



Ted Zeller – Chairperson
Candida Affa – Vice Chairperson
Santo Napoli – Treasurer
Daryl Hendricks – Secretary
Seth O’Neill- Member

John N. Morgan – Executive Director
Dan McCarthy, Davison McCarthy – APA Solicitor

ALLENTOWN PARKING AUTHORITY BOARD OF DIRECTORS MINUTES

A regular meeting of the Allentown Parking Authority Board of Directors was held at 12:00 p.m. on Wednesday, April 27, 2022, at the Office of The Allentown Parking Authority, located at 603 W. Linden Street, Allentown, PA 18101.

The following attended:

Ted Zeller – Chairperson
Candida Affa – Vice Chairperson
Daryl Hendricks – Secretary (present by phone)
Santo Napoli – Treasurer
Seth O’Neill – Member
Dan McCarthy – APA Solicitor
John Morgan – Executive Director
Jon Haney – Deputy Director
Connie Abercrombie – Finance Manager
Christina Nolden – Minutes
Mayor Matt Tuerk – Guest
Executive Assistant Connor Corpora - Guest

Christina Dayton – Deputy Director (Absent)

Mr. Zeller called the meeting to order at 12:02 p.m. Mr. Zeller asked for an approval of the March 23rd meeting minutes. Mr. Hendricks made a motion to approve. Ms. Affa seconded it. The Board voted and approved the March 23rd meeting minutes.

EXECUTIVE SESSION – ACTION TAKEN

None.

EXECUTIVE DIRECTOR’S WRITTEN REPORT

Mr. Morgan gave an overview of the handwritten report.

RCAP - The RCAP Application for \$5 million was rejected. APA would need to reapply. Mayor Tuerk asked if the APA ever engaged a separate entity to get RCAP support. Mr. Morgan and Mr. Zeller both responded yes. Mr. Morgan stated that Lauren Giguere had been engaged by APA so that everything got to where it needed to be. Mr. Zeller gave background regarding the

waterfront being developed. He stated that while we do not have any property at the waterfront, the developers have approached APA to maintain garages down there. The business income is limited to try to get financing because there is no history there. For projects up in this area, we have income support because we own the ground, and we can move parkers around up here. The banks will talk to us. The developers want us to dump about \$5 to \$7 – 8 million dollars in contributory financing to build a garage. Since we have no stakes down there and no history of use, it is difficult to bridge financial balance without state support. Mr. Zeller stated that effective parking is needed down there. It is the APA thought process that if we got one built down there, those revenues would incrementally support other development by the APA down there. If developers are willing to contribute ground to us, so there is a little benefit that they have, it might not be the scenario the mayor would want but it is something to think about. They avoid real estate taxes because APA is owning, but APA is obviously provided the public benefit of what's going to be needed. We are not just building garages for private use. They need this for their own tenants. We always have an eye towards additional transient capacity at those locations. Mr. Napoli asked when we can resubmit. Mr. Morgan stated that it is twice a year. Mr. Morgan stated we will resubmit again.

Maple Street Garage - We now have power as of yesterday. Mr. Morgan is hoping to get residents in by June 1.

7A Lot – The new sidewalk and apron have been poured. Sealcoating and striping will be done next month.

500 Railroad Project – Agreement of Sale is under review.

DaVinci - Easements have been reviewed by Rich Young. New arrangements have been suggested for Court Street. The Montessori School is unhappy with no drop off area.

The Hive Residences - The walkway is currently being installed. Many of the apartments are already leased.

Resolution for Taking of School Street Access - Before improved, we need to take the other side of the alley off Walnut Street. Mr. Morgan asked if a resolution would be needed to do the taking. Mr. McCarthy stated yes. Mr. Morgan stated that he cannot pave only half the access. Mr. McCarthy stated he will review his file to see if there was an agreement with neighbors regarding maintenance.

DEPUTY DIRECTORS REPORTS

Labor Review – It was suggested to table this topic to next month. Mr. Morgan noted that in the first quarter out of the 170 people that submitted applications which were reviewed and/or interviewed only 10 are working for APA. Mr. Zeller asked if the city is facing the same experience. Mayor Tuerk stated that not at that degree. He mentioned the big hiring push right now is for summer labor. The city has some positions that have been vacant for a very long time, but the city has done a pretty good job hiring positions like maintenance workers. The city does face the same challenges as everyone else. Mayor Tuerk asked if we have compared APA rates to other rates. Mr. Morgan stated that we do. Mayor Tuerk stated that those of us who are in the business of employing people have to adjust to the new reality and that means we can't afford it which brings us to the next question which is our parking rates. If we can't afford to pay the current labor rates and it has impact on our operations than we need to adjust what we do at the top line.

