

BETHLEHEM CITY COUNCIL MEETING
10 East Church Street - Town Hall
Bethlehem, Pennsylvania
Tuesday, March 3, 2020 - 7:00 PM

INVOCATION

Reverend Anthony R. Pompa, 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 Waldron called the meeting to order. Present were Bryan G. Callahan, Michael G. Colón, Grace Crampsie Smith, Olga Negrón, J. William Reynolds, Paige Van Wirt, and Adam R. Waldron, 7.

CITATION

Honoring Robert Urban

President Waldron stated that the Citation for Robert Urban on the occasion of his retirement from the Police Department after over 20 years of service will be mailed to him since he was unable to attend this evening.

Honoring Ronald Brazinski

President Waldron stated that the Citation for Ronald Brazinski on the occasion of his retirement from the Police Department after over 20 years of service will be mailed to him since he was unable to attend this evening.

Public Hearing Announcement

President Waldron announced prior to the public hearing tonight one of the two proposed zoning text amendments that was originally a subject of tonight's public hearing has been delayed and will not be discussed tonight. The proposed zoning text amendment amending Zoning Ordinance section 1302.12, concerning the definition of a Bed and Breakfast Home, was revised by the City Planning Commission at their February meeting and will need to be re-advertised and discussed at a future public hearing. The public hearing tonight will only concern proposed zoning text amendments related to short term lodging and hotels.

PUBLIC HEARING

President Waldron announced prior to consideration of the regular agenda items, City Council will conduct a Public Hearing to accept public comment on the proposed Zoning Ordinance amendments pertaining to Short Term Lodging and Hotels.

Communication 6 A – City Planning Commission – Zoning Text Amendment – Short Term Lodging and Hotels

The Clerk read a memorandum dated January 10, 2020 from Darlene Heller, Director of Planning and Zoning reporting that the City Planning Commission voted at their January 9, 2020 meeting to recommend approval of the proposed zoning text amendment related to hotels and short term lodging.

Communication 6 B – Lehigh Valley Planning Commission – Text Amendment – Short Term Lodging and Hotels

The Clerk read a memorandum dated January 28, 2020 from Samantha Smith, Chief Community Planner of the Lehigh Valley Planning Commission stating that the Lehigh Valley Planning Commission's Comprehensive Planning Committee considered the proposed zoning ordinance text amendment at its meeting on January 28, 2020 and found the draft amendment concerning hotels and short term lodging was generally consistent with the County Comprehensive Plan and that the proposed Zoning text amendment poses no substantial impact to the region.

Darlene Heller, Director of Planning and Zoning explained back in December, 2017 Council passed a housing ordinance related to Short Term Lodging. Since that time a few things have happened. The ordinance was appealed to court, we were not successful in that, some of the appeals are still lingering. At the same time there was a zoning appeal, PA Supreme Courts Slice of Life Zoning appeal, a Hamilton Township case that determined that their ordinance did not permit a purely transient use of a house. That was a first Commonwealth Court case that did support the zoning ordinance on a similar appeal like that. We felt that at that point we could create a provision, a new land use category in the zoning ordinance to support Short Term Lodging. Back in December the Planning Commission had their first review and they did make some modifications. In January they voted to recommend approval to the City Council for adoption. There is also the letter from the Lehigh Valley Planning Commission. Ms. Heller would like to go over some of those amendments. It includes first the definition of Hotel. We had refined the definition of Hotel back when we adopted Short Term Lodging in 2017. At that point we reduced the number of rooms required for a Hotel from seven (7) down to one (1), so that anyone renting more than one bedroom to a transient visitor would automatically be considered a Hotel. We added language this time to tighten that up. Specifically we added language that a Hotel is any building within which one or more rental units are rented to transient visitors to the area but does not qualify as Short Term Lodging or a Bed and Breakfast home within the meaning of the zoning ordinance. It does not include any building in the group which qualifies as Short Term Lodging facility or Bed and Breakfast home within the meaning of the zoning ordinance. We reiterated that a few times. We added a new definition in zoning for Short Term Lodging. To be clear, it specifies that it must be an owner/occupied single family dwelling, not more than thirty (30) consecutive nights can be occupied by the transient visitor and compensation is directly to the owner. Ms. Heller pointed out as a follow up from the Planning Commission Meeting in December we added additional language. A temporary rental to one or more transient visitors of a single family dwelling unit or portion thereof at a time when the owner/occupant is not physically residing overnight in the structure, and which temporary rental does not otherwise qualify as a Bed and Breakfast Home use, shall be considered a Hotel within the meaning of the zoning ordinance. There was some concern generally that the ordinance

would not be clear that for Short Term Lodging it would need to be an owner/occupied unit. We tried to specify that within the definitions of both the Hotel and Short Term Lodging facility and we try to reiterate that though out some of these amendments. We also added a definition for transient visitor. In the Land Use category we allow Short Term Lodging the same way we allow Bed and Breakfasts. In the Residential Zoning Districts we allow Short Term Lodging by special exception, in the RR and RS Zoning Districts those are the lowest density Residential Zoning Districts. We allow Short Term Lodging by right in RG and RT which are of a greater density and have a greater mix of uses. Ms. Heller explained that Special Exception use is still a permitted use but it is not permitted administratively by our office, it is permitted through an appeal to the Zoning Hearing Board. In the Non-Residential Zoning Districts we chose to allow Short Term Lodging facilities as a by right permitted use, in CL which is Limited Commercial those districts would be on East and West Broad, East Fourth Street, Linden Street, those would be the CL Districts, CB which are the two downtown districts, north and south side, IRR which is the Residential area of the Bethlehem Steel site and OMU which is Martin Tower. In the fourth section of the ordinance we address parking. Any single family dwelling is required to have two (2) off-street parking spaces, so those spaces are required. If you are renting out one room as a Short Term Lodging we do not require an additional space. If you are renting two rooms for Short Term Lodging, we would require a third parking space on the lot. Ms. Heller advised in Section 5 we address the specific requirements for Short Term Lodging. Again, in the first bullet it is only permitted in an owner occupied single family dwelling existing and occupied by people as of January 1, 2020. We did add a provision, if the lot exceeds one acre that you could also use an out building for Short Term Lodging. We are trying to draft this in a way that minimizes impacts to neighboring properties so if someone has an acre and is in a low density area and if there is an out building that has been adaptively reused for a residential use, that would be permitted to be used for Short Term Lodging the way this is drafted now. The second bullet says that no more than two (2) rooms on any lot can be offered for rent. The third bullet says that no exterior alterations or expansions can take place to accommodate additional rooms for Short Term Lodging. The fourth bullet states the Short Term Lodging facility must meet all requirements for health, fire and building safety. With number five we clarified that Short Term Lodging could be used for no other purpose, you could not use Short Term Lodging as reception space or a meeting room or for any other use other than Residential Short Term Lodging. Item number six are some performance parameters, you may not generate noise, vibration, glare, odor or other effects. Number seven is that the Short Term Lodging facility must comply with all of the other provisions of Article 1741 which is the Housing Ordinance that also addresses Short Term Lodging. Ms. Heller explained in the future anyone running a Short Term Lodging facility would still be required to get a license annually and have the facility inspected annually, that will not change. We did look at some revisions to Article 1741 at the CD Committee Meeting. We would have some modifications to that ordinance just so that the definitions and other things would be compatible from one ordinance to the other. Ms. Heller pointed out she wanted to take some time to talk about some of the enforcement they have had with the Short Term Lodging facilities. They have been working with the Law Bureau, their representatives if Council has specific questions but to move forward with some of that we are holding off on some enforcement until the ordinances are adopted. There is a new Short Term Lodging facility that we know of that is not owner occupied. We have sent enforcement notice to the property owner and it was appealed. It is scheduled for a hearing at the March Zoning Hearing Board Meeting. We are moving ahead with enforcement for new Short Term Lodging facilities as we become aware of them.

President Waldron asked how these most recent changes came about.

Ms. Heller noted for the purposes of enforcement we felt it wise to have land use provisions included in the zoning ordinance. What remains in the housing code are really more the housing provisions, inspection provisions. They are compatible but they serve two different purposes. We drafted provisions to zoning that would really specifically be tied to land use, the definitions and where they would and would not be permitted, and parking those are specific zoning ordinance provisions.

President Waldron queried if all these changes were generated in-house.

Ms. Heller replied yes.

President Waldron remarked there were a few things Ms. Heller spoke about that he wanted to have clarification about that he is sure will be points of contention. That is owner occupied, that can mean different things to different people. If for instance your primary residence is a house that you can leave temporarily and essentially turn it into a hotel for a weekend, that is different than what is defined here. He asked if that is correct.

Ms. Heller noted we are requiring in the language here that the owner would be occupying the structure when it is rented out.

President Waldron related as opposed to it being the primary residence where they live full time but maybe are out of town or staying with someone else.

Ms. Heller remarked we have a provision like that in Article 1741 now and the amendments to Article 1741 and this amendment take the ability to do that out. If someone goes on vacation during Musikfest and they want to rent out their house we are not allowing that within the definition of Short Term Lodging.

President Waldron queried if that is a change to what we currently have.

Ms. Heller replied yes.

President Waldron stated currently we would allow that.

Ms. Heller explained under the current version of Article 1741, yes.

President Waldron noted another point that was brought up was compensation directly to owner and queried what is meant by that.

Ms. Heller informed it is part of the definition of Short Term Lodging facility that the agreement and compensation be directly with the owner, that there would be no third party involved in that. If someone is renting the Short Term Lodging facility they deal directly with the owner.

President Waldron knows of an instance where there is an owner occupied home that rents out one room in their home. He believes that it is done through a third party, through Airbnb for instance.

Ms. Heller thinks that most of these are Airbnb.

President Waldron related it seems like they would fall into and be not in violation other than that new point.

Ms. Heller thinks it is more to address that it would not be an LLC or some other agency that you would be renting from, it would be the property owner specifically.

President Waldron related you are renting from a property owner through Airbnb would that be allowed?

Ms. Heller stated that would be allowed.

President Waldron remarked that seems a bit unclear to him if the compensation is directly to the owner because the renter paid Airbnb and Airbnb pays the homeowner so that compensation is not direct from his perspective.

Ms. Heller noted it is not, but you are booking through the owner, through that site and just not handing them a check or cash but you are booking through the property owner.

President Waldron queried if that is a point that the Legal Department has considered.

Ms. Heller explained the Legal Bureau has worked with us on all sections of this draft. We have been through this draft many, many times.

President Waldron noted the Legal Bureau is comfortable with that and feel that will hold up under scrutiny because he guesses the point here is how do you define the word "directly". If I give Mayor Donchez money and he gives it to Mr. Evans then I did not give Mr. Evans money directly.

Ms. Heller explained in their conversations about the ordinance the concern we had heard was really about owner occupancy in general and how do we define that. We do not define it specifically.

President Waldron queried if they define owner occupied in the ordinance.

Ms. Heller stated not in the ordinance.

President Waldron remarked that someone might say this is my house and I occupy it but if I leave for the weekend for a day am I still occupying it?

Ms. Heller noted the way this is drafted the owner needs to be there, she does not think the owner needs to stay home for 24 hours when someone is there but yes, you do need to be at home and residing in the property when you rent out to a transient visitor.

President Waldron knows of a home in the City in which someone owns the house and they rent it out through Airbnb and then they stay somewhere else. It is their primary residence

and they live there but they rent it out frequently enough that he wonders how that will be viewed.

