one of you if you can name one town, one City, in the Country with the size of Bethlehem where there are three functioning thriving downtowns. Right now we have two that are struggling.

Greg Ragni, 2955 Oakland Road, stated he was born and raised in Bethlehem. He owns, renovates and manages commercial and mixed use properties on Third Street in South Bethlehem and on Stefko Boulevard, and has done so for the past 10 years. Mr. Ragni informed both of his parents ran their respective businesses out of those properties in Bethlehem for over five decades. He has deep roots in the City of Bethlehem and cares very deeply about the long term vision for and viability of its proposed economic development. He mentioned that no one is arguing that this district should not be developed. The words fair and balanced development has been invoked but the same person who invoked those words, chafed at the idea of restricting the developer in anyway. Mr. Ragni queried how is fairness possible in that context? He is asking all to ask themselves this question, especially Council who will vote on this. Mr. Ragni stated he is tired of pretty words and dirty deeds. Everyone here is such a master of rhetoric but where is the truth. He is disappointed to say his experiences in real estate and with City government over the past 10 years leads him to the conclusion that we need greater scrutiny of and improvements to our approach to economic development in this City. Mr. Ragni remarked that the economic recovery of our downtown area since the great recession is already being cannibalized by the stunning economic development successes primarily in Easton, and recently in Allentown. Every day he drives through South Bethlehem and he wonders to himself, why we do not have dozens of the best restaurants and merchants this side of New York City in our downtown the way Easton does. Mr. Ragni noted that Easton was a City that was flat on its back not that long ago. We had so many advantages and we squandered them and he wonders why. Mr. Ragni stated he has been searching years for an answer. Mr. Ragni wondered where our creativity is, and where is the creativity that Easton's

government shows in attracting such wonderful restaurants. He noted that Bethlehem's Economic Development Department could contribute so much by playing matchmaker between local property owners and serious prospective businesses. He is told there once was an employee in that department who kept a data base of available properties for just that purpose, but no longer. Mr. Ragni explained there is so much more that needs to be done in assisting local property owners and businesses much like that of Easton's Economic Development Department. Tonight, the zoning changes the City is fronting could realistically move us in the opposite direction by approving a vastly expanded lopsided retail heavy development. That development is going to join in cannibalizing local businesses, and landlords with a State subsidized development that bares almost no resemblance to the limited retail and office residential mix that was approved in 2006 when the site was rezoned for the first time. Mr. Ragni expressed that it is hard to believe that the City is proposing these changes, somehow saying that the developers had no input, and if they did, why would you give your store away before your customer reaches for his wallet to even pay the bill. These guys will have so much leeway and so much flexibility; he wonders if that is a good negotiation tactic. Mr. Ragni stated we should give them a little bit and see what type of push back we get. Mr. Ragni noted he only has 5 minutes to speak so he prepared several handouts for the review of Council. The first page shows the master plan that was submitted the first time this proposal was voted on and rezoning happened in 2006; it is a residential heavy development because then residential was the hot way to make money. Mr. Ragni noted that now the CRIZ is the hot way to make money. Mr. Ragni asked if we could just wake up and be a City, a united City. He is not saying we do not want development. We do want development, but we do want fair and balanced development. He thinks with the intelligence of the people in this room we could have it. Mr. Ragni noted this is about backbone and it is about knowing what your soul is and let us not sell our soul to get a pittance of economic development. He added let us stand together and decide what we want and tell the developers they are allowed to make money, but you cannot do it at the expense of the heart and soul of what makes us Bethlehem.

Neville Gardner, 381 Bierys Bridge Road, informed he is the owner of Donegal Square and McCarthy's Red Stag Pub and Whiskey Bar and he is the current President of the Downtown Bethlehem Association. He has no doubt that everyone here has the best interest of Bethlehem in mind and heart. There is no doubt about that. Mr. Gardner thinks there is a basic disagreement here. It seems that City Council has made their mind up already based on what he is hearing although he hopes that is not the case. If Council is not willing to listen to at least 50 businesses that signed a petition and consider our perspective on this, then this is a sad day for America. Mr. Gardner stated he did not grow up in this Country, although he has lived here for over 30 years and has grown to love Bethlehem. He does think it has a lot going for it. Our City has done things that have not been done anywhere else but we are fighting a battle for our existence. Mr. Gardner advised it is up to City Council to protect our businesses. He does not know how to get the right balance and the right mix, but if they are afraid to put percentages on this then there is something wrong. If you really want to control what happens in zoning, you have to be specific. Mr. Gardner noted that percentages are not good enough, you really need square feet. He would like to think that Council will look at this carefully and make a balanced decision and will do something with this zoning. Mr. Gardner expressed that if you do pass this please pass this in a way that protects the downtown. That is all we are asking for. He stated you are our elected officials, and you are here to protect the businesses and the downtown community. Mr. Gardner does understand we need this development and we need the tax rolls. We need that money to help the City coffers, but you do not have to give it away. Mr. Gardner thinks Council can do something that controls how it is done and does do something to help the existing businesses. He cannot say any more than what has been said about how we feel, but Council needs to pay some attention to it.

Tim Balshi, 2055 Quail Creek Road, stated he is at this meeting tonight because he is shocked at the proposed rezoning of Martin Tower with 50,000 square feet of retail to unlimited at this site. We are still struggling as Mr. Gardner indicated with decreased foot traffic, and parking issues. It seems as if this new town center has unlimited parking. Mr. Balshi remarked that this brings up an issue and a question. He has seen these studies of how great this center is but what about the traffic and where are all these cars coming from and who will pay for the new roads. Mr. Balshi related when we are looking at half a million square feet, that is a great amount of cars. He continued where will they be going, and how will I get from Hanover Township to Downtown Bethlehem if I have to go down Route 378 which is already backed up and what about when I cut through Monocacy, will that be cordoned off. Mr. Balshi thinks that is a big problem and he has seen nothing in the plans regarding traffic. Regarding local restaurants and retail, you can tell there has been a decrease in business and it seems like they

do not matter. He added it seems like you are allowing microbreweries and distilleries to open up. We have one on the south side and we have the Brew Works downtown, but how many more do we need. Mr. Balshi also wondered has anyone studied the impact of the NIZ in Allentown. Where are all these people coming from and what are they taking away from? It seems like they will be taking away from downtown Bethlehem and put into Allentown, or going into Macungie or Easton. Mr. Balshi cannot see how this plan can help our City.

Sam Reichgott, 559 Main Street, stated he is the owner of Rockin' Good Health Therapeutic Massage, in the Main Street Commons. He mentioned competition, and he is one of the signers of that petition that was read this evening. Mr. Reichgott has spoken to people and heard that maybe we are afraid of competition or people said they are in favor of competition so they are in favor of this plan. Mr. Reichgott noted if you look at the businesses individually none of us is afraid of competition as individuals. Bring great businesses into the downtown and strengthen what we have is great and different from what this plan is talking about. He continued what we are talking about in this plan is replacing downtown or adding a new downtown to what we already have and that is not the same as individual competition. If you look at the percentages, which he thinks are very important to have, he is glad that Mr. Evans pointed out the fact that you could build an entire development and every single first floor could have retail and it would look like Historic Bethlehem, only bigger. That is not what we are talking about when we talk about being afraid of competition; that is drying up the traffic that we need in the north side and the south side for business. Mr. Reichgott expressed the fact that Historic Bethlehem is still a great place to do business. He remarked that is why he moved there and opened up a business in February. He could have gone to a comparable property. He stated he looked at a few locations just on the outskirts of the NIZ with the same price range and size, but he did not want to be there. Mr. Reichgott noted he likes the charm, the atmosphere of downtown Bethlehem, and he likes the stores that are around him. They are not the types of stores that are downtown Allentown. He is afraid that those businesses will not stick around if they are met with a whole downtown worth competition that will be built. Mr. Reichgott stated we should use the tool that was given by the Planning Commission smartly, that set of percentages, and tweak the numbers and not 65% of retail. It will be another store on the bottom of every building that is built there. We should crank it down and crank up the number of minimum residential and light industrial, and crank down the number of maximum retail. Mr. Reichgott stated we should make a plan that actually does not undercut and cannibalize the business districts that we already have.