Parking Rate Review – Mr. Zeller questioned that from a philosophical standpoint should we be setting parking rates by just looking at what we are able to pay our people, or do we have a sufficient number in the bank and then are we able to maintain all our facilities and should that drive what our parking rate should be or is it more than that. Should we really be looking at where we are in the marketplace and should we be driving more towards market rates. Mr. Zeller further stated that if we drive towards market rates and operate the business as an independent agency based upon the market, we are more likely to be in a stronger cash position for additional projects and to continue to grow the business which means serving the public more with better facilities and even to the point we are turning back revenues to the City of Allentown some of which we have done already. Mayor Tuerk stated that if we can price to have an impact on a better behavior to get people to do things a little differently, it has benefit beyond revenue to the parking authority. Mr. Zeller added that APA does not believe that this moment in time it is necessarily the appropriate time to talk about the street rates. The city still needs that critical mass into Allentown. The APA does not want to sway people from coming downtown. The information will be in the presentation, but the decks need to be straightened out first. The decks are not a legislative item. The streets are a much broader discussion. A strategic review by the city is needed as to what we are doing and that is why APA has invited Mayor Tuerk. Mr. Haney began to go over his power point presentation. There were three main points to the study dealing with permit pricing, the hourly and daily rate comparison and then surface lot pricing. The first chart was entitled the Max Price Permit Comparison. Ten other cities in Pennsylvania were reviewed. In going through each city's inventory of parking, numerous decks for each location, it became obvious that each city has its own demographic, its own needs and it priced its deck prices comparatively for that. To keep it on an even keel, Mr. Haney just selected the maximum price that it charged for a permit in a deck or multiple decks in each city. It enabled APA to compare those prices to see where Allentown stands. The chart included the population of each city so you can see how many people are in that particular market and then it also looked at the maximum price comparison. Allentown's commercial permit price is \$80.00 to park in a deck. Allentown is a little behind some of the other cities that we vastly outnumber. We are slightly ahead of a couple of our neighbors, Bethlehem and Easton are charging a maximum of \$70.00 in its decks. Lancaster is charging a \$100.00 in its newest deck. Mayor Tuerk made a suggestion. He stated that the true value of context of this would be to express that rate at a percentage of some other common cost within that market. So, express that rate as a percentage of median household income or express the rate as a percentage of what the average wage for some kind of worker. Mayor Tuerk stated that it may be a more profound illustration. Philadelphia looks high at \$350.00 but that could be very high relative to what an attorney in center city Philadelphia earned versus an attorney in Allentown versus an attorney in Lancaster. The data is available for most of these areas, and it helps us understand the true or real disparity here. Mr. Zeller asked if there are any dynamics going on in those parking authorities as to why they are only charging \$70.00. Mr. Morgan said that Bethlehem is currently doing the same thing APA is doing right now with looking at rate increases. Mr. Haney continued by stating that of 11 cities, Allentown being the 3rd largest city trails behind 5 other cities of smaller population. Mr. Haney understood the median income request. Mr. Haney mentioned that at the last meeting it was suggested at least trying to get somewhere near Lancaster or even Scranton as far as pricing. At a minimum, a suggested action would be to raise our garage permit prices to \$100.00 a month to keep pace with the regional market. Mr. Zeller suggested doing a rate increase incrementally, one effective October 1st with notice. Mr. Zeller suggested to start at \$95.00. Mr. Napoli asked what is driving the traffic in Lancaster. Mr. Haney responded that it is tourism and commerce. Mr. Morgan stated that Lancaster's downtown is very robust. All merchants park in the garages. The merchants here do not park in the garages. Mr. Napoli asked if we should be comparing ourselves to Lancaster from a robust standpoint. Mr. Morgan asked again who the people are downtown. Mr. Morgan commented they are professional people, commercial people, people going to the