Ms. Heller explained the language that we added that we thought addressed this question, and this is part of the definition of a Short Term Lodging facility, the temporary rental of one or more transient visitors of a single family dwelling unit or portion thereof at a time when the owner occupant is not physically residing overnight in the structure and which temporary rental does not otherwise qualify as a Bed and Breakfast home use shall be considered a Hotel within the meaning of the zoning ordinance.

President Waldron remarked that physically residing overnight is the point. He thanked Ms. Heller.

Mr. Callahan remarked he had the same hang up on the verbiage of the owner occupied. He is not in favor of someone buying a property and not ever living there and just putting it on Airbnb. He does think in this day and age with Uber and Airbnb things have changed. He does not have a problem with someone who lives in a residence year round and they go on a trip to Europe and decide for two weeks they will be gone and they prefer to generate some income on their property. That is an Airbnb thing to him. So under the changes that we are making that would not be allowed, is that correct?

Ms. Heller stated that is correct.

Mr. Callahan remarked the individual who is buying a home and never lives there; can he rent that out with Airbnb for 30 days?

Ms. Heller stated no, the property must be owner occupied.

Mr. Callahan would prefer as of right now without changing this if we vote against this tonight is someone who does not live on the property at all still allowed to rent out his unit on Airbnb.

Ms. Heller stated they do not believe that is the way our ordinances are written now but we have had difficulty in defending that and so this tightens up the ordinance to be much more clear that we would require Short Term Lodging be owner occupied.

Mr. Callahan informed his preference is that we put in language where someone who does not live at the house at all is not permitted to rent that out on a regular basis as an Airbnb.

Ms. Heller explained what this does is define that as a Hotel. If you are renting it out and it is not owner occupied, it is a Hotel and a Hotel is only permitted in some Commercial zoning districts. It is not permitted in a Residential zone so therefore it would be a violation of the Zoning Ordinance.

Mr. Callahan would prefer that we also have the language in there that if someone is living in the home year round and they are away for 7 or 14 days that they are still permitted to rent it out through Airbnb. He has used Airbnb renting out a home going to Penn State for a weekend. If we have the right terminology put in here this would be a workable solution for

everybody. He is aware of the situation of the individual who is buying properties and not living there, he is totally against that. He does think that an owner has a right if he is away for a week to rent his home. We need to put in some numbers with a maximum amount of days that they are allowed to do that. Maybe we could add a number of days in there where someone who is an owner occupied, they live there and maybe they could be allowed 3 times a year for a period of 7 days maximum that they could rent their home out. It is fair to say that some people go on vacation 2 or 3 times a year and if they are gone Mr. Callahan believes they should be allowed to use the Airbnb services that would be his preference.

Ms. Heller added that there were some property owners that did register under Ordinance 1741 for Short Term Lodging, none of them were signing up for the type of Short Term Lodging where they would rent out while they were on vacation, no one signed up for that, only the owner occupied ones signed up. Part of the challenge we have is with enforcement. It is really hard to know and to enforce if someone signs up that they will rent out for 2 weeks or 3 weeks while they are away, it is hard for us to keep track of something like that. This is the kind of thing we were trying to look at as we address this also, how are we going to enforce.

Mr. Callahan asked if there would possibly be a way that we put in the ordinance that if someone does want to rent out for 7 days with Airbnb that they somehow have to notify the City that they will be using 7 of their days. He does not want it to be burdensome on the work for the City but maybe there is a way to do this through notification. We have all heard from the neighbors of some of the units that are not owner occupied right now, they are aware of who is coming in and out. In that situation that unit would be up on that site year round, which he does not want. Mr. Callahan just wonders if there is a way that we can say only 21 days a year that that owner could notify the City that they are using 7 of the 21 of the days that are permitted, just an idea.

Ms. Heller reminded that Council did pass a pending ordinance Resolution back in January so that this ordinance would be applicable back when we started to advertise this and this happens with every zoning amendment that we look at as a community. If you make changes to this ordinance we will have to start that calendar all over again, we will have to do the pending ordinance and go back to Planning Commission and Lehigh Planning Commission and start that all over again. So if there is a way to move this forward the way it is drafted, we will have an ordinance in place and if you want to modify it, we can do that but we would be able to do that as a follow up. Ms. Heller just wanted Council to be aware of the timeline and the time it takes for the ordinances to be approved.

President Waldron noted if the majority of Council wanted to make an amendment to Article 1302 that would essentially take months and push everything down the line.

Ms. Heller stated her understanding is that once it is advertised if it is revised almost in any way we need to start the clock over.

President Waldron remarked if there were changes that Council wanted to make is there a way to do that which would not require that laborious effort.

Ms. Heller thinks that there would be two options, to make the change and start over or to adopt this and then follow up with another ordinance that would amend it.

President Waldron noted what is the difference, if we make an amendment after we pass an ordinance we do not like that has to go back to the Planning Commission process anyway, the amendment does.

Ms. Heller remarked she is just saying if you are okay with the bones of this and adopt this but want to tweak it at least something is in place.

President Waldron mentioned this is our first discussion on this as a Council and he knows it was discussed in Committee but he just wants to make sure everyone is on the same page.

Ms. Crampsie Smith remarked if we adopted it now and wanted to amend it, how long would the amendment process take? Would it be the same as writing a new ordinance or would it be a shorter timeframe.

Ms. Heller related they would not be starting from scratch. Hopefully you would give direction on whatever revisions you want and we would incorporate those into amendment. It would have to go back to the Planning Commission and the Lehigh Valley Planning Commission so there is some time there. It would need to be advertised and we would have another Public Hearing and then there would be two readings.

Ms. Crampsie Smith noted it sounds like what Ms. Heller is saying is it could take less time than going through a whole new ordinance.

Ms. Heller added it is certainly less time than creating a new ordinance.

Ms. Crampsie Smith explained she is for most of the ordinance but she does have similar concerns. Even in the Planning Commission letter it says that they encourage the City to consider the economic impact. This is a tourist City and the quality of life through the residents is number one for her. In reality she knows many family and friends who have used Airbnb throughout the whole world and it has worked well. It is a shame that we have a few bad apples that are upsetting the cart so we have to do this legislation. She would feel more comfortable with at some point amending it to say that 80% or 90% of the time you are living in your home but maybe there is a weekend you are going away and someone wants to come into the City of Bethlehem as a tourist and stay at your home. We also have to think about tourism in the City. Ms. Crampsie Smith informed her Aunt had a home in Cape Cod and had 10 kids and when her son got married in upstate New York she swapped houses and it was beautiful because otherwise she would be paying a lot of money to put 10 kids and spouses and others in a hotel. She thinks of those kinds of instances and with this we are precluding those kinds of things from happening and that concerns her.

Ms. Heller pointed out they tried to strike a balance to protect the neighborhoods so that they still can be neighborhoods while still allowing people to have Airbnb in their homes if they want to. Some people do it because it allows them to be able to afford to stay in their homes. There are a lot of different reasons why people do Airbnb. But we wanted to find a way to balance it so that they are able to host people while still we can protect the neighborhoods. There is that balance in there and maybe we are still fishing for where that balance is but we thought we were close to that with the amendment we have here.

Ms. Crampsie Smith agrees, we do have to balance it and the quality of life for residents is always number one for her. Also, we have to think about the people with good intentions that maybe do live in their homes 80% or 90% of the time and once a year they go away on a weekend or something, we are precluding them and that is something we need to think about.

Mr. Reynolds remarked if someone goes away, even if that was legal, would they still need to go through some type of permitting or inspections.

Ms. Heller related the way it is written now, this ordinance is a partner ordinance with the housing ordinance and it does require that you get licensed annually and have an annual inspection.

Mr. Reynolds mentioned if someone was going to do that for a few weeks or a weekend they would have to go through the whole process of licensing their house or their condo, is that correct?

Ms. Heller stated that is correct.

Mr. Reynolds thinks whatever we write here is going to balance out the issues that have come up in this room before in these neighborhoods with private property rights. The two things that will come into play are how judges look at this because you can write the strongest law that everyone in this room agrees with and easily get a judge that says they do not care what this person violated, but that person is allowed to do what they want with their property. That is a reality. The other thing that will be difficult will be enforcement; it is a lot easier to enforce one person who is doing this on a large scale of 7 to 9 properties. It is easy to see that one person cannot be living in 9 houses. At the same time if someone is going to do it here or there or proving it is owner occupied is not easy. We can pass this; he is not saying he will not vote for this because he will. He is saying that the enforcement is going to be very difficult to prove that people are not staying in their house. It is like everything else; do people put their garbage out on the right day? It will be a difficult thing to enforce and as we talk about the different language here he believes we need to think about this. We are passing something with our intentions but whatever we pass the easier it is to enforce and the easier it is to prove the more likely it is that a judge is not going to be able to look at that and throw it out because of ambiguity or say how can you prove this is owner occupied or whatever. What we put in our law should be easily enforced and easily proven if we want it to stand up in front of a judge, which we do.

President Waldron does have some concerns, the same that Mr. Callahan and Ms. Crampsie Smith brought up. He would say finding a balance is key here. We want to protect our neighborhoods and similarly we want to not put a sign up that says "No guests allowed in the City of Bethlehem." To force everyone into a hotel may not be a solution that works for all visitors and all families. His family with a lot of kids, us going into a hotel is a non-starter. If we try to travel somewhere and we said our only option is a hotel we just do not go there, we go somewhere where we can have an Airbnb or we can have a whole house. As guests of Airbnb he would like to think they are responsible users and that we treat the neighbors in that community respectfully and spend our dollars in that community. To not allow visitors to come to our City and tourists we are putting up a big sign that says "Guests are not welcome here." That is not a message we want to send. President Waldron understands there is a responsible way to do it and he knows of an Airbnb that is a very responsible user and is not on the grid within the City

system but he also knows that generates a lot of money to the City through those visitors who are spending a lot of dollars in the downtown that would not be spent if we had this ordinance in place. The balance is key and he is not sure this ordinance finds that balance. He does understand the intentions are very good and pure and again to point to what Mr. Reynolds said, how do we find that balance that is also going to be able to be held up in court. We thought we had a good ordinance in place that everyone was on board with that had that balance. It turns out the judges did not think so. President Waldron does not necessarily want to start the whole process all over again but at the same time he thinks it is our responsibility to find something that is a good fit. It also finds a good balance between protecting our neighborhoods as well as welcoming responsible visitors who like to come here and spend their dollars and empowering Airbnb hosts to be responsible stewards of their neighborhoods. This can be done, he knows of an Airbnb that rented their house out more than 50% of the year and there were no issues. He hopes that we can find the balance tonight. Obviously it will not be tonight but it will be an ongoing conversation and this may not be the last time this ordinance comes to us as our economy changes and the culture changes within our neighborhoods and within the Country based on the new technologies that are popping up. President Waldron mentioned that 10 years ago he does not think that anyone thought this was going to be an issue where you would be renting out your house to a complete stranger that never met or getting into a car with someone driving that you did not know. But this has become commonplace at this point.