Clyde Thomas, 315 Hamilton Avenue, stated he wanted to commend the Administration on the detailed presentation. It was very thorough and informative. Mr. Thomas informed it shows what the plan is for the future. He is at this meeting in support of the plan and completely believes that flexibility is necessary for the development of that plan. This plan does not say that it will be 65 or 85% retail; it does not say that it is going to be 65 or 85% office space or residential space; it just says they are allowing everything and it gives flexibility. Mr. Thomas added when he saw this presentation, what the Martin Tower was, an iconic building, we would love to have the preservation of that building, but with 27% unusable floor space it does not make economic sense. Even though it is an iconic building and something we would all love to see kept in Bethlehem, it probably will not be there. Mr. Thomas noted more importantly he thinks we have to look at what we have to do in terms of being competitive with the region. If the economics says that there is this much retail space needed in a region, it will be put in the region whether it is in Bethlehem, Hanover Township, Bethlehem Township or anywhere else. So the competition you have is not just in Bethlehem. It is in the region, and downtown merchants have a unique niche. Mr. Thomas noted it does take a lot to get downtown. There are parking hurdles, which may or may not be close to your final destination. People go to the downtown knowing this. It is the quality of the businesses that make the downtown successful. We have some quality businesses in the downtown and they should be commended for that. Mr. Thomas affirmed that is one of the reasons why the downtown will survive and flourish. All the competitive nature we have today will still exist with that new property, and the future of the economy in the Lehigh Valley is determining what is going to be put in that piece of property. It will not be based on what the developer wants to put in to make another downtown; it is the economic driver, because he wants to make money. Mr. Thomas explained the developer will put a mix of retail and residential that will make money, and if he is not going to put it there it will go in another region. We are not competing with that piece of property. We are competing with the region. He would rather have the development in Bethlehem than in Hanover Township, where we can realize the taxes generated from the property. Mr. Thomas informed we see how the taxes from that property have been deflating over the years, but we need that to be a money driver for the City to help stabilize property

taxes. Mr. Thomas wanted to comment on the conflict of interest but he thinks that Council President stated it very well and he agrees whole heartedly. Everyone on Council and the Mayor came to serve the City of Bethlehem. They did not come here for a political future; if that happens it is okay. Mr. Thomas stressed they came here because they love the City and they want the best for it. So to say that they do things because someone contributed \$4,000 to the campaign is absurd. They are here for the best interest of the City. Mr. Thomas advised that is why we voted for them and why we entrust them to be there on Council. He would like to thank them for their service and for the time to speak.

Andrew Dorman, 31 West North Street, informed he voted for just about everyone here but he found what he heard tonight highly disagreeable. He thinks that the demolition of the tower would be inconsistent with the past, present, and future. It would be inconsistent with the present because what we have now is an historic area, and what we would be tearing down is an historic building. Mr. Dorman noted that Martin Tower is a beacon to the area that you can see from Allentown. He added it is a landmark, so why would we want to tear down a landmark. He was listening to most of the people disagreeing with the renovations that were suggested because of the retail aspect of it. If you consider the \$12 million that was considered for fixing the asbestos and adding the sprinklers to Martin Tower, it's the retail aspect of this that would cost the most in addition to that. Mr. Dorman noted if you consider the office space, the residential, and the institutional, and the semi-public aspect of the tower, it would not cost that much in addition because it is already made for office space. The residential aspect could be with lofts that have a motif that reflect the office space. Mr. Dorman would add to the institutional aspect in the future but it is also inconsistent with the past because another proposal in renovating the downtown Bethlehem south side, the Bethlehem steel space. It would be inconsistent to renovate that when you are considering tearing down the headquarters. That be like tearing down the end of the story that this would reflect. Mr. Dorman added this would not be good for Burnside either because going there and smelling McDonald's hotcakes would not be consistent with that. As for the future there is inconsistency as well because what he proposes now is to take the pathway along the creek and expand that to the river. Then you would have a pathway that could lead to future development of passenger train travel that people have been suggesting. Mr. Dorman thinks that train travel would be essential to the area. In addition another proposal he has is possibly making the tower a museum and you would have something different on every floor. Mr. Dorman added this would also be a great spot to add the Bethlehem Star for everyone to see and it would be highly visible. He suggests that we need to be creative and not mediocre.

Gen Marcon, 55 East Church Street, mentioned that she had a question and noted that the presentation today focused a lot on Smart Growth. She is wondering why the City feels that adding this much retail to the Martin Tower project would be in the best interest of Bethlehem, when we have so many vacant store fronts on Main Street, Broad Street, the south side and surrounding retail developments. She asked if it would be okay that she asks a question.

President Reynolds stated that she may ask and if the Administration would like to answer they can but if they do not want, he cannot force them to answer.

Ms. Heller noted the goal is not just to bring retail in to the site. The goal is to bring in mixed use so that there would be retail but also users of that retail. We would be bringing in residential units, office space and jobs. The term cannibalization had been used earlier, but that would not be the case. We would be bringing people into the City who would not only support this site, but would support surrounding sites as well. That is the idea of this. Ms. Heller truly believes that Smart Growth is sustainable growth. The more mixed use we have on the site, the more long term sustainability we have for use of that site.

Ms. Marcon stated that mixed use is great and no one is arguing against that, but the cap on the retail is high, very high, and with all of the vacancies on existing storefronts it just seems irresponsible to give the developer the opportunity to create a large retail development.

John Kotsatos, 18 East North Street, mentioned that in the interest of time and to avoid redundancy he will decline to comment.

Rocco D'Amato, 65 West Market Street, informed he wanted to give his history before he gives his comments. He moved to Bethlehem about four years ago and fell in love with the town, the charming nature of it, and the friendly and cosmopolitan nature of the people. Mr. D'Amato stated he relocated from New York City and that he especially uses downtown a great

deal on the north side. He is concerned about the consequence of this proposed mixed use plan. Mr. D'Amato mentioned that the neighborhood he lived in New York City is called Tribeca and he was a member of the Community Board, and sat on a dais and had many people present plans. He voted on the Historic Districting of Tribeca, which is similar to here. He remarked he voted on a zoning change which included mixed use and back in the 1980's Tribeca was blighted as Martin Tower is and we made changes. Mr. D'Amato mentioned that charming, historic, low scale development proceeded and we brought people to move in. Conversions occurred, and we had schools building because children moved in with families and the neighborhood was doing nicely. So we fast forward through the 90's and September 11. The World Trade Center borders Tribeca, and the direction of the neighborhood changed, and it was again blighted. In 2005, he supported the idea of a zoning adjustment because there was a 47 story housing development that was going to have a community center, mixed use and some retail. It was right over the border from the historic area and required variances. Mr. D'Amato supported this and felt economic development was necessary and the neighborhood could support it because of the dynamic population growth. We did that, and we did not understand what the retail would be but it turned out to be 60,000 square feet of Whole Foods, Bed Bath and Beyond and a Barnes and Noble. Quickly thereafter the old bookstores in the neighborhood closed up, a fish market closed, Korean delis closed up, specialty stores closed up, health food stores closed up, because they sucked in all the volume and there is a tremendous amount of volume in lower Manhattan. Mr. D'Amato noted the point is that despite your assumption to the contrary, there will be dilution out of the downtown part of Bethlehem. The question ultimately is will you allow that to happen fairly. He thinks the idea of a CRIZ being part of this program does not allow for fairness. Mr. D'Amato stated the reason he moved here is that he moved his business from the Bronx and from Moosic, which is a town near Scranton. He can say that the likelihood of a developer moving to an area where the income stream is going to be profound as a function of the benefits of CRIZ will encourage that and will subsidize retail. Mr. D'Amato advised that will allow for a more competitive environment for their retail than this retail, and they will take advantage of it because it is being subsidized by sales taxes. He is only asking Council to really review the CRIZ aspect of this and he can respectfully say that Council needs to make sure no harm is done in this. He is pleading with Council that when they go through the process of this, to review the unintended consequences as we did in Tribeca. Mr. D'Amato explained when he goes back to Tribeca, they tell him the neighborhood is not the same, and he is afraid it will not be the same here as well. He is asking that Council please be serious when considering this.