Federal courthouse, the other courthouse, and the office buildings. Our mass downtown, which by the way as of today without the new garage, we have 33 parking spaces available and that includes the neighborhood lots. It's not like people aren't parking. There is a big demand, and it isn't being satisfied with \$80.00. Mr. Haney stated that the parking rates are undervalued. Mayor Tuerk stated there is a standard across the country of vacancy. You try to maintain a certain vacancy standard. You price such to the point that you have a certain amount of vacancy, right. You have 33 spots available out of 3,500, that is a tenth of a percent. Mr. Morgan stated that is his point. APA parking is undervalued. Mayor Tuerk asked If you price at \$100 what level of a vacancy would you get to, probably would have to go to \$125.00 to maybe get 10% vacancy. Mr. Morgan commented that he has demand for another 300 parking spots that he does not have. These are requests from two different entities. This is not including transients. Mayor Tuerk stated that the concern would be the vacancy manifest would be someone would close the office downtown and I am not going to work there anymore. That is not the type of vacancy the city would want. The type would be that it is too expensive to park in the deck but perhaps I can park in a private surface lot where it is a less expensive option. Mr. Zeller mentioned public transportation, bike riding or carpooling those types of things. There is not a lot of private enterprise in parking in downtown. It is just not that phenomenon. The one thing though that we are privy to, we are charging a bulk rate to certain developers. It is one bill, they pay it all, but then they are passing that cost on to their tenants but adding about 20 to 30 points to it because the market supports. Mr. Zeller also stated one thing about Lancaster, the last census data probably had it at about 600,000 in the county which is something I looked at several months ago. Mr. Zeller assumed that the median is higher because Lancaster is a thriving area. Mr. Zeller stated his concept would be to start this incrementally starting October 1, 2022, with the \$95.00 rate and then January 1, 2025, at a \$115.00, so that people can see that forecast right now. Mr. Zeller said we could always change that \$115.00 in the future. Mr. Zeller said that would be his recommendation. Mayor Tuerk mentioned for comparison's sake Lancaster's median household income per the 2020 census was \$45,000.00 and Allentown metro was \$41,000.00 so we are pretty close. Mr. Napoli agreed with Mr. Morgan that it is a pretty good deal for a merchant to come downtown for 40 to 50 hours a week at \$95.00 or even \$100.00. Mr. Napoli was concerned about the transients. Mr. Zeller suggested tabling the final decision. Mr. Haney continued with the Max Hourly/Daily Rates for residential customers in APA decks. The yellow bars are the residential rates. There are not many cities that offer residential rates. Excluding Allentown, there were only 3 other cities that even had anything that mentioned a residential rate. In Pittsburgh's case, they offer a nightly rate so that was included in the chart as a comparative to our residential rate. Of those other rates out there, we are behind Scranton and Pittsburgh. We are ahead of Reading. Although I will throw a caveat on that that Reading is doing something and decreasing the residential rate. There is some kind of motive behind that so that is not really a fair number to compare but it is a number that's there, so it was included. Allentown is tied for dead last at \$1.00 per hour. Only one other city matches that which is Bethlehem, and they are also in the process of raising rates. The average there is probably somewhere between \$3.00 and \$4.00 per hour. Mr. Zeller asked for the street rate. Mr. Haney stated \$2.00 per hour in all the areas where our decks are located. Mayor Tuerk stated that it is cheaper to park in the deck. Mr. Morgan stated the issue is enforcement on the street. If you go to Reading, overtime meter enforcement is \$45.00. Mr. Morgan said that like the mayor said that if you don't have things priced to drive people where they need to go, they will not move. The county and Federal courthouses, professional lawyers could care less if they get a \$10.00 ticket because they do not want to walk across the street. Mayor Tuerk stated that it is tied to the first topic which is if you are not generating enough revenue to pay the enforcement you can't actually do these things. Mr. Haney stated that we need to make a lot of changes in a lot of areas, on-street being one of them. Mr. Haney returns to his power point showing that most cities are up charging for short term in the decks and then they decrease the price as you stay in longer. For instance, for 4 hours or less in a deck you would pay a lot more than Allentown

