

CITY OF BETHLEHEM

Inter-Office Memorandum

SUBJECT: Financial Accountability Incentive Reporting Program

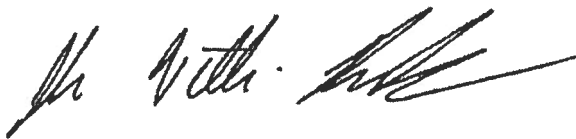
TO: Members of City Council

FROM: J. William Reynolds, President of Council

DATE: February 16, 2017

Attached is a proposed Resolution to establish a collaborative effort with the Mayor and his Administration to design and implement a Financial Accountability Incentive Reporting Program (FAIR) to regularly evaluate Economic Development benefits, enhance transparency through online reporting, and hold Economic Development benefit recipients accountable for satisfying their obligations to the City and its taxpayers.

I would plan refer this to the Community Development Committee at the City Council Meeting on Tuesday, February 21, 2017.

A handwritten signature in black ink, appearing to read "J. William Reynolds". The signature is fluid and cursive, with a long horizontal stroke at the end.

J. William Reynolds, President of Council

cc: John F. Spirk, Jr., Esq.
Mayor Donchez
William P. Leeson, Esq.
Alicia Karner

RESOLUTION NO. 2017-

FINANCIAL ACCOUNTABILITY INCENTIVE REPORTING PROGRAM

WHEREAS, The City Council (“Council”) of the City of Bethlehem (“City”) is committed to increasing transparency, fostering community trust, and promoting more responsible use of taxpayer resources in connection with the distribution of economic development tax incentives, benefits, and related preferences (“Economic Development Benefits”) granted to individuals and businesses (each a “Recipient”) with the intent of promoting economic activity in the City;

WHEREAS, In the interest of fairness, maintaining trust, and protecting the City’s financial health, Council believes that Recipients of City Tax Benefits must be held accountable for consistently meeting their financial and other commitments to the City, including timely payment of their City tax obligations;

WHEREAS, States and municipalities throughout the country have implemented policies and enacted laws designed to hold recipients of economic development benefits accountable for complying with their financial and legal obligations to public entities in exchange for receipt of such benefits;

WHEREAS, Multiple states and cities such as Philadelphia, PA, Washington, D.C. , and New York City have enacted economic development incentive evaluation laws to regularly assess the costs, benefits, and effectiveness of economic development incentives and integrate the analysis into improved policy-making and Council endorses these policy goals;

WHEREAS, Pursuant to the Bethlehem Charter Commission Report of Findings and Recommendation, dated July 27, 1959, which sets forth the City’s current form of government, City Council is charged with establishing the policies by which the City is governed;

WHEREAS, Council wishes to collaborate with the Mayor, his Administration, and the City Department of Community and Economic Development (“DCED”) to design and implement a program for regularly evaluating Economic Development Benefits, enhancing transparency through online reporting, and holding Economic Development Benefit Recipients accountable for satisfying their obligations to the City and its taxpayers by establishing robust monitoring and enforcement measures (“FAIR Program”); and

WHEREAS, Council desires the Community Development Committee to take the lead in working with the Mayor and his Administration, including the DCED, in connection with the research, design, and implementation of the FAIR Program with the goal of preparing a proposed ordinance for consideration by Council.

NOW, THEREFORE, BE IT RESOLVED by the Bethlehem City Council, as follows:

The Community Development Committee is hereby authorized and directed to collaborate with the Mayor, and his Administration, including the DCED and the Legal Department, to: research municipal best practices for the evaluation and reporting of economic development benefit programs; design policies, procedures, schedules and evaluation criteria for assessing the effectiveness of such benefits and linking the evaluation into the policy-making process; make recommendations for improving transparency and creating a system for online, publically accessible economic development benefit reporting subject to applicable privacy laws; perform other related activities as requested by Council; and prepare a proposed FAIR Program ordinance for presentation to Council. The proposed ordinance shall include provisions designed to hold Recipients of Economic Development Benefits accountable for honoring their tax, financial, and other commitments to the City and its residents.

Sponsored by: _____

ADOPTED by City Council this ____ day of _____, 2017.

President of Council

ATTEST:

City Clerk