Michael DeCrosta, 914 Walters Street, mentioned in the previous zoning there is some sort of Overlay that is called a Traditional Neighborhood Development-TND and as Council looks at voting or not voting on this he would urge them to google what that is. Mr. DeCrosta noted that TND is a zoning district that is basically specifically meant to provide mixed use emphasizing walkability, density and providing for a variety of uses including residential, retail and commercial. Mr. DeCrosta added that quickly looking over these zoning changes it seems as though many of the changes actually promote less walkability and less of those sorts of neighborhoods and more of types of sprawl allowing gas stations and bigger stores. He would just urge Council to look at this. Mr. Waldron asked for what we could envision but Mr. DeCrosta just asks Council to google TND and look at what those neighborhoods look like across America. He commented that they are really, really great. It would be probably more worthwhile for Bethlehem to have one of those to whatever is out there.

Steve Wanstein, 535 Main Street, informed he just moved to Bethlehem in June. He is a long time Lehigh Valley resident and he feels that City Council does have a struggle juxtaposing on one hand the public tax dollars that have been appropriated towards redevelopment and what that vision is and putting it concretely into writing. Mr. Wanstein feels there are some things in this particular Ordinance that are too nebulous, which has been reiterated by many people here. He would be nervous about living here over the long term because of the property values of his own home that he just purchased, and not just for the fairness of the business owners, but the fairness of the homeowners. Mr. Wanstein looks at the west end of Allentown and the Rose Garden here in Bethlehem where I think there were small parcels redeveloped and you could buy as many parcels and build your dream. He thinks that is what the intent to build your dream is much of what this is except that dream is being allocated to one developer and that is where the problem is.

Bill Scheirer, 1890 Eaton Avenue, stated for those of you who do not know he was a member of the previous Administration's task force on the Comprehensive Plan, the Zoning Ordinance and the Zoning Map. He wanted to thank the existing Administration for a very thorough presentation in excruciating detail, bordering on mind numbing. Mr. Scheirer added

that unfortunately four people who intended to speak left. He is bemused by the tremendous range of permitted uses, including a Library, not that we do not need a new a bigger Library but he has trouble envisioning a developer building a Library. Mr. Scheirer advised he can think of only three logical explanations. One is the owners do not know yet what they want to do yet. Secondly, they intend to flip the property. There is considerable scuttlebutt to that affect. Third, is that all of this other stuff is camouflage for a shopping center. Mr. Scheirer noted there have been some useful comments tonight about the percentages and this is something where Council can have an effect and feel free to amend this thing. He continued it is your prerogative and you can do whatever you want, or wait for the next Council to consider such an important issue. Mr. Scheirer stated, in a friendly way, that Council is a lame duck Council. Three of you will not be here in January. You might feel that such an important vote should wait for the next Council. It is less than two months after the final vote. It may be true that developers may make the most money with all of this retail and the CRIZ. They may have made a mistake when they paid as much as they did for the property. Mr. Scheirer pointed out that an offer was made to buy the property, remove the asbestos and fill offices. It did not happen because of the difference of what was offered and what was asked. He remarked it is about money. Most development is about money, but is it the business of the City to bail out developers when they make a mistake. Mr. Scheirer noted that politicians like to make a difference. This is good and they want the difference to be as tangible as possible. There is nothing wrong with this but sometimes the desire for tangibility takes the form of unnecessary construction that may even be harmful. Mr. Scheirer noted we have heard that a shopping center will hurt downtown, West Broad Street, the Lehigh Shopping Center and may well cause the demise of Westgate Mall, whose owner is said to have been planning to invest \$5 million. This could become another blighted area. Mr. Scheirer noted that jobs will have been created on the Martin Tower tract but jobs will have been lost elsewhere. He added, in this sense newer retail would cannibalize older retail. If you can only look at the City as a whole, especially over the longer run, you will not be like politicians, you will be statesman like.

Dana Grubb, 2420 Henderson Place, remarked that he tells his friends that coming to Council Meetings is like Must See TV. Tonight after attending Council Meetings for 47 years it was definitely Must See TV. Mr. Grubb stated responding to a few comments that were made and he believes it was Councilman Callahan who said everybody was unhappy and he thinks there is the answer - everyone is unhappy. This is not the right way to head. Mr. Grubb noted during the presentation references were made about the CRIZ and all the shovel ready projects. Mr. Grubb stated he worked construction in his late 20s and he knows what a shovel ready project is. It appears to him that the CRIZ was obtained under false pretenses because none of those projects were shovel ready. It actually makes you wonder about this site in particular whether there was not an ulterior plan or backup plan should Bethlehem be approved for a CRIZ. Mr. Grubb noted maybe that backup plan is the rezoning that is before you tonight. It seems to him that City government takes the approach of it is the only entity with vision and yet he sees a lot of vision in this room tonight. Whether any of those suggestions will get traction or not, he does not bet, but if he did he would bet against it. Mr. Grubb thinks that during the presentation and the comments that were made by the Lehigh Valley Planning Commission, it is his understanding that it was not a unanimous vote to forward this onto Council. He thinks it was disingenuous not to mention that. Mr. Grubb noted to the owners of the Martin Tower property it is a relief to possibly help them develop this site. The public opposition to this current rezoning proposal is not indicative of opposition to development in Bethlehem. It means people care about the kind and quality of development that takes place and its impact on the quality of life in Bethlehem. Mr. Grubb noted that programs such as the NIZ, the CRIZ, and campaign contributions breed suspicions about elected officials' relationships with developers. He continued the CRIZ creates unfair competition with the business districts in the community. Mr. Grubb mentioned the Martin Tower property was zoned CM, then Overlay, and now we have a third rezoning for that parcel. He does not know about the elected officials, but for him sitting out here, they look desperate to get this property producing more taxes. It reminds him of a blindfolded child trying to pin the tail on the donkey. Mr. Grubb noted in terms of Smart Growth you seem to be ignoring one of the primary principles, which is focusing on your downtowns. On the issue of integrity, he would like to read the definition; "The quality or state of being of sound moral principle, uprightness, honesty and sincerity". Mr. Grubb stated your public pronouncements of your positions prior to this meeting is an insult to this community, and gives the appearance that this public hearing process is a total waste of time and it is a sham. He noted that most of you that spoke with the media certainly could have handled that a lot better. Finally, he had an email from a Bethlehem resident who could not be at this meeting tonight and this is what it says. "The CRIZ was developed for struggling urban areas, not struggling developers or politicians. It is supposed to

revitalize a community, not a few people". Mr. Grubb mentioned one of the speakers tonight talked about compromise. That seems to be the least used word through this whole process. The Administration talked about meeting with interested parties. He would like to know who those interested parties are and what those discussions were. Mr. Grubb stated he knows they met with more than just a few of the people from the downtown.