Public Comment

Barbara Diamond, 425 Center Street noted she has spoken a number of times about her opposition to the whole house/apartment short term rentals that are owned by an investor such as what operates on Market and Church Streets. She is happy there is an effort to strengthen our ordinance. She appreciates the concerns about the homeowner who might occasionally have business overseas; we have a lot of professors in our City who may be doing a professorship overseas. She could see that would be a very different situation than what we have where we have an investor or a group of investors who bought a house removing it from the housing stock and operating it year round for commercial reasons. Ms. Diamond hopes maybe there is some language that could amend what is proposed here to be able to allow those people who want someone in their house while they are away but are not doing it on a regular basis. The City failed to enforce the ordinance that was passed in 2018 against those operations, the 3 whole house Airbnb's in the historic district, now there is a fourth. We have on Market Street 3 whole house Airbnb's and then one here on Church Street that have continued to operate despite multiple complaints from neighbors having to do with noise and late night parties. The quality of life in neighborhoods is diminished by the operations of these ongoing investment home operations. Ms. Diamond is thankful the Supreme Court did determine that these kinds of operations are not permitted in Residential neighborhoods and she hopes that passing this ordinance and possibly tinkering with it a little bit will immediately shut down those illegal hotels. Ms. Diamond is concerned that the same thing will happen again, although it sounds like the City is making an effort to tighten things. But will the ambiguity of the language in the ordinance provide a loophole for the owners of those houses on Church and Market to continue to operate. These issues have to do with neighborhoods where people in neighborhoods across the City have come and asked to side with them to protect their quality of life. These include 2 West Market Street, Garrison Street, and the Airbnb's in her neighborhood. As was mentioned transient housing is the most unstable housing, second only to student housing in its destructive power so please assure this ordinance properly eliminates all whole house investor short term rentals from

residential neighborhoods and permits them only in Commercial districts. That may be one point to make about the concerns about having a place where families can come and rent. This does not eliminate those opportunities, they are still there but they are in their proper place.

Steve Diamond, 425 Center Street, thanked Council for their previous vote for the housing ordinance recognizing how the Airbnb's can be damaging to multiple communities. As he listened to the presentation he would like a definition of what owner means. He and his wife own multiple properties in different places and we have it as an LLC. He can see if you say owner, the LLC is an owner but he will hire someone by giving them a little piece of the LLC as an owner and give them a rental property in my house. So therefore they will collect the money. Mr. Diamond would like a definition that owner is actually a person that owns the house and lives there and not a corporation that has given a piece of ownership to live in that house. He asked if there will be language to stop someone from being grandfathered in with this current law, that the people who have broken the law before are actually brought to task for what they have done.

Wendy Martel, 1335 Center Street, mentioned it sounds like this issue is maybe perhaps two different issues, one being the commercial aspect of people buying out properties and the other determining what is owner occupied. She has a house and she lives alone but has a lot of bedrooms and she rents out her place occasionally. She stays on the third floor and they are on the second floor. If they have extra people, they sleep in the couch. What happens if she decides to spend a night at her girlfriend's house and is not at her home? Ms. Martel added that everyone talks about Airbnb being dangerous and bad for our area but the people that she has had at her home have been wonderful, excellent to the point her neighbors did not know they were there. They went shopping, they went to the restaurants, and they were alumni from Lehigh University so they were back in the area. She thinks that before you pass something the verbiage needs to be very clear. Let's not pass something and then try to fix it later.

Attorney Tim Stevens with the law firm of Davis and McCarthy stated he is at this meeting to speak on behalf of the Hotel Bethlehem. He is following up on an email that was sent to Council on March 1, 2020. He has handouts for Council, the email is the first handout and the second are the proposed revisions to the zoning amendment and the third are proposed revisions to the regulations. Following up on the email from Bruce Haines, Attorney Stevens thanks Council for their involvement with this Short Term Lodging ordinance and its regulation. He is at this meeting to comment on it and see where it can be tweaked. We want an ordinance that will withstand any scrutiny by a higher court if it is ever challenged. We are also supporting an ordinance that supports the concept of home sharing as was just described by Ms. Martel who just spoke about sharing her house and living there and enjoying the company. That is what we want; we want people to be home occupiers there in the house when their guests arrive. The concerns that are outlined in the email suggest revisions are to address the apartment type Airbnb where there are independent apartments with separate entrances where they are really not doing that home sharing type of concept. We are asking you to consider revisions on that front. With respect to the independent whole house rentals and concerns there was mention of the four properties in the historic district, those properties really are controlled by this Slice of Life condition. The legal landscape has changed at this point where under the current Pennsylvania Supreme Court law any type of Short Term lodging that we see is prohibited by law and the zoning ordinance in Hamilton Township that was upheld is similar to what we have in Bethlehem and what the court saw with that was the definition of family. They said under your

ordinance you defined family and that is not what is going on here, this is a promotional operation therefore Short Term lodging is prohibited. The same thing applies currently in the City of Bethlehem. What this ordinance is doing is allowing it, creating an exception to the current state of the law and allowing Short Term lodging to occur in a residential neighborhood. That is why we ask that if that is going to occur that it be done responsibly and it does in fact balance the interest that has been talked about earlier, as far as protecting the interest of the Short Term lodger, the person who wants to legitimately bring people in and rent their house but at the same time balance the interests of the hotels that are operating and complying with the law, the other Short Term operations that are complying with the law. You want to watch out for reducing affordable housing in the City and watch out for destabilizing neighborhoods if this goes on. If you pass an ordinance that is not clear you will have issues with enforcement. Attorney Stevens remarked turning to the actual ordinance, 1302.117.1, we are suggesting that rather than the word structure be used, we are talking about a residential dwelling unit. Also there was talk about subsection 1 and under Short Term Lodging there is a section that is really caveat where if you have a one acre property and there is some accessory structure on there that is allowed to be used as a Short Term operation. We submit that is essentially the operation of a hotel and we ask that provision be stricken. The last point is subsection 8 and we are asking that the section be added to this amendment that provides specific language that prohibits this apartment type concept where there is a separate entrance. What we are simply asking is that there is a definition that if you are staying in a home any of the entranceways, where there is ingress and egress to the property that the guests are staying in your house are allowed to enter into those entranceways and go into the main common areas of the house, there are no independent apartments. Attorney Stevens is asking Council consider these changes on behalf of the hotel and we again to thank your efforts with coming up with an ordinance that truly does balance all the interests.

Lisa Rosa, 822 Fernwood Street, remarked there is talk about Bethlehem City as a tourist City but you have to remember that there are residents here. Before this became a tourist City people lived here. If residents are so important, why is there a lack of housing? She has been traveling up and down the south side of Bethlehem since last March looking for an apartment. The south west is all student housing. If you go on craigslist all you find is student housing. She pointed out everything else is so expensive that she cannot afford an apartment. Ms. Rosa reported half the owners of these properties do not live there; they just own the buildings and rent them out or give them to the realtors to rent them out for them. Tourists are always welcome but it is starting to feel like residents are not. She understands that the tourists bring in the money but what happens to the people that really live here; we cannot afford to live here. She does want to help people in this city and she is trying to find a way, she will not give up but we need to work together.

Bill Scheirer, 1890 Eaton Avenue, noted for a point of clarification he just reread the definition of Short Term Lodging in Communication 6 K and the word directly does not appear next to the word compensation. Perhaps it clarifies things a bit. He would like to propose two fixes to the ordinance. First this issue of homeowner going away for a vacation and would like to rent out their house. The gap remains of supervision. The owner is not there and the basic idea of having the owner there is supervision which came up before. One possible way out of this is for the owner in this case to designate a resident of the neighborhood as supervisor or perhaps even stay in the house while it is being rented out. You would have to define what is meant by the neighborhood but it would be important that it be somebody from the same neighborhood. It

is a thought. The second fix he would propose is that there is a fundamental flaw in the ordinance as it now stands because there is no limit on the number of such dwellings. They could theoretically take over a whole neighborhood, every one could be owner occupied and renting out rooms. Is that what we want? Therefore there should be some limit within the neighborhood. But how do you define a neighborhood? Mr. Scheirer noted there is an easier way on this issue. He recalls when he was living in D.C. that a burning issue was halfway houses. There were concerns that certain neighborhoods would be one halfway house after another. The local Council passed an ordinance that no halfway house could be within so many feet of another halfway house. That would enforce certain dispersal of halfway houses so that they would not be all congregated in one neighborhood. You could do something here on these types of dwellings. The number of feet of course would be a bone of contention but a simple phrase that no Short Term Lodging facility could be within so many feet of another one. This is something to think about.

Frank Boyer, 234 East Market Street, remarked that he lives on the same block as two of the whole house Airbnb's. He lives within 150 feet of the two of them and he has had problems with them, nothing he could not deal with. He wanted to give three examples. First one is that on multiple occasions especially in the summer time when you are sleeping with the windows open around 11:30 pm you hear a lot of what sounds like drunks walking up the street making noise. Maybe it is after a wedding or after a rehearsal dinner. Clearly it was not his neighbors, he knows all of them, and it was not them making all this noise. He does not know where they were sleeping that night but he would bet that it was in those whole house Airbnb's. Another time, he was outside in his side yard with his 14 year old dog at 10:00 pm before going to bed and some woman from the street yelled at him to have his dog on a leash. His dog did not come near her. It was not one of his neighbors and he did not say a word but when he walked out on the sidewalk he saw them walk into the Airbnb. Neighbors do not treat neighbors like that. Third instance was when he was in his home on a Sunday morning and around 8:30 am he heard banging on his front door. The woman at the door said to him that he has her parked in and that she cannot get her car out of her spot and that she needs to leave town. But that was not his car; he had parked across the street the night before because he could not get a space directly in front of his house. She brought this problem to him and again, this was not a neighbor of his. He knows his neighbors and they know him. Mr. Boyer explained this is what is coming into neighborhoods and what is ruining the quality of life in a nice neighborhood. It is not all just nice people that do this. There are certainly some nice people but not all of them. This does not help the neighborhood.

Kelly Ronalds, 448 Main Street, thanked Council for the consideration of this ordinance. She resided in Bethlehem as a renter for almost 8 years and her last house she rented was sold by Moravian College when they bought the Moravian Book Store. She was told it was being converted to student housing so she had to find another place to live for herself and her two cats. She looked and looked and the only place she could find was on Main Street. She noted that a lot of Main Street is becoming Airbnb so if we put Airbnb in the commercial district and we have Airbnb's and illegal rentals through Airbnb taking place in residential neighborhoods where do people who go who shop downtown, dine downtown, work downtown, north side and south side. Ms. Ronalds got rid of her car, what does she need it for? She works at the hotel. She sympathizes with the woman who spoke earlier who cannot find an apartment. Ms. Ronalds was lucky to find a place close but now Airbnb is in the commercial district but they continue to encroach into our neighborhoods and that makes it harder for people who want to live in the

neighborhoods. Ms. Ronalds added about tightening the language that Attorney Stevens talked about, she would appreciate that Council looks at that. She had a friend who stayed at an apartment that was on Airbnb on Church Street and it was licensed by the City as a Bed and Breakfast. She noted that Airbnb started as home sharing for people who had a son who went away to school and they wanted to rent his room and share living space. But that is not what this was, it was an apartment that had been rented under a lease but then that was up. Ms. Ronalds explained she went into that apartment but there was no entrance to the house, you were not allowed in the house. There was a connecting door on the second floor but it was in the bathroom and it was locked. She would say that connectivity is important because it does not foster home sharing and also it does not allow enforcement. I can unlock the door when enforcement comes and then lock it back up when the guests come. One thing with the ordinance in section 5 (1) where it talks about permitting on a one acre lot out buildings, that allows a hotel in a residential district no matter what the size. A gentleman brought up about being owner occupied and to her that is a little fuzzy. You could give me 1% of your LLC and pay me that 1% and now I am owner occupied. So looking at the language and tightening it up would be appreciated.