because we have a straight \$1.00 per hour flat rate. Mr. Morgan stated that Reading is easy on the residents, but they hammer people on enforcement. Mr. Napoli mentioned that he is seeing in Reading that a lot of the enforcement is for safety violations, but they are not doing it for every violation. Mr. Morgan said Reading's theory is they will bring revenue in on violations. For example, in a Philadelphia parking garage, for the first hour it is \$18.00. Into the second hour, parking is \$29.00, and the daily maximum rate is \$34.00. So, if you stay 24 hours those extra 22 hours are only costing you a difference of \$5.00, but the first 2 hours they get you there. The same thing follows suit in Erie's parking authority. In their decks if you stay 30 minutes, it is \$4.00. For another hour and a half, it is \$4.00. After 2 hours, it goes to \$5.00. Erie's maximum daily rate is \$10.00. Mayor Tuerk asked for the data to show how many parkers park for less than an hour. Then how many go to 2 hours. Mr. Haney stated yes. Mr. Haney goes on to say that for the people that want to park on the street for 20 minutes to pick up a pizza or grab a clothing item that they ordered, they will pay the meter and go. The people who want to park an hour or two, other cities are collecting a higher amount for their decks, but the street amounts are even more to park out there. So, they know that street amounts with the fines and whatever they are charging at the meters are driving those 1-to-2-hour folks into the decks, so they are picking up a little more revenue. It seems to be how other cities are doing it. Almost every city reviewed follows the same suit where it is a higher charge for the first couple of hours in the deck and then it drops off. Mr. Zeller asked if there is any industry standard behind this or reasoning behind this pricing philosophy. Mr. Haney stated that he just believes that cities are just looking at volume and they are pricing the demand. It is based on behavior of the parker. Mr. Napoli asked if any other cities have a PPL Center in the middle of their downtown. Reading has Santander. Mr. Haney stated that their event rates are higher than ours. Mr. Morgan commented that Pittsburgh has everything. Mr. Napoli mentioned that the worlds collide when there are visitors coming to a place like Tacos Y Tequila and there is also an event and there is an issue with the rates. Mr. Morgan stated that it comes back to Mayor Tuerk saying about changing the habits. If visitors go to Tacos Y Tequila for an hour and a half to two hours for dinner, the visitors should be parking in the garage, not on the street. If it is an event night, then those visitors parking in the garage pay the event rate and they are just coming in for dinner. Mr. Morgan stated that the point is that habits need to change. Mayor Tuerk explained that Mr. Napoli's point is that sometimes there is one chance to make a first impression. Mr. Morgan continued saying that APA attends meetings with other Executive Directors, and the guy from Reading will tell you that they go easy on price because they are making money on violations. Mr. Napoli mentioned that what Reading does not tell you is that it is killing businesses there. Mr. Napoli agreed that we are a little low. Mr. Zeller suggested that for the first 2 hours it is \$2.00, then \$1.00 an hour after and then keeping our daily max at \$24.00. Mr. Zeller suggested just making it \$1.50 for the first 2 hours, then a \$1.00 after that. Mr. Napoli asked why there is a residential rate. Mr. Haney commented that very few other authorities even have a residential rate. Mr. Morgan stated that back in the day there was nothing going on which is why there was a residential rate. The only reason why Pittsburgh did that is that they have 40 to 50 story residences. Mr. Zeller and Mr. Haney stated that we are right where we need to be for the max daily rate. Mr. Zeller again recommended to go \$1.50 for the first 2 hours, then \$1.00 an hour after that. Mayor Tuerk stated that if you are going to hit parkers with an increase, why not take them with the full increase instead of having to hit them twice. In other words, hit parkers with \$2.00 an hour, instead of \$1.50 and then later go to \$2.00. Mr. Zeller clarified that we are at \$1.00 right now and that Mayor Tuerk suggested to just go to \$2.00 which is the same as the street rate. Mr. Haney stated that everything is connected. If we do that, then we will have to do something on our street rate which we can do in the downtown area where all of our decks are because of that legislation. Mr. Zeller stated that the purpose of that legislation was not to raise the price of downtown street rates. It was to promote behavior to get people into the decks. Mr. Haney stated that we would make the on-street rate slightly higher than what the off-street rate is. Mr. Haney continued stating that in other words, if it is \$4.00 to park for 2 hours in the deck