Nalyn Marcus, 820 Eaton Avenue, Marcus Family Chiropractic, stated she is a merchant but she does her shopping, celebrating, enjoying Musikfest, and eating in downtown Bethlehem. She bought her property seven years ago and she looks at Martin Tower every time she comes to work and she wondered what would happen to it. This is her first business that she has ever owned the building. She started renting on Schoenersville Road in 1991, and then she saw the surveyors and knew she had to move. She moved up the street across from the hospital and saw the surveyors again, and then had to buy a building. She now owns a half acre in the City of Bethlehem. Ms. Marcus stated she counted 27 birds the first year she lived there and growing up in the City this was a big deal for her. The first thing Mr. Waldron asked was about the trees and she also wants to know about the trees. It was stated that all the green space was going to stay green and her question is will the green stay green above it as well. Ms. Marcus noted that new trees can be planted because there are those rules, but you cannot replace that tree that was there with another tree. She knows that the neighborhood will change. She owns the first building that was zoned mixed commercial at 820 Eaton Avenue. Ms. Marcus mentioned there is an I-beam in the basement, and she got to meet the person who built the building because he wrote his name on the walls. She found him in Indiana and he is 75 years old. There is a lot of history in the 20 years that she has been practicing in Bethlehem, but she would like to see some good things happen that is fair and that is balanced, and she is hearing not a lot of balance from 2006 till now. Ms. Marcus informed she pays school taxes here although she does not live here so she could not vote for anyone but she wants to know that they do the right thing. She knows this will change and she will have to stand strong and be there with the change. She continued there has to be a balance, and with this CRIZ and the unbalance, it sounds really big to her and it affects all of us. Ms. Marcus added it is right out her front door, so she will be watching.

Kate Falasca, owner of Sophistigate at the corner of Broad and Main Street stated she is very concerned because she has invested a lot of money and time in her business and noted that her family is from Bethlehem. She has been busy taking care of two children at home so she has not been able to study up on this, but it seems like we are so blind going into this. She wonders what other retailers and restaurants are coming in. We have no idea and no clue. She inquired how Council make a decision and not know what is coming. Ms. Falasca queried how Council can make an educated decision without knowing. The restrictions that they are putting on are really not restrictions. She just asks Council to think this through because they will be the ones to make the decision. Ms. Falasca asked Council if they are willing to risk the disabling of your whole downtown for something new. Ms. Falasca understands that without risk there might not be any reward, but is Council willing to live with the possible disillusion of our downtown community that she grew up with for the last 29 years. She hopes they really think this through and she wishes them good luck with their decision.

Stephen Antalics, 737 Ridge Street, stated he is supporting Mr. Schweder's comments. On May 26, 2006 Tow Path Valley Business Park Development Company, an agent for the International Steel group sold the Martin Tower site to SWBLRLTA Eaton Holdings LP Nationally League Properties LP with holdings of 15% and 25% respectively. Mr. Antalics mentioned the site was purchased with the principals aware of the asbestos problem and lack of water sprinklers at the site. Mr. Pektor of Ashley Development, a 25% holder, appealed to the Bethlehem Area School District for financial relief based upon financial hardship via a Tax Incremental Finance (TIF), which would deprive the Bethlehem Area School District of funds for 20 years, which would be a free ride on the backs of taxpayers. Mr. Antalics mentioned that the Bethlehem Area School District turned down the request. The majority holder was listed as a media mogul from Cedar Knoll, New Jersey. Mr. Antalics noted that strangely the tax bills were sent to Boca Raton, Florida. An intensive investigation determined that the address was also the address of the Herrick Company. On October 1, 2008 Ashley Properties sold its holdings with 12.5% to Mr. Ronca, RMP-MTLP, formerly known as Eaton Holdings, LP, and 12% to Mr. Herrick of HMLPMT, formerly SWBLR, but in reality the Herrick Company. Mr. Antalics mentioned that now the principle owner with 62% is Mr. Herrick and Mr. Ronca is the minority with 37.5%. Mr. Antalics mentioned it is hard to follow these people and that we may need a score card. If we fast forward to October 6, 2015, we have gone from the TIF to the CRIZ with the same players. Mr. Antalics commented that Council will shortly be voting on a zoning

change with no clear picture of the commercial, residential and business mix. He added that only one slide this evening addressed that problem, while all the others, in his estimation were minutia. Mr. Antalics stated that Mr. Ronca as the minority interest holder replacing Mr. Pektor as a spokesperson for Mr. Herrick, the majority holder, and have we ever seen or heard from Mr. Herrick and his true interest and concerns for the City of Bethlehem? Who are Mr. Herrick and the Herrick Company? Mr. Antalics mentioned his real estate holdings are in excess of \$5 billion, he owns a stable of 49 thoroughbreds, owns a multi-million dollar art collection, is a producer of Hollywood films, and has great interest in professional sporting teams. Mr. Antalics related that history appears to indicate that way back when Mr. Pektor, claiming financial problems, he had spokes people. History appears to indicate that his bottom line is maximization of profit. Mr. Antalics asked can we afford to give any developer carte blanche with the poorly delineated zoning change. With these intelligent comments and concerned citizens speaking here tonight, and with the majority of Council committing themselves to supporting the zoning before tonight's meeting, this borders on theatre of the absurd. Mr. Antalics related that continuing in this absurd role with maximization of profits, might a three ring circus satisfy Mr. Herrick for his maximization of profits. Mr. Antalics noted that the trend here is a big scary. He queried what does Mr. Herrick know about and care about Bethlehem, and is he concerned about the health and welfare of our community. Mr. Antalics stated a polite gentleman who understands this might say his interests are equal to and he will say this in French, because it is vulgar, "Le Cul de Rat".

Al Wurth, 525 Sixth Avenue, stated he is at this meeting simply to comment on the proposed plan. He would just like to make a few notes about statements that have been heard before. We have a number of percentages that have been spoken about, but if characterization of the CRIZ is correct, we know what the retail percentage will be on the ultimate development because we know that is where the incentive lays and so it will be 65% retail. It can hardly be anything else because we have incentivized, according to at least the discussion, retail at a much higher than industrial or residential. Mr. Wurth mentioned he does concur that for a decision this great about this unique property that the idea of turning it into a generic property for a developer to have carte blanche is wrong with the heritage of the City. Many of us think that Martin Tower is a white elephant or a strange and wondrous reminder of the past. It is ours and it is a distinctive thing in Bethlehem that could never be built again. The Tower has need for preservation, as do the blast furnaces and steel stacks. Mr. Wurth advised to not recognize that is not about being a resident of Bethlehem; it is about being a resident of generic. He was one of the people who did oppose the Lowe's and can say that is what generic looks like and nobody ever walks out on Eighth Avenue with that development out there. To do the same thing to the east side of Eighth Avenue no one will ever walk there either. Mr. Wurth believes this property should be redeveloped in a way that is forward looking as well as a walkable community. No one will walk to a 65% retail that is built on models that are seen laid out there. Mr. Wurth also thinks that Council should leave this for the future Council. There are too many that will not be here to amend the repercussions of this decision. It would be the honorable thing to do. We have waited 10 years already to do something with this property and we can wait more when the new Council takes place. Mr. Wurth noted that would be his recommendation as a student of politics.