Stan Dzhindzhev, 1332 Butztown Road, stated he is a member of the Association of Realtors stated he owns many homes in the area and he rents through Airbnb and other companies. He has nothing but a great experience with them. He has 3 children living in the house and his house is a bi-level house with a dedicated entrance which goes around the house into the lower level of the house. How a single entrance to the house would be different to us acquiring us to put an additional entrance to a house when the hotel has one entrance. Are we going to require hotels to have multiple entrances as well? To the neighbors, he understands that you live in a dense neighborhood. It is possible to have complaints from people coming to your properties but that is not just a short term stay, they could be from anyone, students or people passing by and walking through. You cannot prove those are people coming from Airbnb's and staying. A short term stay also helped us a lot with the people coming to our area. They want to know more about the area from a homeowner, they want to talk to us and ask how the neighborhood is. They ask where things are and we explain and point that out to them. We bring value to these people who potentially may be home buyers and they may move into our area. If they go to a hotel they do not know anybody there, it is all commercialized. He wants Council to consider this because it affects everyone. A small change can make a big impact in our community.

Artie Curatola, 813 Laufer Street, remarked he has a great place for out of town people to rent but he cannot do it, the City prohibits him from doing this. He has to be at that residence all of the time, he cannot take off to go anywhere else. He is like sitting on top of a volcano because he has a common trap of a sewer that is grandfathered in that everyone that owns properties in the row of houses where he lives. He has the common trap for all of the homes on his block. He cannot do an Airbnb but they can do it. They do not need a trap, their sewage waste goes right to his basement and if it gets blocked up and does not go through to the main sewer he gets the sewage problems in his basement that he has to clean out. This is from years ago where one person owned those six houses but then they were sold to individual people. Mr. Curatola believes this is not fair. He believes that everyone has to be responsible for their own mess and that Article needs to be changed. He would like to rent out his property but he cannot do it because of this sewage problem. Mr. Curatola has another situation where the Parking Authority puts a big cinder block that blocks half of his space, he could take a fence down and have a

parking space there but they have that cinder block there for 10 years now. That could be a place where people could park if he would be able to rent his home.

Kate McVey, 1221 Lorain Avenue, related that she is an Airbnb host. She hopes that everyone has read the article in the Morning Call by Paul Peucker on January 18th stating the positive things that Airbnb bring to Bethlehem. There is the money it brings to local businesses and the money it brings to the homeowners of this City. She owns a 4 bedroom home; her children are grown and gone. She has lived in this home for 30 years and she would like to think she is a good neighbor. She also does many things to improve her home and garden to make it safe and curb appealing. Ms. McVey takes pride in her home. What Airbnb does for her is that it provides her income that allows her to stay in her home. It allows her to make improvements on her home and pay the real estate taxes on her home. She hears and understands complaints with regard to the entire houses being rented out to visitors. She does not do that, she rents out one room. Airbnb not only provides her with income, it has been a great experience because she has met wonderful people of all ages. These include students, people who come to visit their parents in personal care homes, people who come for job interviews, people who come for the birth of a grandchild, people who come to enjoy our festivals and craft people who come as vendors for Christkindlmarkt and other art shows. All of these people spend money in local restaurants and stores. The thing she finds most perplexing about the new ordinance is that parking requirement. It says two parking spaces to rent out one room. Many of her people come by bus and they come by plane, they do not require any parking. They Uber to her house and they walk downtown. Ms. McVey informed she just spoke to Ms. Heller and she said that to rent out a whole house the City requires 1.7 parking spaces. Why would she who rents out one room be required to have two parking spaces? On Greenwich Street where they rent out whole houses, 3 and 4 bedrooms, that could be students and 4 cars and they required 1.7 parking spaces. We have parking issues on her street but it is from Moravian College, not from any other situation. As a side point when she decided to do Airbnb she talked to her neighbors and asked them how they felt. She has been there a long time and they know her and said they were fine with that. She realizes she lives in the City and does not own the street in front of her house and that she lives in a community and society where we share. She is not granted a parking space directly in front of her house and as many people do, she does not put out broken chairs and other eyesores to reserve her space. This happens in her neighborhood when her neighbors know Moravian is having a big event, they haul out their garbage, whatever it is and put it on the street. She has spoken to the Parking Authority, she thought that was illegal but it is not. Ms. McVey wishes to stay in her home and pay her bills and contribute to her City. Airbnb allows her to do that. She is asking that you not single out Airbnb hosts with parking requirements and certain things that other people do not have to do, like the ones that rent out entire houses.

President Waldron asked Ms. Heller if a homeowner is renting out one room is it true that they only need one space for a car.

Ms. Heller informed every single family home is required two spaces. If you renting out one room we would not require and additional space, if you renting out two rooms we would require a third space, that is the way it is drafted now.

Ms. McVey noted there is no parking requirement for an Airbnb home.

Ms. Heller informed if you are renting out one bedroom the houses that have two spaces are not required to have an additional space.

President Waldron explained that it is illegal to put trash out into the street to save a space.

Ms. McVey stated she called the Parking Authority.

President Waldron stated to call the Police.

Roland Yoshida, 135 East Market Street, mentioned for years he had been provost at Lehigh University. The one thing he learned is that you cannot craft a perfect law, a perfect regulation because people will get around it in some way. Trying to split hairs here and trying to figure out the perfect formula, you will not do it. For example, at Lehigh we have been trying to control drinking at Fraternities and everyone knows how lucky we have been to do that. There have been many times to craft regulation, disciplinary committees and so forth. The point is that he thinks what is important is not to dumb down the law. When you get to the lowest common denominator then you are going to get a lot of low common denominators. What you want to do is find a reasonable standard and then have people in the community, Ms. McVey is an example, who look at the community and understand what their responsibility is under the law. Mr. Yoshida remarked that is not to say that she will leave one night and will break the law but if she is responsible, obviously this is going to happen, you cannot control all that behavior. If the behavior in that house comes to the attention of neighbors then there is a standard by which you can say you did not meet that standard. It is up to the individual to meet their community responsibility. We have gone so legalistic in this society; everyone tries to find the loopholes. If you find a good high standard and say follow it, although not everyone will follow it. It was mentioned there was a person who rents their property more than 51% of the time, he does not know where they file their taxes because in order to be a person in a state, you have to be residing at least 51% in a house. Maybe they are not a resident of Pennsylvania. But that house has not come to the attention of the City for some reason or the neighbors because maybe that person is self-enforcing good behavior within that house. He hopes you find that good standard and enforce that standard when it comes to the attention of the City. Mr. Yoshida informed he had a person who called him from Greece and asked if a certain person was on his faculty and he said yes, a full professor with tenure. It was interesting he was also a full professor and tenure at their University too. We do not know how that happened but we had a provision that every professor had to sign a document saying that they were teaching full time and that they were not engaging in consulting activity beyond a certain point. It was on that standard that this person eventually resigned from the University. We could not police everyone to see if they were teaching at another University that would be impossible. Mr. Yoshida is asking not to split the hairs but to set a good high standard.

President Waldron explained the proposed Zoning Text Bill will be placed on the March 17, 2020 agenda for First Reading.

President Waldron adjourned the Public Hearing at 8:35 pm.

2. APPROVAL OF MINUTES

None.

3. PUBLIC COMMENT (on any subject not being voted on this evening – 5 Minute Time Limit)

Census

Lehigh County Executive Phillip Armstrong, remarked as he made his promise when he ran for office that he thinks it is the responsibility of the County Executive to get out to every one of the 25 municipal meetings every year, tonight is his night. Just sitting here listening and knowing he is also on the World Heritage Committee and the tourism that is a major part of this City, he commends Council for looking at this and trying to deal with this in the best way possible. His real reason for being here tonight that he is preaching Census and noted that Bethlehem is already doing a fantastic job. He is trying to get the word out to everybody how important it is to be counted. When he goes to these meetings he is trying to emphasize the fact that anyone who is complaining about local taxes should realize by being counted in the Census they have them provided our area with \$2,093 dollars every year for 10 years by being counted. That is the money we are using for infrastructure, schools, libraries, and social programs. Executive Armstrong pointed out that 10 years ago Lehigh County missed 30% of its population. We do not want to do that again. We want to emphasize especially to the local leaders in the community to please do your best to make sure we get the word out that we are all counted. He continued to say he really just comes to these meetings is to listen and see what is going on in every community. Listening to this meeting earlier, Bethlehem is the only City that is split in two Counties. Lehigh County would love to have you come over. He then asked if there are any questions for the Lehigh County side of Bethlehem.

President Waldron thanked Executive Armstrong for joining us this evening. We have a few Lehigh County residents on Council.

Executive Armstrong noted being in two Counties does make for a unique situation.

President Waldron agreed and added that we keep finding that out with issues that come before us.

Executive Armstrong pointed out they work very well with the City of Bethlehem and the County of Northampton. The greatest example was with the beginning of the 911 Center change, how we moved Bethlehem into Northampton County but we share the same equipment. Now everything can smoothly transition from County to County, that is a great example of cooperation.

President Waldron remarked if only we could be the model for Harrisburg and Washington, D. C.

Executive Armstrong related that is why the new campaign “Made possible in the Lehigh Valley”, it is not made possible in Lehigh County or in Northampton County, and we work together. That is why we have seen the progress that we have seen in this area over the past 5 years.

Mounted Police Horses

Anthony Spagnola, 10 West Fourth Street, owner of Sotto Santi restaurant remarked he loves when the Mounted Police come by and was hoping that we could see getting dung bags or horse manure catchers, they cost about \$250 a piece. He does not know how many they need. He would love to sponsor those bags. The other problem he sees is that we need a horse trainer because the horse will not just go in it; he has someone that will do it for free. He thinks that wherever the horses are in the City it can be a bit disgusting. He knows there is an app and they will come within 10 or 15 minutes but the bags would be applicable for this situation.

Packer Avenue

Stephen Antalics, 1201 Butztown Road, remarked about the general law or ordinance of south Bethlehem published in 1891. Article 22 says first all that piece of ground described as follows beginning at the northwest corner of the Lehigh University grounds 2 degrees and 20 minutes west 60 feet 2 point and the eastern lot of Broad. This description goes on and the next section says that the street or highway for and by the above description or piece of land by and hereby named Packer Avenue. That was the first of Packer Avenue and things went well with Packer Avenue, some exquisite residences were there, the Moravian Church and very ornate houses with stone fences and ornate iron fences and it thrived. Mr. Antalics continued to say that in 1956 the Mayor asked for a meeting for Bethlehem redevelopment because WWII ended and the great demand for Bethlehem Steel thrived and the GI Bill for the vets started to overcrowd Lehigh University. That then required expansions of Lehigh and Bethlehem Steel. Also in the late 1950's many of the original immigrants from middle Eastern Europe died and the properties were bought up by non-resident landowners. They did not rent to students, the children of these immigrants moved to North Bethlehem to become gentrified to get rid of the south side stigma. So they rented to the new Latino immigrants. These properties were not maintained by the non-resident landlords they blamed the Latinos for not maintaining them. For some reason the City stopped inspecting these properties and these properties then became rundown. What the City did is they condemned the entire block, cleared it away allowing for Lehigh's expansion. That event began the slow death of Packer Avenue. Mr. Antalics stressed the final nail could be the closing of Packer Avenue. The Planning Commission approved the expansion of Lehigh Business School so Packer Avenue from Webster to Taylor will now be cleared and now the last remnant of an exquisite home is the old Cantelmi home on Webster Street. Drive back and take a look at it because it will be gone. Just thinking ahead, if one portion of Packer Avenue is closed it would make sense to possibly ask for the other portion of Packer Avenue to be closed from Webster to Taylor. What you have here is the birth and potential death of an historic street. Keep that in mind in terms of the preservation of Bethlehem south side's history when the issue comes before you for a vote.