than we should make it more than that to park for 2 hours on the street. Mr. Zeller asked if that was what we wanted to do. Mr. Haney commented that we should do \$2.00 for the first hour then \$3.00 for the second. Mr. Morgan suggested just leaving the first hour as it is and just increase the second hour to \$3.00, that would make it \$5.00 on the street and \$4.00 in the deck. Mayor Tuerk stated that it is how you present what you are doing is everything, how you frame it. Mayor Tuerk further stated that the parking authority isn't doing this to increase revenue to the parking authority. The parking authority is trying to free up more parking. There's clearly an issue with parking in Allentown. Parking opportunities need to be created for the person who wants to come in and shop for 20 minutes and not have to drive around to find a spot. It will cost more but a spot will be available. Mr. Morgan commented, in the industry standard, if 80% of your off-street parking is occupied than that is when rates should be increased. Mayor Tuerk asked for what percentage we are at now. Mr. Morgan stated well if you look at Hamilton Street during the day you can't park. Mr. Zeller asked what the suggestions are here. He is hesitant to use the legislation because it was not to be used to raise the rates downtown. It was to conform people to use the decks during event time. Ms. Affa commented that she does remember that the reason for it was to get the people into the decks. Ms. Affa remembered that it was suggested to keep the rates the same but the fines to be higher to discourage people from getting fined. Mr. Zeller stated that we have control over deck rates sitting at this table right here, but we do not have control over the fines. Mayor Tuerk mentioned that people hate the parking authority because of the fines not because of the rates. Mayor Tuerk mentioned getting hit with a \$50.00 ticket that could be devastating to a household. Ms. Affa explained that a fine might be a deterrent. Ms. Affa asked what the fine is right now. It is confirmed that it is \$10.00. She explained that was her point. It is cheaper to just get a fine. Ms. Affa asked what Lancaster does with its fines. Mr. Morgan stated they are much higher. Mayor Tuerk confirmed that we are uniform with fines and that an on-street rate can be changed without any impact on wards. Mr. Morgan stated that the central business district is \$2.00, and you can park on North 7th for \$1.00 which is a block away. Mr. Zeller stated that he created a definition when the code was redone to be able to use it to differentiate between the violations for extending parking. Mr. Morgan commented that the merchants will be better served by getting visitors who are here to be at the restaurant for more than an hour into the garages so that people who need less than an hour can park on the street. Mr. Zeller stated that everyone sitting at the table will agree that \$10.00 is not a good number for a violation. Mr. Hendricks mentioned that he agrees, that maybe \$15.00 would be a better number as a negative. Mr. Zeller reminded that we do not have that power to set that rate. There can be a recommended course of action. Today we need to focus on deck rates and the hourly rates. At some point in the future, the enforcement rate will need to be increased. Mr. Hendricks stated that he would like to have the next month to look over the presentation. Mr. Hendricks asked for this to be tabled for now. Mr. Haney had one more slide regarding the surface lot pricing. Mr. Haney suggested that if we are going to raise the deck rates that a suggestion was made maybe that we match that to a degree with the surface lots at \$5.00 a month. Mr. Zeller disagreed with that because he doesn't think that necessarily has to be uniform because if we have pocket neighborhood parks and neighborhood lots, we have to be a little sensitive to raising those. Mr. Haney suggested \$5.00 on the transient surface lots and leave the other surface lots alone. Mr. Zeller suggested raising surface lots closer to \$10.00 and the neighborhood lots to \$5.00. Ms. Affa mentioned that raising prices for the working people in our neighborhoods is different. Ms. Affa stated that she would rather see the decks go up rather than hurt the neighborhood. Mayor Tuerk commented about the authority needing revenue to acquire neighborhood lots. Ms. Affa asked if the blighted property list had been reviewed. Mr. Morgan mentioned two properties, one on North and the other on the next street that abut each other. Those properties are not blighted. The properties are behind on tax payments. Ms. Affa stated that she will continue to keep the board apprised of the blighted properties. Ms. Abercrombie added that the current loan for the Maple Street garage is only 5 years, which means we would have to refinance. The first two years are interest only and then it