Olga Negron, 1306 East Fifth Street, wanted to comment about a point of clarification, especially since she heard all the feedback from people in the community. She encourages everyone to please take a look at the August minutes from the Planning Commission. She understands very clear that the Planning Commission is like other commissions that make recommendations to Council. Ms. Negron mentioned the recommendation that we presented that we approved at the meeting was Office at 5% minimum - 70% maximum, Retail at 5% minimum - 50% maximum and Residential at 20% minimum - 85% maximum. That is what we after a long conversation and long night had recommended. Ms. Negron just wanted to make this clear and tell everyone to look at the August minutes from the Planning Commission so you can get more detail about the conversation they had prior to this presentation.

Dave Klein, 4517 Greenfield Road, stated he is familiar with Main Street because he manages his firm, David Klein Real Estate that manages a number of properties along Main Street. These are properties that have been plagued by the construction and are looking forward to the long term benefit of that once it is done. Those properties include Tapas on Main Street, Cachette, Seasons, and also Little Italy on Main, which we have been struggling with since the fire. Mr. Klein stated he is coming from a different direction. First from a realtor and second as a homeowner. He does not live in the City of Bethlehem but as someone who lives in Hanover Township, he loves the idea of changing the Martin Tower, because he would be there.

Mr. Klein noted he does not like coming to downtown Bethlehem. It is not convenient, it is not easy to park, and difficult for him to come downtown and visit his tenants. He will be in Myrtle Beach in a few days and he will be down in Market Commons Condos, which is a very similar life style center to what we are talking about here. Mr. Klein noted that once Market Commons opened it finished the demise of the Center City Myrtle Beach, because that is where everyone goes now. He lives on North Myrtle Beach and Martin Commons is on South Myrtle Beach and is a 45 minute drive. Mr. Klein stated he goes to Martin Commons because he likes that lifestyle. The problem is that he and many who go there are not visiting Myrtle Beach anymore and that might be what would happen here. We all love downtown Bethlehem and we may think it is somewhat invincible, but he can say that it is not. We heard about Tribeca and he has seen what happened in Myrtle Beach. He continued he has travelled much of the Country and seen the effects of suburbanization on inner Cities. We saw where Allentown was and where Easton was and they are putting their money, their CRIZ, their NIZ monies into the Center City. Mr. Klein thinks it is a great idea to have CRIZ money at Martin Tower, but why not 10 acres or 15 acres, but not 53 acres. Mr. Klein knows it may be too late now. We should have put some in our Center City. Mr. Klein noted he has tenants that are paying \$18 dollars a square foot, and paying utilities on old properties that are extremely functionally obsolete. Mr. Klein wondered how many restaurants we can patronize during the week, and how many retail areas can we visit during the week. He will go to the one that is convenient. This new one will be convenient and downtown Bethlehem will be that much less convenient. Mr. Klein does feel for these businesses, his tenants and he for the trusts that he manages because if he cannot get the rent and is competing with \$12 or \$13 dollars a square foot rents, and now his tenants cannot afford to pay enough to cover the expenses, what will this do to the values. Mr. Klein just wanted to give a different perspective, because he loves the idea but he would hate to see what it will do to Bethlehem and he knows this will be a disaster.

Helen Woodbridge, 3574 Browning Lane, Hanover Township, informed that she does pay taxes to the City of Bethlehem. Ms. Woodbridge has ties to Historic Bethlehem for many years where she was born and lived for her first 25 years. The last 26 years she has also been back to Bethlehem. In all that time that she was here, she was connected with the history of Bethlehem. Ms. Woodbridge noted when she looks at the star on South Mountain she does remember that originally it stood for the Birth of Christ. She thinks now the star has become a symbol of tourism and part of the tourism takes place on Main Street. We have the Moravian buildings, the church, the Sun Inn, and so she thinks the question as far as she can see is that Council needs to determine whether they want to support tourism and the historic part of Bethlehem. Ms. Woodbridge mentioned in the newspaper yesterday the article began to say "There was Martin Tower in its golden days, a 21 story tribute to Bethlehem Steel's industrial might for corporate excess". She hopes that each on Council will consider the importance of Historic Bethlehem and of those people who first came here to Bethlehem, which had made it the historic area.

Krisann Albanese, 77 West Broad Street, stated she is a merchant in downtown Bethlehem and is a Massage Therapist. She has sat in front of the Board here several times for various different zoning as well as her own business. Ms. Albanese mentioned she was born, raised, and educated here and she has been in business for 25 years and respects everyone in this room because of who they are and that they are here. When Martin Tower was built she had to walk by there to get over the spur route to go to school because busing would not take her because she lived within one mile of school. Ms. Albanese noted the point is; let's go back to our roots. We developed this City. Everyone is here and Council is here to make a decision based on their conscience and knowledge. Everyone has echoed here and said exactly what is on their mind. She would really like to see that area developed. She pays for parking tokens for her clients so they do not have to pay for parking. She supports every business in downtown Bethlehem but if that development of retail is done, because that is what the CRIZ is designed to do, you will be encouraging everyone to go there because parking is easier and stores will be built that people will buy things from. Ms. Albanese mentioned she will be able to walk to all of the stores that are still here, because it is who we are and it is what we will continue to be. She has learned so much in the past five years from moving two blocks off of Broad Street, where her business was for 10 years. She moved closer to downtown Bethlehem because she wanted to be a part of the 50 merchants that are here. Ms. Albanese stated if they do rebuild and redevelop and rezone that property, people will shop there because it will be convenient and they will not come to downtown Bethlehem because it is a pain to get here. She does not have to drive, she walks. If Council is going to vote their conscience, be happy about it because you will be here too. Ms. Albanese mentioned that she loves the Hotel Bethlehem and McCarthy's Tea Room, and she goes to every downtown shop and she is happy every day. Ms.

Albanese noted that five minutes is not enough time but everyone that stood at the podium absolutely loves this town and Council does as well, so do not put greed in front of your heart and why you stay here. Ms. Albanese stated she will be here for a long time. There was a lot of time put into that presentation, but each of these merchants have put equal amount of time into their conscience, their businesses, and we are here all to support everyone. She learns every day from her clients. She receives and she gives. Ms. Albanese wakes up every day and is happy and she hopes she is happy in the next month when she hears that Council has tabled this until a better plan comes along that is not going to be motivated by greed. She has bills to pay and she hopes that all will still come to her establishment as well as everyone else's business.

Gary James, 53 West Church Street, mentioned he was the person who wrote the Bethlehem song for the 250th celebration of the City of Bethlehem. He was also born and raised here. His grandfather was Fire Chief so he has been many times to City Hall. Mr. James just wanted to reiterate to City Council and to the Mayor that the thing that makes us unique is that we are the Christmas City. Mr. James informed that was started by Count Zinzendorf a long time ago so anything that City Council would vote to do could detract from that. There must be a way that we can develop this site. It is agreed that this must be developed, but we can do it in a way that does not detract or take away from why people come to the Christmas City. Mr. James noted that Christ is the first name of the Christmas City.