Coronavirus/Delta Airlines Magazine

Bill Scheirer, 1890 Eaton Avenue, thanked the Mayor and the Health Department for the email about the coronavirus. One interesting thing he saw in there which he has not seen anywhere else is that any hand sanitizer should have 60% alcohol. He has been in Washington, D. C. and Wisconsin recently and this may have been mentioned already but the December issue of the Delta Airlines inflight magazine.

President Waldron noted it was mentioned at the last Council Meeting.

Mr. Scheirer informed it is 13 pages with pictures of Bethlehem. There is one mistake; it says that St. Luke's was founded in Allentown which is not quite true. It certainly will attract more people to Bethlehem and in accommodating these people let us try to not lose too much of our quality of life which is attracting people here in the first place.

President Waldron remarked he was joking and that did not come up at the last meeting.

Mr. Scheirer added there is a column by each of the three Mayor's in this article.

Cameras in Traffic Lights/Parking Authority

Artie Curatola, 813 Laufer Street, mentioned he has been coming to Council Meetings for well over 35 years. He has lived in New York, Atlantic City, Woodbury, New Jersey, Philadelphia and he went to Council Meetings in all those places. Trying to get them to get cameras put into the traffic lights and every one of them stated it would cost a lot. He said it would eliminate the problems of Police Officers having to chase people; they would get the tickets in the mail. They went halfway and maybe in 10 years they will go the full route. Maybe in Bethlehem we can be trendsetters. His suggestion is to put a pole to get the license of the car going by so this way the tickets could be given. That way the Police Officers do not have to be doing that much work and maybe we could eliminate the Parking Authority. All they do is boot vehicles and that makes it harder for people to park in legal spots. They keep those cars there for two or three weeks at a time that are booted. In Philadelphia they give them 24 hours to move that vehicle or then tow them away. Mr. Curatola makes his living as an entertainer, he has to go to New York and New Jersey to perform and on a Saturday night he comes home around 4:00 am and there is no parking space for him. So he parks in the lot and he gets a ticket but he could have parked in one of those spaces with a car that is booted. He cannot stay overnight in New York or New Jersey because on Christmas Eve he came home and his basement was flooded. So cannot be gone for long periods of time, he has to come back but he cannot find a parking space.

President Waldron remarked we have already heard these comments from Mr. Curatola during the Public Hearing that he allowed which were not germane to that Public Hearing. Unless Mr. Curatola has something new he would like to share with us he should conclude his comments. He added that we had a Public Hearing on Short Term Rentals and the comments made by Mr. Curatola did not pertain to that but he allowed this comments. President Waldron queried if Mr. Curatola had anything new he would like to share with us this evening.

Mr. Curatola stated just that you get this situation together with the Parking Authority so we could have more legal parking spaces on the south side of Bethlehem or eliminate the Parking Authority.

4. PUBLIC COMMENT (on ordinances and resolutions to be voted on by Council this evening – 5 Minute Time Limit)

Article 1738-Rental Unit Licensing

John Gross remarked he is at this meeting in regards to the proposed Ordinance 1738 involving Rental Unit Licensing. He is here as a property owner and business owner in the City Bethlehem and he is also the current President of the Greater Lehigh Valley Realtors as well as a Board Member for the Pennsylvania Association of Realtors. He attended the Community Development Committee Meeting held on February 20, 2020 in which this proposed Ordinance was discussed. At that time there were handouts distributed which he has with him. He had made some statements at this public forum in regards to this Ordinance and indicated he and most of the people he knows are not opposed to have monthly units inspected, we want safety inspections on a regular basis. He does own a number of single family and 2 to 4 unit properties in the City. He began investing in rental properties in the City he grew up in and works in some 20 years ago. In that time he and his organization have revitalized many single family and 2 to 4 unit properties that were purchased in Sheriff Sales and other venues, many of which were previously vacant for considerable amounts of time at what would have been on the list of blighted properties. Mr. Gross continued to say that these properties were then revitalized and rented providing affordable housing with current average rents between \$750 and \$1,200 dollars, mostly to lower to moderate income tenants. He is not a developer of huge fancy 50 to 150 units mixed residential properties who rents range from \$1,800 to \$2,300 dollar range. He has nothing against these people as there is obviously a need for what these developers offer as their vacancy rates are quite low. His market for tenants has and always has been low to moderate income families. He then wanted to address the fee structure that was in this handout for the new proposed ordinance. If a property owner has a 3 unit property over every 3 year period or cycle he or she will pay \$300 dollars for these inspections and an additional \$75 dollars per unit per year for a licensing fee for a total of \$975 dollars. This amounts to roughly a 200% increase in inspections costs for this property owner on average as compared to what is taking place currently. Mr. Gross added this also equates to a \$325 dollar per unit cost per cycle. Most of the properties he and others like him own and that we manage for others fall within this category. Most of the properties that are managed by realtors throughout the City fall within this category and many are rented to low or moderate income tenants. Here are the unit cost breakdown comparisons for the information provided by the City on February 20th on page 4. On making these calculations he did not use the upper tier unit counts per property, he chose something close to what would be an average. As an example if there is a 3 unit property there is a \$325 dollar per unit expense per cycle per unit, if there is a 7 unit property it is \$165 dollars per unit expense per cycle, if there is a 15 unit property that owner pays \$123 dollars per unit expense, if there is a 35 unit property it is \$81 dollars and if there are 100 units or more it is \$63 dollars per unit expense for that owner. A small unit owner pays a Business Privilege Tax; his or her property is treated like a business. In business expenses are passed through the consumer. As you can see this is highly disproportionate. Those property owners who provide typically more affordable housing for the lower and middle income households will be passing through a higher cost to their tenants. Under the present structure everything is equal across the board. Under the proposed proposal certain property owners and their tenants are being penalized while developers and others of larger complexes are actually getting what amounts to a cost decrease. Mr. Gross informed the City of Allentown has a similar rental license ordinance that costs at a cost of \$75 dollars per unit. The fee does not vary between number of units of a property, there is no inspection fee, it is fair across the board. He added that Allentown completes inspections once every 5 years. The City of Easton has a similar rental licensing ordinance at a cost of \$65 dollars per unit, the fee does not vary between number of units in a property and there is no inspection fee as well, it is fair across the board. He pointed out that Easton completes inspections every two years. He is not sure why Bethlehem has to be so much more expensive. How do these Cities

and many others throughout the State manage to systematically inspect all of their rental units within a brief time period without inspection fees but just reasonable licensing costs? It is our understanding and we are looking into the specifics of State references. A municipality must remain revenue neutral meaning funds generated from housing inspection fees can only be used within the department and cannot be moved to a municipal General Fund. We were told on February 20, 2020 that this program would be revenue neutral. The City information that was made public does not break down the unit cost count per property and only offers a general estimate of 14,000 total rental units in the City. We do not have the percentage of those properties that fall within the most expensive 1 to 3 unit category. How many fall into the other less expensive per unit categories? The cost of staff, initial equipment investment and so forth he cannot see how it could be mathematically possible for this new fee structure to not only generate above and beyond what is required but to actually become a significant revenue source. That is especially since other nearby municipalities are operating similar programs at half the cost of what is being proposed. One of those municipalities is larger and one is smaller. Mr. Gross urges Council not to pass this proposal forward as it is currently written. At the meeting on February 20, 2020 we were told that the realtors and developers were part of the initial meeting with the consultant that was brought in, so we were informed. That meeting took place roughly 2 years ago and did not contain any details or draft of the proposed licensing ordinance. There has been no additional outreach or communication with the Board of Realtors or property owner public discussions. Please understand this is not all about costs either, there are still what many feel to be flaws or inconsistencies in how this will be implemented. He and most providers of affordable housing have no issue with a systematic health and safety inspection. He can assure that the Greater Lehigh Valley Realtors has no issue with the same. All we want is a fair and equitable solution and implementation. Mr. Gross believes that those tenants of low to moderate income will be affected unfairly.

Stan Dzhindzheiv, 1332 Butztown Road, remarked he agrees with Mr. Gross regarding the fee structures. He currently owns multiple rental properties in Easton and Bethlehem. If we want to keep affordable housing but increase the fees, he does not know how that will benefit the property owner or the tenants living there but only hurt both parties. It brings no benefits at all with increased costs. It will be passed down to the tenants.

Bill Scheirer, 1890 Eaton Avenue, commented with this rental housing ordinance on page 1 under Purpose the very last sentence says "This Ordinance shall be liberally construed and applied to promote its purposes and policies." Mr. Scheirer believes that is a very vague statement and he thinks it is an invitation for trouble.

Linda Villani stated she is a third generation of real estate investments and she is also a realtor for over 25 years. She agrees with Mr. Gross to please not pass this ordinance this evening and to meet with a lot of the property owners. We own a lot of single family homes and we do provide a lot of housing for people on a needs basis. Our rents are all between \$200, \$400, and \$600 dollars less than what the average going rate is. Our tenants stay anywhere between 1 and 25 to 30 years. We have people on fixed incomes and young adults trying to make it and single mothers with children that cannot afford rent increases and they will absorb these costs. Ms. Villani is asking to please not pass this ordinance tonight and give us a chance to have a meeting and go over all the needs of everybody.

5. OLD BUSINESS

- A. Members of Council
- B. Tabled Items
- C. Unfinished Business

6. COMMUNICATIONS

C. *Director of Public Works – Recommendation of Award – Celebration Fireworks*

The Clerk read a memorandum dated February 18, 2020 from Michael Alkhal, Director of Public Works recommending a contract with Celebration Fireworks for the Celebration July 4th Fireworks. The term of the contract is July 4, 2020 with a rain date of July 5, 2020. The fee for the contract is \$33,280 dollars with no renewals.

President Waldron stated Resolution 10 C is on the agenda.

D. *Chief of Police – Records Destruction – Police Department*

The Clerk read a memorandum dated February 18, 2020 from Police Chief Mark DiLuzio requesting Council to consider a Resolution for the Destruction of Records from the Police Department listed on the attached exhibit. Chief DiLuzio has reviewed the Municipal Records Retention Act and the records fall within categories where destruction is permitted.

President Waldron stated the Resolution can be placed on the March 17, 2020 Council agenda.

E. *Director of Public Works – Recommendation of Award – Brown Design Group – Rose Garden Improvements*

The Clerk read a memorandum dated February 20, 2020 from Michael Alkhal, Director of Public Works recommending a contract with Brown Design Group for the Rose Garden Improvements. The term of the contract is 9 months from the date of the contract. The estimated price for the contract is \$14,455 with no renewals.

President Waldron stated Resolution 10 D is on the agenda.

F. *Director of Public Works – LVMA – Music in the Park Series*

The Clerk read a memorandum dated February 20, 2020 from Michael Alkhal, Director of Public Works recommending a contract with Lehigh Valley Musicians Association – Local 45 for the Music in the Park Series. The term for the contract is May 17, 2020 to December 19, 2020 and the fee for the contract is \$21,500 dollars with no renewals.

President Waldron stated Resolution 10 E is on the agenda.

G. *Business Administrator – Amendment to Article 121*

The Clerk read a memorandum dated February 21, 2020 from Business Administrator Eric Evans with a proposed ordinance amending Article 121 of the City of Bethlehem Codified

Ordinances titled Finance. The ordinance would amend Section 121.12 (a) titled Bond Issues, General Obligation Notes, and Lines of Credit in connection with certain Council financial oversight functions.