turns to a fixed rate. Because the rates are going the way they are with the Fed, we are going to have to refinance sooner than later. Ms. Abercrombie further stated that she did some calculations based on the interest rates, and she is thinking that it would be in our best interest to get a 25-year loan which is consistent with our other loans. She believed that a minimum and it might be hard to get we are going to get a 4.25% rate. It may be closer 5.5% or 6.0% for a long-term loan. At the very minimum if we borrow the 18.6 million that we currently have with ESSA that's going to add \$1.2 million to our debt service each year, annually. So, what we are looking at now we can cover in our budget without a problem because we are only paying the interest. When we have to renegotiate that loan or go to someone else for that loan, we are probably anywhere between \$1.2 or \$1.5 million additional costs on an annual basis. Mr. Zeller confirmed that this is for the Maple Street Garage at 1,100 spots. If we keep our rate at \$80.00, we will need to sell either with contract parking, transient parking, whatever, 1,300 spaces in an 1,100-space deck to cover the debt service at the present rate. At \$100.00, at the minimum, it would bring it down to 1,036 permits or comparable transient to cover that debt service. At a higher rate, we are over 1,100 just to cover our debt service on that debt which doesn't include maintenance. Mr. Zeller confirmed at 1,100 spots, \$1.2 million dollars surplus a year minimum. Ms. Abercrombie continued that if we want a loan for the entire amount including the \$5 million that City Center forwarded to us, the minimum is \$1.6 million up to \$1.8 million. Mr. Haney stated that raising our permits from \$80.00 to \$95.00 right now on the 3,500 permits we only generate \$625,000 which is not even half of what the increase is in our debt service payment. Mr. Zeller stated that it should be \$100.00 a month. Ms. Abercrombie said definitely. If we can swing it, we should go for the full amount. If we can, then City Center no longer gets 450 free spaces. The difference at the max at 6.0% interest, the difference in the annual payment is \$387,000.00. At \$100.00 if they are still getting their 450 spaces, we are at \$540,000.00. We would be in better shape by refinancing the whole thing if we can. Mr. Morgan clarified that her numbers are every single permit at \$100.00, no residential rates. She stated yes, no discounts, we need to get that number up there to be able to cover this debt service before we even talk about building any other decks. Mr. Morgan stated that Lancaster gives a very minimal discount provided that they pay one check for all the parking that they are responsible for. Mr. O'Neill asked how much the loan is right now. Ms. Abercrombie stated that when the deck is finished the total amount of the loan will be approximately \$18.6 million. Mr. O'Neill clarified that we are refinancing the entire amount of the loan again which is currently a construction loan. The loan is a 25-year loan at 5.0% which would be \$1.3 million annually on the \$18,000,600.00 and it is paid quarterly. Mr. Morgan stated, that is on top of the \$616,000.00 that we presently pay. Mr. Haney stated that not to forget the \$5 million we still owe back to City Center that we are giving up in terms of the revenue generated by the 450 permits. Hence if we do the full amount and we force those permits to pay the revenue from those permits not only covers but goes a little beyond that delta. So, it makes sense to get rid of the residential rate, a permit is a permit at \$100.00 to help us bridge that gap when we get there. It gets rid of that \$5 million we owe to City Center, and it actually puts us in better position as far as amount owed per year/quarter then if we did the \$18 million financing. Mr. Zeller asked for any final thoughts from Mayor Tuerk. Mayor Tuerk restated that we need to serve the needs of our multiple stakeholders. We are way underpriced in the city. Sometimes being underpriced is doing a disservice. It is better to get more expensive on the low end of things then to really hammer people with penalties. These rate increases are overdue in Allentown. We can help the City of Allentown by being good at what we do. Mayor Tuerk's parting comment from the mayor to the parking authority is to just be good at we do. You know what to do, just be good at it. Don't kill yourselves trying to be generous to everybody in the neighborhood. Be good at it. When you are effective and consistent then people understand. Mayor Tuerk thanked the authority for the opportunity to attend. Mayor Tuerk mentioned that his assistant Connor may attend the meetings from time-to-time. Mr. Zeller asked for any consensus on what direction we are going. Mr. Zeller reiterated that we have to have a minimum of \$100.00 in the decks and that's it. Mr. Zeller questioned if