Andy Po, 327 East Market Street, stated he owns a business called Home Base on 14 West Fourth Street in the south side of Bethlehem. He was listening for a long time to these comments and everything sounded similar to the reason why he was standing here last time. Mr. Po noted he has dealt with the CRIZ, the developer, and people dissatisfied in how it was being appropriated for different reasons. Mr. Po mentioned he loves Bethlehem for many reasons he has spoken about before, from talking about the Skate Plaza or fighting for the development of the south side and what is needed. He is here because he looks at the north side of Bethlehem and the needs for the north side downtown equal to the needs of the south side. Mr. Po agrees with everyone here in that the development of a heavier retail establishment at the Martin Tower site would probably draw people from downtown. Mr. Po thought that he wanted to point out that as a south side business owner that we are here also and we support the north side businesses. He did see many similarities that we were fighting for and against on the south side with the CRIZ appropriations. Mr. Po does not completely understand why someone gets the CRIZ and someone does not, but all the 50 business owners that signed that petition invest in Bethlehem just as he has invested. We do try to support the community and that is what has talked about before at this podium. Mr. Po mentioned if his business is suffering he will have to work extra hard to get people to his door, just like the other business owners do. He does not get CRIZ benefits or any special tax benefits. Mr. Po does appreciate the things that the City has appropriated for us; he has used the façade grant to redevelop the sign on his south side shop. Those things are great but something this large could potentially draw away from what is already here with these businesses. These businesses have a vested interest in this community and a developer does not. Mr. Po noted this is just a framework, but there is potential that this could draw away from the north side or continue to hurt the south side. Mr. Po thinks there should be a compromise with this.

Anthony Spagnola, 530 Pembroke Road, wanted to say that he saw a great presentation but this is the same argument we have had for years about this development. Mr. Spagnola stated he has his own business, and has opened up the Lantern Restaurant. The City did a fabulous job. He lost some parking spaces but the City said he needed to get some rezoning. He noted that Craig Hynes, Phillip Roeder, and Suzanne Borzak did a great job of helping and provided what is needed. Mr. Spagnola remarked that with a business there are two good days in business, the day you buy it and the day you sell it. Mr. Spagnola mentioned at his business on the south side, Sotto Santi, he sells a slice of pizza for a dollar because you can work hard and provide that service to the individual. He thinks with this new project if you look across the street we see a CVS, a PNC bank and a St. Luke's. The development is there, and people do care about development in the City. As far as the businesses here, he does patronize everyone and whether you are here just for a few years or all your life, we all work and live here. Mr. Spagnola thinks this should be developed and he supports this.

President Reynolds adjourned the Public Hearing at 11:50 pm and stated there will be no vote on this tonight. The Ordinance will be placed on the October 20, 2015 agenda for First Reading. President Reynolds thanked everyone for coming out and for speaking this evening. He noted this is probably the first chapter of more conversation about this topic. We will now end the public hearing and start the Council Meeting. President Reynold reiterated there will

be no voting on this Ordinance this evening but the First Reading will be October 20th which will be two weeks from today.

2. APPROVAL OF MINUTES

The Minutes of September 15, 2015 were approved.

3. PUBLIC COMMENT

None.

4. OLD BUSINESS.

A. Members of Council

None.

B. Tabled Items

None.

C. Unfinished Business

None.

5. COMMUNICATIONS

C. *Mayor – Friends of the Mounted Police Unit Lease Agreement*

The Clerk read a memorandum from Mayor Robert J. Donchez advising that he received the letter from Tom Tenges, President of the Friends of the Bethlehem Mounted Police regarding their request to withdraw the lease agreement from Council's October 6, 2015 agenda. The Mayor has no objection to this request.

President Reynolds stated the memo is for information only at this time.

D. *Friends of the Mounted Police Unit President – Proposed Lease Agreement Withdraw Notification*

The Clerk read a memorandum from the Friends of the Bethlehem Mounted Police that stated they wish to withdraw from Council's October 6, 2015 agenda the proposed agreement between the City and FBMP for the purpose of leasing a tract of land in Monocacy Park as the site for a new stable facility for the Mounted Patrol Unit.

President Reynolds stated the correspondence is for information only at this time.

E. *Director of Planning and Zoning – 2016-2020 Capital Plan*

The Clerk read a memorandum from Darlene Heller, Director of Planning and Zoning regarding the 2016-2020 Capital Program. At its September 10, 2015 meeting the Planning Commission voted to recommend approval of the Capital Plan. A copy of the Funding/Spending Schedule and the project descriptions are attached for reference.

President Reynolds stated the matter will be reviewed at the Committee of the Whole that has been scheduled for Monday, November 2, 2015 at 6:00PM in Town Hall.

F. *Director of Public Works – Resolution Request – PennDOT – Policy and Procedure for Consultant Selection*

The Clerk read a memorandum from Michael Alkhal, Director of Public Works attached to which is a draft Resolution to authorize the execution of the Policy and Procedure for Consultant Selection for projects administered by the Pennsylvania Department of Transportation (PennDOT) and funded with State/Federal Funds.

President Reynolds stated Resolution 9 B is on the agenda.

G. *Community and Economic Development Director – Recommendation for Award – Triad Associates*

The Clerk read a memorandum from Alicia Karner, Director of Community and Economic Development recommending a contract for professional service with Triad Associates to assist in the implementation of the Five-Year Consolidated Plan (FY 2015-FY2019), and also the planning and implementation of the next three year programs. The City will require a community development consultant to provide technical assistance with numerous aspects such as preparation of the Action Plans; preparing reports, records review, compliance, proposal preparation, identifying funding sources, and application preparation. The duration of the contract is October 15, 2015-October 16, 2016. The price of the contract is \$25,300

President Reynolds stated Resolution 9 C is on the agenda.

H. *Director of Budget and Finance – 2015 Preliminary Budget Estimate - Pensions*

The Clerk read a memorandum from Mark Sivak, Director of Budget and Finance, dated September 22, 2015, regarding the 2016 Preliminary Budget Estimate for Pensions. Act 205, the pension reform law, requires the Chief Administrative Officer to submit for 2016 budget purposes, the financial requirements of the Plans and the minimum municipal contribution to the Plans of the governing body of the City by September 30, 2015. As of this date, we have not received the allocation for the 2015 General State Aid or the final calculation of the amount required by the Pennsylvania Municipal Retirement Board. The following estimates will be adjusted, if necessary, when a final budget is submitted to Council:

	Final Requirements	Minimum Contribution
Police	\$5,251,713	\$4,430,587
Fire	\$3,081,123	\$2,550,742
O&E	\$ 0	\$ 0
PMRS	\$2,743,562	\$1,151,114

President Reynolds stated the memo is for information only at this time.

I. *Housing and Community Development Planner – FY 2016 CDBG and HOME Programs*

The Clerk read a memorandum from Allyson Lysaght, Housing and Community Development Planner attached to which are the FY2016 CDBG and HOME programs requests received by the City. Applications are being reviewed and it is anticipated there may be some changes between the requests and final allocation. Given the recent downward trend in awards it is anticipated there will be a CDBG award of approximately \$1,150,000 and a HOME award of \$300,000. This reflects a 10% reduction in the FY2015 awards.

President Reynolds stated he will refer this to the Community Development Committee and accept a motion to schedule a Public Hearing on Tuesday, October 20, at 7:00PM in Town Hall.

Mr. Recchiuti and Ms. Reuscher made the motion to schedule a Public Hearing on Tuesday, October 20, 2015 at 7 p.m. in Town Hall.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Motion passed

J. *Assistant City Solicitor – Proposed Lease – The Appalachian Mountain Club*

The Clerk read a memorandum dated August 27, 2015 from Assistant City Solicitor Matthew Kloiber, Esq., regarding the proposed Illick's Mill Lease with Appalachian Mountain Club and noting in paragraph 11.c, the Administration and Appalachian Mountain Club agree that a few words should be changed in the proposed lease. In particular, "person" should be changed to "occurrence" and "per occurrence" should be changed to "aggregate". The revised

language would read: "...One Million Dollars (\$1,000,000.00) per occurrence, and Two Million Dollars (\$2,000,000.00) aggregate."

President Reynolds stated this memorandum is for information only at this time. The lease was reviewed at the September 15 Finance Committee Meeting and Resolution 9 A is on the agenda.