President Waldron stated he will refer this to the Finance Committee.

H. Director of Water and Sewer Resources – Request for Council Resolution – H2O PA Grant Application – Revision

The Clerk read a memorandum dated February 27, 2020 from Edward Boscola, Director of Water and Sewer Resources with an attached proposed resolution revising a previous H2O PA Grant Application related to a project to replace sanitary sewer main along Broadway, Brodhead Avenue and West Third Street. The proposed revision would increase the grant request amount to \$2,143,246.

President Waldron stated Resolution 10 F is on the agenda.

I. Director of Water and Sewer Resources – Recommendation of Award – D’Huy Engineering, Inc. – WWTP Electrical Systems Master Plan and Maintenance and Testing Program Development

The Clerk read a memorandum dated February 27, 2020 from Edward Boscola, Director of Water and Sewer Resources recommending a contract with D’Huy Engineering, Inc. for engineering services to develop an electrical system master plan and maintenance and testing program for the electrical sub-stations, power cabling, and switchgear at the wastewater treatment plant. The Contract shall run from Notice to proceed until December 31, 2020. The fee for the contract is \$129,000 with no renewals.

President Waldron stated Resolution 10 G is on the agenda.

J. Director of Community and Economic Development – 2019 Substantial CDBG Amendment

The Clerk read a memorandum dated February 27, 2020 from Alicia Miller Karner, Director of Community and Economic Development recommending a substantial amendment to the 2019 CDBG Action Plan. In accordance with CDBG program regulations the City is allowed to make substantial amendments to its annual Action Plan and budget in accordance with the City’s Citizen Participation Plan.

President Waldron stated the Resolution can be placed on the March 17, 2020 Council agenda.

K. Assistant City Solicitor – Community Development Committee Alterations to Bill affecting Article 1741

The Clerk read a memorandum dated February 27, 2020 from Assistant City Solicitor Edmund Healy with a cover memorandum and attached red line showing amendments to proposed ordinance to amend Article 1741 titled Short Term Lodging Facilities. The substantive revisions were made in response to changes requested by the City Council Community Development Committee meeting on February 20, 2020.

President Waldron stated the bill will be placed on a future Council agenda. The date has not been determined yet.

- L. *City Solicitor – Use Permit Agreement – Work to Live, LLC d/b/a Run Lehigh Valley – Brew to Brew Run Event*

The Clerk read a memorandum dated February 27, 2020 from William P. Leeson, Esq., City Solicitor to which is attached a proposed Resolution and Associated Use Permit Agreement for the Brew to Brew Run Event. The Permittee is Work to Live, LLC doing business as Run Lehigh Valley. The duration of the lease is one day; April 4, 2020 from 8:00 am to 4:00 pm with a rain date of April 11, 2019 and the location is Nevin Place, adjacent to the Sun Inn Courtyard and Main Street from Sand Island to Broad Street.

President Waldron stated the Resolution can be placed on the March 17, 2020 Council agenda.

- M. *City Solicitor – Use Permit Agreement – American Association of University Women, Bethlehem Branch – 2020 Book Fair*

The Clerk read a memorandum dated February 27, 2020 from City Solicitor William P. Leeson, Esq. to which is attached a proposed Resolution and Associated Use Permit Agreement for the 2020 Book Fair. The Permittee is the American Association of University Women, Bethlehem Branch. The event is scheduled for April 1, 2020 – April 27, 2020 and the location is the Earl E. Schaffer Ice Rink.

President Waldron stated the Resolution can be placed on the March 17, 2020 Council agenda.

- N. *City Solicitor – Use Permit Agreement – St. Luke’s University Health Network – 2020 Boutique at the Rink*

The Clerk read a memorandum dated February 27, 2020 from City Solicitor William P. Leeson, Esq. to which is attached a proposed Resolution and Associated Use Permit Agreement. The Permittee is the St. Luke’s University Health Network. The event is the 2020 Boutique at the Rink. The duration of the agreement is April 28, 2020 through June 8, 2020. The location is the Earl Schaffer Ice Rink.

President Waldron stated the Resolution can be placed on the March 17, 2020 Council agenda.

7. REPORTS

- A. *President of Council*

- B. *Mayor*

Executive Armstrong

Mayor Donchez echoed the comments made by Executive Armstrong. The City of Bethlehem has a great relationship with Lehigh County and Northampton County and the three Sister Cities. We coordinate a lot of different programs together even pertaining to the coronavirus. Our Health Department has reached out to both Counties and the Cities for their input. We are fortunate to have a great working relationship with Executive Armstrong and the other governmental leaders.

1. *Administrative Order – Judith Hinkle – Alternate – Civil Service Board*

Mayor Donchez appointed Judith Hinkle to membership on the Civil Service Board as an Alternate effective through January, 2024. Mr. Reynolds and Dr. Van Wirt sponsored Resolution No. 2020-041 to confirm the reappointment.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

2. *Administrative Order – Tracy Oscavich – Redevelopment Authority Board*

Mayor Donchez appointed Tracy Oscavich to membership on the Redevelopment Authority Board effective through March, 2023. This appointment is to fill the unexpired term of Dennis R. Cunerd who resigned his position. Mr. Reynolds and Dr. Van Wirt sponsored Resolution No. 2020-042 to confirm the appointment.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

Coronavirus update

Mayor Donchez stated he wanted to give an update on the coronavirus as of 5:00 pm this afternoon from Health Department Director Kristen Wenrich. Council will be provided a copy of the memo. Ms. Wenrich has done an outstanding job of meeting with the two hospitals, school district, Counties, State government, and with the Federal government and should be commended. For the record, “The Bethlehem Health Bureau has plans in place to respond to the public health emergency such as disease outbreaks. We have regular meetings with community partners and participate in emergency preparedness drills several times a year. To prevent the spread of coronavirus COVID-19 the Bethlehem Health Bureau is encouraging individuals to take the same precautions they would to prevent the flu or nova virus, washing hands, covering coughs and sneezes, cleaning surfaces and staying home when sick. The Bethlehem Health Department is currently working with local partners to monitor the COVID-19 situation. The Health Bureau has had and will continue to have regular and ongoing communications with the Department of Health, Local Health Care Networks, Schools, Colleges, Universities, and Emergency Management. The Bethlehem Health Bureau is working with the Northeast Healthcare Council to provide situational updates to healthcare networks, first responders, and emergency management. Weekly conference calls are scheduled to ensure communication preparation. The Department of Health had a call on Monday with healthcare facilities and EMS Departments, a separate call is scheduled for tomorrow, Wednesday, with long term care facilities to review guidance. The Bethlehem Health Bureau is communicating with the Bethlehem Area School District as well as Lehigh University and Moravian College and providing updates and

guidance as necessary. To date no one as of 5:00 pm this afternoon in Bethlehem or Pennsylvania has tested positive for COVID-19. Any individual that arrives in the United States from China is currently being quarantined and monitored for 14 days. The Health Bureau has been monitoring individuals returning from China for the last 6 weeks. A total of 7 individuals have been monitored. This status may change as Countries with widespread disease are added. Coronavirus testing guidelines have recently been updated to include new geographical areas beyond China including Iran, Italy, Japan, and South Korea. Additionally testing criteria now includes individuals with little exposure identified but presenting with severe respiratory illness without explanatory diagnosis. The Pennsylvania Bureau lab is now able to test, previously only the CDC could test for COVID-19. This should result in greater efficiencies. The Bethlehem Health Bureau will continue to provide information on the City's website and social media networks." Mayor Donchez noted they have a meeting on this Friday, March 6, 2020 at 9:30 am with Wind Creek and Trans-Bridge to discuss various situations.

C. *Community Development Committee*

Chairwoman Van Wirt announced the Community Development Committee met on Thursday, February 20, 2020 at 6:00 pm in Town Hall. The Committee reviewed several proposed budget adjustment bills presented by the Administration. The members of the Committee referred the following two bills to full Council for consideration: Proposed Bill establishing Article 1738 titled "Residential Rental Units" and Proposed Bill amending Article 1741 titled "Short Term Lodging Facilities."

D. *Human Resources and Environment Committee*

Chairman Callahan announced the Human Resources and Environment Committee met on Tuesday, February 25, 2020 at 6:00 pm in Town Hall. The committee reviewed a proposed bill that would establish a new codified ordinance article titled Wage Equality. After discussion, the committee planned to hold a future meeting to discuss the bill along with potential amendments. He encouraged all Committee Members to forward him any changes and suggestions and/or amendments they feel are needed to protect the women in Bethlehem. The meeting date will be announced when finalized.

E. *Public Safety Committee*

Chairman Colón announced the Public Safety Committee met on Tuesday, March 3, 2020 at 5:30 pm in Town Hall. The Committee received an update from Police Chief Mark DiLuzio on enforcement of Article 744 titled Marijuana Possession.

8. ORDINANCES FOR FINAL PASSAGE

A. *Bill No. 02 – 2020 – Amending General Fund – General Fund Adjustments*

The Clerk read Bill No. 02 – 2020 – Amending General Fund – General Fund Adjustments, on Final Reading.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. Bill No. 02 – 2020 now known as Ordinance No. 2020-04 was passed on Final Reading.

B. Bill No. 03 – 2020 – Amending Non-Utility Capital Improvement Fund – 2019 Year End Adjustments

The Clerk read Bill No. 03 – 2020 – Amending Non-Utility Improvement Fund – 2019 Year End Adjustments on Final Reading.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. Bill No. 03 – 2020 now known as Ordinance No. 2020-05 was passed on Final Reading.

C. Bill No. 04 – 2020 – Amending Capital Budget for Water Utilities – 2019 Year End Adjustments

The Clerk read Bill No. 04 – 2020 – Amending the Capital Budget for Water Utilities – 2019 Year End Adjustments on Final Reading.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. Bill No. 04 – 2020 now known as Ordinance No. 2020-06 was passed on Final Reading.

D. Bill No. 05 – 2020 – Amending Capital Budget for Sewer Utilities – 2019 Year End Adjustments

The Clerk read Bill No. 05 – 2020 – Amending the Capital Budget for Sewer Utilities – 2019 Year End Adjustments on Final Reading.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. Bill No. 05 – 2020 now known as Ordinance No. 2020-07 was passed on Final Reading.

9. NEW ORDINANCES

A. Bill No. 06-2020 - Establishing Article 1738 – Residential Rental Units

The Clerk read Bill No. 06-2020 – Establishing Article 1738 – Residential Rental Units, sponsored by Mr. Reynolds and Dr. Van Wirt and titled:

AN ORDINANCE OF THE CITY OF BETHLEHEM,
COUNTIES OF LEHIGH AND NORTHAMPTON,
COMMONWEALTH OF PENNSYLVANIA, ADDING
ARTICLE 1738 OF THE CODIFIED ORDINANCES
OF THE CITY OF BETHLEHEM
RELATING TO “RESIDENTIAL RENTAL UNITS

Mr. Callahan asked if this is revenue neutral. He is thinking that the fees that will be raised here will help fund for new inspectors.