we look at the individual surface lots to decide if we raise them to \$5.00 or \$10.00. Mr. Zeller also questioned if we raise the street parking to \$2.50 an hour and do the \$2.00 per hour in the decks for the first 2 hours or do we keep it at \$2.00 and just do it at \$1.50. There must be a difference. Mr. Napoli stated that he liked Mr. Haney's idea that it is \$2.00 and then the second hour is \$3.00 because the folks that are here to do something quick, they will not be penalized. If you are here for 3 hours and you on the street, then you should be penalized. Mr. Napoli said you should be paying more on the street than in the deck. Mr. Zeller confirmed the first hour would be \$2.00 and then the second hour would be \$3.00. Mr. Haney confirmed that in the decks it is \$2.00 for the first hour, \$2.00 for the second hour and then \$1.00 an hour for a max of \$24.00. Mr. Zeller confirmed that there is a max parking of 2 hours on Hamilton Street. Mr. Napoli stated that he has heard that people do not want to go through the decks for a spot. Mr. Morgan said that the decks do have 3-hour spots. Mr. Napoli stated that he believes there isn't enough of them. Mr. Napoli suggested looking at every deck to have more transient spots on the first floor. Mr. Napoli further stated that if it's our goal to push more customers to the decks we should give these transients more spots to land on the first floor and not on the fifth floor. Mr. Haney stated that pricing our deck for the first 2 hours of parking at \$4.00 and pricing the first 2 hours on the street at \$5.00, that is a difference at a \$1.00. What will kick that in and make it more effective is when we put the violations through and there is more of a penalty on the overtime limit on the street. Now it is \$5.00, plus the \$25.00 meter ticket. Now I paid \$30.00. When a customer could have gone into the deck and just paid \$6.00. All these pieces play to each other to make this work the way it should work. Mr. Haney suggested that we really need to get a proposal to Council. Mr. Zeller stated that a ticket for over meter parking at \$25.00 isn't killing anybody. Mr. Napoli asked for sign posting on every block when the changes are made. Mr. Haney brought up the violation analysis with the revenue split with the city. He did update those numbers. Mr. Haney said to Ms. Abercrombie's point and his point that all of this is interconnected with the permit raising to \$100.00 and what we are going to have to finance that still doesn't bridge that gap, but if we get the violation rates considered and passed, at minimum that would generate for us a half million or more per year. Mr. Zeller stated that we would need to make that recommendation to the legislators in our group. Mr. Zeller would like to see that data at next month's meeting. Mr. Zeller still would like to still focus on \$100.00 now and \$120.00 January 1, 2025. Mr. Haney states that on the violation analysis we are low on every category, except for one. All of the violations you see are all the violations from 2021. If we would have had the \$10.00 increase for each violation, that would have generated \$542,000.00 for APA and \$542,000.00 for the City of Allentown. Mr. Haney stated to Mr. Napoli's point we should specifically look at those violations that are safety violation, like too close to a corner or blocking traffic. Ms. Affa stated that a higher fine will be a big deterrent. Mr. Zeller stated to change the overtime fine should be increased by \$15.00. Mr. Haney stated that he will make changes to violation analysis and highlight them. Ms. Affa asked about the street cleaning violations on 12th and Chew. Mr. Haney stated that the violation is \$20.00 the first time. Then within 30 days you are caught again, it is then \$50.00. Mr. Zeller stated that we have to do this incrementally. We can't do RPP and this rate increase at the same time, politically. Mr. Haney asked Ms. Affa's opinion about doing the rate increase along with violations at the same time. Mr. Zeller stated that we can do the rate increase, but then Mr. Napoli asked about the RPP increase. Mr. Morgan stated that it is \$25.00 for the first year and then \$20.00 after that. It has never gone up. Mr. Zeller recommended \$50.00 for the first vehicle, \$100.00 per year for the second vehicle, \$200.00 per year for the third vehicle and \$400.00 for beyond that. Mr. Hendricks said that he would like to see statistics as to how many have one, two or three vehicles. Mr. Morgan stated that on the 500 block, in one 15-foot space there are 7 vehicles. Mr. Zeller went back to the safety violations. He noticed a whole lot of \$15.00 violations. Mr. Haney suggested that we should raise them more than just \$10.00. Mr. Zeller stated that he does not want to see any of those violations below a \$35.00 recommendation. Mr. O'Neill clarified that there will be a new chart with \$25.00 being the expired meter and handicap and the other ones