K. Parks and Public Property Director – Recommendation for Award – Wildlands Conservancy

The Clerk read a memorandum from Ralph Carp, Director of Parks and Public Property recommending a professional service contract with the Wildlands Conservancy to complete design and provide construction oversight for the Monocacy Creek Restoration project. The estimated completion date is October 30, 2016. The State and local grant money allocated for this project is \$334,697. The cost for the contract is \$28,050.

President Reynolds stated Resolution 9 E is on the agenda

L. City Solicitor – Resolution Request – Highway Safety Project Grant

The Clerk read a memorandum from City Solicitor William P. Leeson, Esq., attached to which is a copy of the Highway Safety Project Grant and Budget summary submitted by the Bethlehem Police Department to the Commonwealth of Pennsylvania Department of Transportation. This grant will provide funds through September 30, 2016 for DUI program sobriety checkpoints and expanded DUI enforcement operation. A Resolution is a requirement of the grant application.

President Reynolds stated Resolution 9 D is on the agenda.

M. City Solicitor – Street Vacation Ordinance – Portions of Durham Street and Orchard Street

The Clerk read a memorandum from City Solicitor William P. Leeson, Esq., attached to which is a proposed Ordinance to effect the vacation of a portion of Durham Street and a portion of Orchard Street. If there are utility service lines located in the right-of-way of Durham Street and/or Orchard Street, it is the Solicitor's Office position that, prior to final passage of the vacation Ordinance, the utilities involved receive easements from Moravian College insuring the continuance of the utilities' rights to maintain the lines currently in place. This approach is in accord with prior practices in handling these matters before Council. We will report the status prior to Council's consideration for final passage.

President Reynolds stated the Ordinance is on the Agenda for First Reading.

N. Mayor – Housing Rehabilitation Technical Specialist Position

The Clerk read a memorandum from Mayor Robert J. Donchez requesting City Council to consider a proposal to convert the Housing Rehabilitation Technical Specialist position, which is currently a part time contract position, to a full time salaried position. The funding for the salary increase and benefits would be paid by the City's CDBG award. The capacity of the office is not enough to meet the demands of which there is a one year waiting list of over 15 residents waiting for the program availability. The current annual salary, assuming a 52-week period, is \$28,000. The full time salary would be \$43,407.96.

President Reynolds stated the Resolution can be placed on the October 20 Agenda.

6. REPORTS

A. *President of Council*

B. *Mayor*

7. ORDINANCES FOR FINAL READING

A. *Bill No. 34 – 2015 – Rezoning RT to I – Moravian College parcel*

The Clerk read Bill No. 34 – 2015, Rezoning RT to I – Moravian College parcel, on Final Reading.

Mr. Evans wished the Moravian College leadership congratulations and good luck with their project.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. Bill No. 34-2015, now known as Ordinance No. 2015-33 was adopted on Final Reading.

8. NEW ORDINANCES

A. *Bill No. – 35 – 2015 - Bethlehem Parking Authority - City Guaranty Bond*

The Clerk read Bill No. 35 – 2015 –Bethlehem Parking Authority – City Guaranty Bond, sponsored by Mr. Stellato and Mr. Evans and titled:

AN ORDINANCE

OF THE COUNCIL OF THE CITY OF BETHLEHEM, LEHIGH AND NORTHAMPTON COUNTIES, PENNSYLVANIA DETERMINING TO INCUR DEBT IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000 IN CONNECTION WITH THE REFUNDING BY BETHLEHEM PARKING AUTHORITY OF THE CITY'S GENERAL OBLIGATION BONDS, SERIES C OF 2003 AND THE AUTHORITY'S OUTSTANDING PARKING REVENUE NOTE, SERIES OF 2004, AND PARKING REVENUE NOTE, SERIES OF 2009; DETERMINING THAT SUCH DEBT SHALL BE INCURRED AS LEASE RENTAL DEBT TO BE EVIDENCED BY ONE OR MORE SERIES OF GUARANTEED PARKING SYSTEM REVENUE BONDS, SERIES OF 2015 TO BE AUTHORIZED AND TO BE ISSUED BY THE AUTHORITY; BRIEFLY DESCRIBING THE PROJECTS FINANCED AND REFINANCED BY THE PRIOR OBLIGATIONS AND SPECIFYING THE REMAINING USEFUL LIFE OF SAID PROJECTS; AUTHORIZING AND DIRECTING THE MAYOR, THE PRESIDENT OF THE COUNCIL, THE CITY CONTROLLER, THE CITY TREASURER, THE BUSINESS ADMINISTRATOR OR THE CITY CLERK OF THE CITY TO PREPARE, VERIFY AND FILE, AS APPLICABLE, THE DEBT STATEMENT AND OTHER APPROPRIATE DOCUMENTS REQUIRED BY THE LOCAL GOVERNMENT UNIT DEBT ACT, AND, UPON RECEIPT OF APPROVAL OF THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, TO EXECUTE, ATTEST, ACKNOWLEDGE AND DELIVER, AS APPROPRIATE, A METER REVENUE AGREEMENT, BETWEEN THE CITY AND THE AUTHORITY, WITH RESPECT TO THE CITY'S PLEDGE OF CERTAIN METER REVENUES, AND (II) A GUARANTY AGREEMENT WITH RESPECT TO THE BONDS; APPROVING THE FORMS OF SAID METER REVENUE AGREEMENT AND SAID GUARANTY AGREEMENT; CONSENTING TO THE ASSIGNMENT OF SAID METER REVENUE AGREEMENT BY THE AUTHORITY, AS SECURITY, TO MANUFACTURERS AND TRADERS TRUST COMPANY, AND AUTHORIZING DELIVERY OF SAID GUARANTY AGREEMENT TO SAID TRUSTEE; GUARANTEEING PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO; SPECIFYING THE MAXIMUM AMOUNT OF THE GUARANTY OBLIGATIONS OF THE CITY PURSUANT TO SUCH GUARANTY AGREEMENT; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY WITH RESPECT TO THE GUARANTY AGREEMENT; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AS TO THE INFORMATION REGARDING THE CITY; PROVIDING FOR PROPER OFFICERS OF THE CITY TO TAKE ALL OTHER REQUIRED, NECESSARY OR DESIRABLE RELATED ACTION IN CONNECTION WITH SAID PROJECT, SAID METER REVENUE AGREEMENT

AND SAID GUARANTY AGREEMENT; SETTING FORTH CERTAIN COVENANTS RELATING TO PROVISIONS FOR THE RETIREMENT AT REDEMPTION, AS APPLICABLE, OF THE SERIES 2003 BONDS; DIRECTING THE IRREVOCABLE DEPOSIT OF AN AMOUNT OF MONEY, WHICH WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2003 BONDS UPON REDEMPTION; COVENANTING TO PROVIDE CONTINUING DISCLOSURE; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

Mr. Recchiuti expressed he wanted to remind Council that this was reviewed by the Finance Committee back in June and recommended for approval. He is not sure what the holdup was in getting this to Council.

Mr. Brong informed there were some administrative wrangling's.

President Reynold added that there have been some conversations we have had in the past several months about the Parking Authority, and the future financing of what projects can be afforded and how they will be paid for. He added that this can be a conversation for another day.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. Bill No. 35 – 2015 was passed on First Reading.

B. Bill No. – 36 – 2015 – Amending the Non-Utility Capital Improvement Fund

The Clerk read Bill No. 36 – 2015 –Amending the Non-Utility Capital Improvement Fund, sponsored by Mr. Stellato and Mr. Evans and titled:

AN ORDINANCE OF THE CITY OF BETHLEHEM,
COUNTIES OF LEHIGH AND NORTHAMPTON,
COMMONWEALTH OF PENNSYLVANIA, AMENDING
THE 2015 CAPITAL BUDGET FOR NON-UTILITIES

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. Bill No. 36 – 2015 was passed on First Reading.