Mr. Evans noted everything is based on projections; obviously this is a new program. Our concerns from the Administration side dating to last summer and working with Community Development was to make sure it was at least that, the revenues could cover the expenses which are significant. This adds 3 new full time employees, vehicles, computers and all associated equipment and fringe costs as well on those. Every budget that he has worked with Community Development with was to make sure it did that. In no way is it, as was suggested, it may be a use of cash in the General Fund, that was never part of this. There are obviously laws in place that these programs are built and designed to be revenue neutral and the associated fees which are broken down and developed by Community Development were intended to do that. Could that be adjusted one way or the other, in the future that may be the case. We may find out that even with the fees that are proposed and suggested we still are losing money. We do not know how many inspections we can get done, that is part of the projections as well. Mr. Evans pointed out a lot of planning and timing went into this but at the end of the day these are projections, what we think we can get through and how many inspections we think we can do with the staff we are bringing on. Time will tell. That is the intention that this will pay for itself only.

Mr. Callahan asked how many inspections are we estimating that each new inspector will get done.

Mr. Evans informed he was at a number of meetings in the development of this Community Development program. He attended part of but not all of the meetings when this was presented but Deputy Director of Community and Economic Development Amy Burkhardt can answer how the fees were generated. Obviously some economies of scale are built in with larger complexes and when the inspector gets on site they can give a number in a period of time versus driving to one just to do one, that is much less efficient. He will turn to Ms. Burkhardt for that explanation.

Ms. Burkhardt noted we are looking at residential rental units in the City of Bethlehem our inspectors are currently in 2018 anyway inspecting 1,900 units. In all however, the 4 inspectors that we have do about 3,500 inspections because they do not do just residential rental inspections on change of tenant. They additionally do sale inspections and inspecting of dormitories and fraternities and regulated rentals. There is a lot of housing inspection that we do any given year. We anticipate increasing the number of inspections by about 2,000 a year and maybe a few more inspections of residential rentals specifically.

Mr. Callahan is referring to the question from Mr. Gross about the amount of money we were charging versus Easton and Allentown. Where is Easton on the scale for the inspections?

Ms. Burkhardt stated she has not reviewed Easton's inspection schedule and she does not know what all they include in it. She has not reviewed their budget in full regarding rental inspections.

Mr. Callahan asked if she has reviewed Allentown's inspection schedule.

Ms. Burkhardt noted that is correct.

Mr. Callahan knows when we are looking at other rates whether it is parking meter rates or other fines we try to get comparisons between the other Cities. He does want inspections done and properties up to code. He is not talking about the big new developments; those people can afford these fees. He is concerned for the people, the neighbor who owns 2 or 3 properties, single dwellings. He and the Mayor know our barber who owns several properties, single dwellings, he is against this. Mr. Callahan talked to 7 other people who own 20, 10 or 15 dwellings. His fear is that with these fees we are passing them onto the owners and they will pass them onto the renters. Mr. Callahan will be voting no on this tonight because he thinks we need to sit down and talk to the realtors and some of the property owners. From what we were told tonight they were not included in that discussion. Mr. Callahan thinks that rental rates already in the City are extremely high and he thinks this will be a tax that will be passed onto the renters and will only increase rental rates in the City of Bethlehem which he feels are high. It will have a great impact on the low and moderate income individuals and renters in the City of Bethlehem. Because of that he will be voting no.

Mr. Reynolds mentioned on page 8 of 15 where it has the initial inspection fee of 1-3 Units and it states \$100 per unit, he queried if that \$100 is to be paid every year even if you do not have an inspection done.

Ms. Burkhardt stated no. The inspection fees are only paid every 3 years for an inspection.

Mr. Reynolds related the payment is \$100 dollars every three years whenever your property is going to be on that schedule.

Ms. Burkhardt noted that is correct.

Mr. Reynolds remarked that is important to point out. It is the same thing if you have 4-9 units there would be one \$400 dollar flat fee every 3 years. If you look at the 1-3 units and you say you have 1 or 3 units and you are paying \$100 every three years plus the \$75 dollars that you already are paying now every year.

Ms. Burkhardt related the \$75 dollars is an annual license fee.

Mr. Reynolds continued to say if you look at the \$100 per unit once every three years, you have 12 months in a year and 36 months in 3 years. If you divide \$100 by 36 you are looking less than \$3 dollars a month over a 3 year period. He has the opposite worry, that renters will not know that \$100 divided by 36 is a little less than \$3 dollars. People will have to say they need to raise the rent because of new fees and inspections when in actuality to break even you would probably need to raise the rent about \$2.90 a month over 3 years to get your \$100 dollars back.

Ms. Burkhardt remarked for the inspections it is \$100 dollars every 3 years. As a point of clarification we do not currently have a licensing fee in the City of Bethlehem, we do not currently have a rental license and we feel it is very important to collect correct owner information and information about property managers, the properties themselves.

Mr. Reynolds noted that is because we do not currently have a list of all rental properties, is that correct.

Ms. Burkhardt stated we have a list of properties that we have in our system as rental properties and certainly there is a lot of clean up to that list that we have that could endeavor to do. If we take those fees and spread them out over 3 years, over a 3 year period one rental unit would be charged \$325 dollars. Going back to the equivalent of what that translates per month, it is \$9.03.

Mr. Reynolds noted there is the \$75 dollars every year plus the \$100 every three years for the inspection so it is \$325 divided by 36. So to get their money back they would have to raise the rent from \$700 to \$710 dollars or \$1,000 to \$1,010 dollars. He was not sure if it was \$100 per year or if it was \$100 every three years.

Ms. Burkhardt explained we only charge for inspections when we do the inspections.

Mr. Reynolds continued to say the first re-inspection is no charge but then the second re-inspection is \$75 dollars. So it is \$100 the first time, the second time it is nothing and then the third time if they would have to come back out it would be \$75 dollars.

Ms. Burkhardt stated that is correct.

Ms. Crampsie Smith noted when she was running for Council and was elected it was the top priority for her because she knows many people in the City including herself who have been adversely affected with the quality of life because of rentals in the City. While she understands the realtors and the landlords position it is unfortunate because it is just like the Airbnb's where we have a few bad apples with landlords and tenants. She is glad Councilman Reynolds talked about the number crunching. She hopes that the landlords will not try to pass this onto the renters because we do have a housing affordability crisis in Bethlehem as well as the entire Country. It would be shameful to say we have to increase rent because we are going to have to pay another \$9 dollars a month. Ms. Crampsie Smith can attest that we have a crisis in the City with rentals and she knows that for a fact. She could tell horror stories of what people are experiencing. She feels that this is important. She thanked Ms. Burkhardt for all the work; she will be supporting this strongly.

Mr. Colón informed he will be supporting this tonight also. He agrees with bringing everything to the once every 3 year structure of maintaining the rental units and keeping up what is going on as opposed to the current program for the landlords to report it. She personally went through a right to know request just like anybody else and found out in a 7 unit building that he occupied for a number of years there was never a Certificate of Occupancy for any of the unites until a few years ago he reached out to the City with his own complaints. He initiated the process there. Many things came to light after the fact. A program like this gets ahead of a lot of those things so that we are not relying on the landlords, which most do follow the protocols and policies. This will standardize things more that he is in agreement with so he will be supporting this tonight.

Ms. Negrón informed she is concerned because affordable housing is a problem. She is glad that Councilman Reynolds clarified that the cost per unit that the landlord will have to raise would perhaps be around \$10 dollars per month per unit. She is concerned about the fact that we did not even take a look at what Easton and Allentown are doing. It is different but there is still the opportunity for us to take a look at what they are doing instead of making Bethlehem more

expensive than it already is or making it harder for landlords. This is a very important issue in our community. We keep on building luxury apartments for somebody to come and are falling behind with the people in the community that cannot afford those because they are working in a warehouse for \$15 dollars an hour. Ms. Negrón knows it is important to do inspections because that will secure the safety of the housing stock. We have looked at other cities before making decisions before. She is surprised that was not done. She would like us to take a closer look at that because this is a precious topic for our community. We cannot keep on supporting luxury apartments and not taking care of the affordable housing. She will not be voting in favor of this and she is hoping that something can be done to take a look at Easton and Allentown.

Dr. Van Wirt clarified about this whole ordinance from her perspective is that she thinks what we are looking at is control. When it comes to our housing, especially in our lower tier housing she thinks control is an important thing. The licensing fee is there because from what she understands we do not have that connection between where a house is and who actually owns it. The licensing fee will not allow us to connect those two things together which allows us to figure out who is supposed to be fixing up that code violation, who is supposed to be reporting back and paying the inspection fee. She feels this licensing fee is really important. Dr. Van Wirt added that a 3 year inspection fee at \$100 dollars is not an egregious amount of money. She does not think it will majorly impact the fees that are done. While she understands there is some concern over how other Cities are doing it the question you have to ask is how well are they doing it. If we are going to ask for any type of data for that it is really is how well they are doing it. She would argue that we were not doing it well before and are fees were smaller. The additional fees and the additional program is not something that will be costs that are passed down it is supposed to raise the quality of the housing stock in general. Dr. Van Wirt did have one question during the Community Development Committee Meeting and it goes back to that idea of control. There was no answer at the time. If somebody owes outstanding real estate taxes to the City, if it is an LLC and one member of that does, can you deny the license to them for unpaid taxes on a different building?

Ms. Burkhardt stated that is currently not built into this ordinance. The ordinance we have that does allow us to deny that is a permit based ordinance, when we are denying people permits based off of unpaid taxes. In this particular instance because it is an inspection and a license and inspection it is not currently built into the denial ordinance.

Dr. Van Wirt asked if we do that if this would be an occupancy permit.

Ms. Burkhardt will let Mike Simonson, Chief Building Inspector speak to that. After an inspection there is an occupancy permit associated with inspections saying your house is clear.

Mr. Simonson noted that is the Act 90 that Dr. Van Wirt is talking about. The Act 90 does not allow us to prevent life safety inspections for the licensing. It allows us to prevent further construction and items along those lines. We can prevent developers from not pulling permits or not allowing them to move forward with their project if they owe a significant amount of taxes from another property. When it comes to life safety and items like that Act 90 does not allow us to prevent any sort of inspections or anything along those lines.

Dr. Van Wirt remarked that is not ideal but that is what we have right now. She does think this is an important piece of legislation to secure the quality of our housing stock and she will be supporting it tonight.

Mr. Callahan agrees with Mr. Reynolds, the amount that will be impacted on the renter on a per month basis is very low but he has been around a lot of rental housing and rental units. He is not saying just our inspectors are very thorough; all City inspectors in Allentown and Easton are very thorough. What you find out is that he has never known any units not to have any violations. Many times what happens is that while the people are living in the home a kid punched a hole in a wall or something broke and we want that fixed but with that, whether electrical or a plumbing problem or a sidewalk issue, these are safety issues and must be fixed. He wants them fixed but that cost is in the thousands. Mr. Callahan has 2 rental properties and every time a new renter goes in there he gets it inspected and he wants it inspected and safe but there are always additional charges, sometimes in the thousands of dollars. He has not had one renter move out and another move in where there was not a minimum of \$900 to \$1,000 in a fee. That gets passed onto the renter and that is the money that is substantial, it is not the fee or the fine, it is the remedying of that. It will increase our housing stock but when you increase the housing stock people put in new kitchens, new bathrooms, new flooring and there is a real cost to that and that does get passed onto the renters. That is one of the major reasons why affordable housing in the City of Bethlehem is very limited.

Mr. Reynolds remarked the logical conclusion to that is if we are not going to do inspections there are things that are not going to be up to code that are not fixed and people will be living in those particular houses. He understands that concern from people but the conclusion to that then is that we would have people living in houses that would be substandard unless there are potential changes to the building codes that would lower the burden for what is safe quality housing for people to live in. He agrees, it is a challenge and part of the challenge is that because we currently have a reactive system and we all have been to block watch meetings and there is a problem and it turns out that they have changed tenants 3 or 4 times. Since it was on the property owner to contact the City of Bethlehem and they did not do that then all that happened was every time it switched probably because the landlord did not want to call they knew there would be damages that would need to be fixed. Mr. Reynolds thinks the balancing act is to be proactive about the inspections so we do not have that particular situation. He does not know what the solution is then as far as how expensive it is to get a house up to code when the alternative is people and generally low to moderate income people having to live in that substandard housing. That is the genesis here of what the City is looking at with changing why and how we are going to do these inspections.

President Waldron remarked there has been talk about our neighboring Cities and how they do inspections and what those fee costs are. He is asking if Ms. Burkhardt could figure that out before the second reading of this ordinance.

Ms. Burkhardt stated certainly they could. The inspection fees we have reflected in here are the ones that we currently have. We are charging \$100 dollars per inspection now. The one thing we would compare is whether the people utilize re-licensing fees and she recently saw an article that Fountain Hill charges a similar amount as well. She believes that Mr. Gross had indicated that both Easton and Allentown additionally charge \$65 and \$75 dollars respectively. We can aggregate that information and put it all together.

President Waldron asked if she could include more than Allentown and Easton, some of the smaller municipalities, he will leave that up to her. Also, not just the numbers but what they are getting for that. There also has been a bit said about the communication and outreach to realtors and folks who have vested interest in that. This might be an opportunity to reach back around and have some of those conversations as we have a very willing participant in the room this evening to at least make initial contact to have some of those conversations. If in fact this does pass First Reading there is time before Second Reading, that way we could have more information and everyone could be on the same page. It feels like there might be a little bit of misinformation floating around, to at least understand what the other perspective is whether you agree with it or not. President Waldron noted if you are able to give us more information that might put is in a position where we might be able to make any adjustments that Council might see fit in order to help get some of those goals to have the ordinance do what it is intended to do. A lot of time and effort was put into this by the Administration and you are confident as it stands, it may be enough to move forward as is. President Waldron noted what Mr. Scheirer had said about the last sentence in the first paragraph where it says "This Ordinance shall be liberally construed and applied to promote its purposes and policies." That does seem broad and he does not remember seeing that in other ordinances, it does seem like it gives a pretty blank check to the City to do as they want. President Waldron wonders why that exists and what the intention is.

Solicitor Healy stated the main concept as he recollects was to promote the minimum safety standard that was desired throughout the City especially for the low and middle income residents that would be subject to the inspections. The purpose and declaration of policy and findings section is set forth on the first page. He believes this breathes some meaning into the policy that is to be liberally interpreted. The purpose of this Article and the policy of the City is in order to protect and promote the public health, safety, and welfare of its citizens, to establish right and obligations of owners and occupants and to encourage owners and occupants to maintain and improve the quality of rental housing within the community. He noted that is the main purpose. The secondary purpose is to make sure that he property owners, managers and occupants are sharing responsibilities to obey the various codes adopted by the City to promote public health, safety and welfare interests. Solicitor Healy explained as a means to those ends this Article is intended to provide for a system of inspections issuance and renewal of occupancy license and sets penalties and policies. The concept really is to make sure those people who have not had the benefit of being able to perhaps buy the best desirable housing or rental properties to abide in they will have this assured minimum quality standard for the properties with which they are abiding either by choice or because lack of choice elsewhere. That will be the purposes for which this is to be liberally promoted and interpreted. He does not know if that opens the door to any sort of wild interpretation or aggressive over enforcement or policing by the inspectors. Solicitor Healy believes this fits well with a narrow goal and the inspectors are applying very specific provisions of the codes of the City. It narrowly addresses that in the ordinance the way it is written.

President Waldron understands that the last sentence applies to the previous paragraph but stand-alone that sentence looks odd where it says shall be liberally construed and applied. He wondered what that means but he thinks that the answer is to read the paragraph above that to understand that. President Waldron asked if Solicitor Spirk had any thoughts on this.

Solicitor Spirk added that often times the reason you include a purpose paragraph in an ordinance is for some court later on that is trying to interpret some language in here that might be

perceived as vague and might be challenged sometime. You often include purpose language to try to send a message to the court as you are trying to construe what something means on page 7 or page 10. Bear in mind what we were trying to get at and like we encourage the court to understand what the legislature meant here and try to interpret it in a way that is consistent with the goals that we have stated. That is just generically why you would include the purpose language and why you might include shall be liberally construed. When he looks at that he often thinks that is what you are saying that to the court later in the event of a challenge. This is what we tried to get at, please try to interpret it consistently. He does not know if that is why this is here but he is just speaking generically that you will see that kind of language sometimes in legislation ordinances.

President Waldron noted it is not his intention to do that right now but maybe we can continue this conversation before Second Reading about that or its necessity. Maybe that is something that Solicitor Healy or Solicitor Leeson could connect on. President Waldron believes it looks odd and he definitely would have not brought it up if not for Mr. Scheirer. He has no more comments on this and believes the fees structure is reasonable, the intent is clear to help protect the renters within the City. He can understand that nominal fee may be passed onto renters. He would hope that the City does well to educate not only the property owners about this new schedule and the fee structure but as well do a fair effort to educate the renters. As Mr. Reynolds talked about, President Waldron hopes that a renter is not taken advantage of to the point to say we have to raise your rent \$50 dollars a month to cover this new inspection fee cost when really at \$10 dollar increase would be appropriate to cover that new fees structure. President Waldron stated he will be supporting it this evening; however he is open to other conversations within Council or the Administration before Second Reading in any efforts to make this more to the point of what its intention is.

Mr. Callahan informed he is all for a home being safe in all aspects. For example, an ordinance was passed that the railing between going down steps that there had to be an additional railing guard added. That is the type of thing he is talking about. If a child is living there he does understand that but this is one of those minor issues where the inspector has to go in by law and write that up and most people who own rental properties are not handy and have to hire someone. That is his whole point in bringing up the additional inspection fees. When you have someone in there and people rent 4, 5 and 6 years and to have someone go in there every 3 years and inspect it there will be violations and new codes and that is the real cost that will be passed onto the renter. Mr. Callahan is all for this being up to code but it is just those minor things.

Mr. Simonson noted they understand that but some of these homes have not been inspected in years so they would be outside that 3 years regardless. We will have to work and instruct our inspectors that a certain issue with like a regulated rental or a student rental where there might be some chipping paint of something like that which will be in the report, we may extend the time out on something like that. It is just not reasonable if someone has a tenant for 10 years and we go in and find a small item, we will not hold your hand to the fire like something that is turning over every 6 or 9 months. It will be a learning process for the inspectors also because they will be seeing more properties that they have not seen in the past. We will educate the landlords, the property owners and everyone at the same time as we go.

Mr. Callahan asked if when they go into a property that has not been inspected for 3 or 4 years generally there are code violations that have to be fixed.

Mr. Simonson noted typically what we are finding if we have not been in a home in an extended period of time what we find is an issue with smoke detectors or something like that. They either have the batteries out or they just took them down. Some of the other things might be some of the newer things that people are not familiar with like safety measure, things like an anti-tilt bracket on a stove and things like that, mostly minor things. Typically if there is no heat or the water is not working we find out that far ahead of our inspection because the tenant will usually call. The major components of the house are typically working so it is really just the life safety features that we find when we go into those older houses.

Voting AYE: Dr. Van Wirt, Mr. Colón, Ms. Crampsie Smith, Mr. Reynolds, and Mr. Waldron, 5. Voting NAY: Mr. Callahan, and Ms. Negrón, 2. Bill No. 06 – 2020 was passed on First Reading.

10. RESOLUTIONS

A. *Approve Use Permit Agreement – Sports Teams*

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-043 that authorized to execute a Use Permit Agreement with the Youth Athletic Organizations. The agreements cover various events, detailed in the agreements attached to the memorandum, at the following covered locations: (a) Saucon Fields; (b) Sell Fields; (c) Buchanan Fields; and (d) Northdale Fields.

The Permittees are the following Youth Athletic Associations:

1. Bethlehem Saints
2. Bethlehem Stars
3. Bethlehem Steelers Athletic Association
4. Lehigh Sports Association
5. North Central Little League
6. Northdale Athletic Association
7. Northeast Bethlehem Raiders
8. Northwest Athletic Association of Bethlehem
9. South Side Little League

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

B. *Approve Use Permit Agreement – Star of Bethlehem (Failte Fest)*

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-044 that authorized to execute a Use Permit Agreement with the Star of Bethlehem Festival, Inc. for the Failte Fest. The premises is the Charles Brown Ice House and the duration is March 13, 2020 to March 15, 2020.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

C. *Approve Contract – Celebration Fireworks – Fourth of July Fireworks*

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-045 that that authorized to execute an agreement with Celebration Fire Works, Inc. for the Celebration July 4th Fireworks.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

D. Approve Contract – Brown Design Group – Rose Garden Improvements

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-046 that that authorized to execute an agreement with Brown Design Group for Rose Garden Improvements.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

E. Approve Contract – Lehigh Valley Musicians Association – Local 45 – Music in the Park Series

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-047 that that authorized to execute an agreement with the Lehigh Valley Musicians Association – Local 45 for the Music in the Park Series.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

F. Approve H20 PA Grant Revision

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-048 that approved the H20 PA Grant Revision of \$2,143,246 from the Commonwealth Financing Authority to be used for replacement of sanitary sewer main located at Broadway, Brodhead Avenue and West Third Street. The applicants designate Robert J. Donchez, Mayor, Edward Boscola, Director of Water and Sewer Resources and George Yasso, City Controller as the officials to execute all documents and agreements between the City of Bethlehem and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

G. Approve Contract – D'Huy Engineering – WWTP Electrical Systems Master Plan and Maintenance and Testing Program Development

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-049 that that authorized to execute an agreement with D'Huy Engineering, Inc. for the Wastewater Treatment Plant Electrical Systems Master Plan and Maintenance and Testing Program Development.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolution passed.

Motion – considering Resolutions 10 H through 10 J as a group

Mr. Colón and Ms. Negrón moved to consider Resolutions 10 H through 10 J as a group.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Motion passed.

H. Certificate of Appropriateness – 702 East Fourth Street (Antillana Meat Market)

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-050 that granted a Certificate of Appropriateness to replace existing windows at the front façade due to fire damage at 702 East Fourth Street (Antillana Meat Market).

I. Certificate of Appropriateness – 127-129 East Third Street

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-051 that granted a Certificate of Appropriateness to retain existing light fixtures that were previously installed at 127-129 East Third Street.

J. Certificate of Appropriateness – 215 East Morton Street

Ms. Negrón and Mr. Reynolds sponsored Resolution No. 2020-052 that granted a Certificate of Appropriateness to install windows, doors and a handrail at 215 East Morton Street.

Voting AYE: Dr. Van Wirt, Mr. Callahan, Mr. Colón, Ms. Crampsie Smith, Ms. Negrón, Mr. Reynolds, and Mr. Waldron, 7. The Resolutions passed.

11. NEW BUSINESS

Public Works Committee Meeting

Chairwoman Crampsie Smith announced a Public Works Committee Meeting will be held on Tuesday, April 14, 2020 at 6:00 PM in Town Hall. The subject will be proposed City-owned real estate transfers.

12. ADJOURNMENT

The meeting was adjourned at 10:04 pm.

ATTEST:

Robert G. Vidoni, Esq.
City Clerk