C. Bill No. – 37 – 2015 –Street Vacation – Portions of Durham Street and Orchard Street

The Clerk read Bill No. 37 – 2015 – Street Vacation – Portions of Durham Street and Orchard Street, sponsored by Mr. Stellato and Mr. Evans and titled:

AN ORDINANCE AUTHORIZING THE VACATION,
DISCONTINUANCE AND STRIKING FROM THE CITY'S
GENERAL PLAN OF STREETS OF PORTIONS OF
DURHAM STREET AND ORCHARD STREET IN THE
8TH WARD OF THE CITY OF BETHLEHEM, COUNTY
OF NORTHAMPTON, PENNSYLVANIA.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. Bill No. 37 – 2015 was passed on First Reading.

9. RESOLUTIONS

A. Approving Sublease Agreement – The Appalachian Mountain Club

Mr. Stellato and Mr. Evans sponsored Resolution No. 2015-246 that authorized the execution of a Sublease Agreement for Illick's Mill at Monocacy Park between the City of Bethlehem and the Appalachian Mountain Club.

Ms. Reuscher mentioned as a point of order as she first stated, she is an employee of the Appalachian Mountain Club, and as such, she plans on recusing herself from the vote.

President Reynolds wanted the record to show there is a different process between the previous tenant and the way the lease was brought to Council with the Appalachian Mountain Club. The previous lease was sent to Council as if we were supposed to handle and discuss it, but this agreement was determined by the Administration, as most are. President Reynolds stated he wanted the minutes to reflect this but he will certainly be voting to approve the lease.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, and Mr. Reynolds, 6. Ms. Reuscher: Abstain. The Resolution passed.

B. Authorizing Execution of Policy and Procedure for Consultant Selection - PennDOT

Mr. Stellato and Mr. Evans sponsored Resolution 2015-247 that authorized the execution of the Policy and Procedure for Consultant Selection for projects administered by the Pennsylvania Department of Transportation.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

C. Approving Contract - Triad Associates

Mr. Stellato and Mr. Evans sponsored Resolution 2015-248 that authorized the execution of a contract with Triad Associates for CDBG/HOME consulting.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

D. Authorizing Execution of Highway Safety Project Grant

Mr. Stellato and Mr. Evans sponsored Resolution No. 2015-249 that authorized the approval of necessary grant documents for Highway Safety Project Grant No. IDP-2016-Bethlehem City-00033 on its behalf for DUI program sobriety checkpoints and expanded DUI enforcement operations.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

E. Approving Contract - Wildlands Conservancy

Mr. Stellato and Mr. Evans sponsored Resolution 2015-250 that authorized the execution of a contract with the Wildlands Conservancy for the Monocacy Creek Restoration.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

F. Certificate of Appropriateness - 105 Rink Street

Mr. Stellato and Mr. Evans sponsored Resolution 2015-251 that granted a Certificate of Appropriateness to renovate the town house at 105 Rink Street.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

G. Certificate of Appropriateness - 313 East Third Street

Mr. Stellato and Mr. Evans sponsored Resolution No. 2015-252 that granted a Certificate of Appropriateness for a sign at 313 East Third Street.

Voting AYE: Mr. Stellato, Mr. Waldron, Mr. Callahan, Mr. Evans, Mr. Recchiuti, Ms. Reuscher, and Mr. Reynolds, 7. The Resolution passed.

10. NEW BUSINESS

Committee Meeting Announcement

Chairman Callahan announced a Community Development Committee Meeting will be held on Monday, October 12, 2014 at 6 pm in Town Hall to discuss the 2015 CDBG and HOME programs.

11. PUBLIC COMMENT

Illick's Mill Road Pedestrian Safety

Clyde Thomas, 315 Hamilton Avenue, mentioned over this past weekend there was a tragic accident on Illick's Mill Road by the Playhouse. It is still under investigation so he will not comment on any of the particulars. He is a resident who lives very close to there and he drives Illick's Mill Road many hours of the day and he knows that the crossing of the Playhouse is an extremely dark crossing. He has always felt that a tragedy could happen and a tragedy did happen this weekend. Mr. Thomas feels that similar safety crossing devices like what we have at Moravian College, where there is a walkway that is lit up on the roadway would be appropriate there. He does understand that this is a Hanover Township roadway but we own the property. He noted there might be difficulty in how this might be done. Mr. Thomas thinks that is critical that we do something to make this safer because it is dark and there is a tendency for people to speed on that stretch of road.

Impervious Coverage

Albert Bernotas, 2004 Johnston Drive, remarked that the City has passed an Ordinance to limit impervious coverage in RS and RR Districts except that you do not need a permit to put down impervious coverage in those districts. He remarked people can just pave willy-nilly when they want to and it is permitted. Mr. Bernotas is asking Council to please look into this.

Zoning Hearing Board Incident

Bill Tomino, 1037 Main Street, stated he is not sure if Council is aware of an incident that occurred at the Zoning Board with the Elias Market situation. He wonders if they heard about the police having to be called because the meeting got out of hand. Mr. Tomino stated he needs to clear the air on something that occurred that someone else is getting blamed for, when in fact he is the individual that made a remark outside of the Zoning Board after it adjourned and why the Police were arriving. He became knowledgeable of this through his patronage with Elias Market. He struck up conversation with the owners and learned that someone else was getting blamed for a comment he made after the Zoning Board adjourned, even though it was heated and disrespectful from the opponents of the Elias Market to the Zoning Board. He cannot say without sounding patronizing, that Mr. Loupos and the rest of the Zoning Board members took a lot of nonsense, and still held their professionalism and demeanor. That is why he is here tonight. Mr. Tomino noted they are getting blamed for something he said. After finding out that this person was being accused of a remark, he heard there were individuals that frequent a website, and were blaming Mr. Fitzpatrick for making this particular comment. He does not know if Mr. Donchez heard of this, but outside the rotunda as the Police were approaching and the arguments continued, he made this comment to what seemed to be a Chinese Nationalist or someone who came to this Country from China. Mr. Tomino stated the quote is "Welcome to the American Justice System. If you do not like it, go back to China." That may have upset some people, but it does not upset him and he does not care if it upsets anybody, but he will not let Mr. Fitzpatrick take the blame for something he did not say that night. Mr. Tomino related that he is responsible for making that comment. On Sunday he visited an individual who is sitting in this room and made it clear how he felt about this matter because Council was going to be approached, based on that conversation, with possibly seeking Mr. Fitzpatrick's resignation from the Zoning Hearing Board due to that remark. He noted that is not going to happen because of that conversation on Sunday. Mr. Tomino said that for two basic reasons. One, he really does not like to use the Constitutional right to say what he wants to say. He continued no one in this room understands that he too came to this County in 1957. Although he does speak perfect English, he could say what he is saying now in Italian. Mr. Tomino remarked some people know what he has gone through for the past ten years in getting his business treated fairly with things that occur behind the scenes. He came to this Country to obey the laws and the justice system. He added, whether you win or you lose, you do not

attack these people. They do their job. You put your best foot forward with your Attorney and you walk away win or lose, so do not blame Mr. Fitzpatrick.

12. ADJOURNMENT

President Reynold thanked the City Clerk, Ms. Kelchner and everyone else for sitting through the meeting this evening.

The meeting was adjourned at 12:25 a.m.

ATTEST:

City Clerk