bumped up to \$35.00. Mr. Zeller listed the \$15.00 tickets, such as No parking in front of a driveway, no parking this street, temporary no parking, no parking any time, loading zone, RPP overtime parking in posted RPP zone, overtime parking in posted time zone, no parking school zone, no parking crosswalk, no parking on a sidewalk. There are varying degrees of public safety in all of those. The fire hydrant is \$50.00 and in Reading it is \$200.00. Mr. Napoli stated that if someone is fined for parking in front of a fire hydrant, they don't have a leg to stand on. Mr. Napoli stated that should be raised \$100.00. Mr. Morgan mentioned that handicap parking is only \$50.00. The regional average fine for handicap is \$151.00. Ms. Affa asked what private lots, like the Promenade Shops do. Ms. Abercrombie stated that the car will be towed. Mr. Haney asked what the reception would be to bring this to City Council. Ms. Affa said there may be some kick back. Mr. Zeller asked for a new chart that stops just short of the last two columns and the bottom lines, as well. Then one just like this updated. Ms. Affa would like to see the average in the country. Mr. Haney to keep in mind that the last column goes to the city. Mr. Zeller asked if that needs to be in the public eye. Mr. Haney said that it should be included so the city can see what will be brought back. Mr. O'Neill said that the argument could be that this is being used to fund public safety. Mr. Hendricks stated this is a move to increase the safety of the citizens of the city and prevent these types of parking violations from occurring. Parking too close to the corner is just rampant throughout the city. This is more about public safety. Mr. O'Neill would not put a dollar amount on it, but that any revenues that the city sees from this is planned on investing in the public safety. Mr. Zeller suggested that maybe a memorandum of understanding between the parking authority and the city about revenue sharing and what the city plans to use it for. Mr. Morgan suggested we ask the Solicitor. Mr. Haney asked how much the city pays the authority for parking each month. Ms. Abercrombie said she could not give a definite amount. Mr. Haney suggested that possibly waive parking fees as an offset. Mr. Morgan asked how that would be controlled. Ms. Abercrombie said that there could be an offset, like \$15,000.00 for parking and so on. Mr. Haney asked what sub-committee this would go under. Mr. Hendricks stated probably public safety. Then it would go before Council as a whole. Mr. Hendricks stated that he would get Mr. Zucal a copy of the chart. Mr. Hendricks said that he believes the chart prepared by Mr. Haney clearly shows the short falls that we are well behind the curve and all it does is encourage people to not care if they only get fined for \$10.00 or \$15.00. Mr. Zeller asked for the data to finalized before it is handed out. Mr. O'Neill asked when the last time the fines were raised. Mr. Zeller said that he bets they are from the 80s. Mr. Haney stated that the lazy double parker is newer.

FINANCIAL REPORT

For March, the total revenue was \$865,000.00, 4% below budget. YTD at \$2.6 million is just under 3% below budget. Operating revenue was \$854,000.00, 5% below budget and YTD at \$2.5 million is 4% below budget. For the month, the enforcement revenue contributed \$550,000.00, 1% below budget. Off-street and events contributed \$302,000.00, 10% below budget. However, that budget includes Maple Street, which is not scheduled to open until July, but it is pushed out across 12 months. Without Maple Street, off-street and events are 2% ahead of budget. Non-operating revenue was just under \$10,000.00. The operating expenses for March were \$495,000.00, 16% below budget and YTD at \$1.3 million is 26% below budget. For the month, personnel costs were \$326,000.00, 24% below budget, that's what is driving the expense budget being below budget. Services and charges at a \$158,000.00 were 4% above budget and materials and supplies at \$9,000.00 were 27% below budget. For March, revenue exceeded expenses by \$370,000.00, 18% above budget and after all transfers the operating fund shows an excess of \$113,000.00. YTD basis, revenue exceeded expenses by \$1.3 million, and after all transfers, the excess for the period is \$530,000.00. On a cash basis our total cash receipts were \$1.7 million which includes \$800 and some thousand for a draw on a loan for Maple Street and the cash paid out of just over \$2 million includes the expense for the Maple

Street payment to Northstar and also our debt service of \$647,000.00. Our deficit for the month is \$327,000.00, but we had an excess at the end of February, so our excess is \$271,000.00. The auditors will be in for next month's meeting to present the audit.

Mr. Zeller brought up that we tabled the discussion about Montessori School's objections to DaVinci's plan. Mr. Zeller asked how much we wanted to get into that during this meeting. Mr. Morgan stated that DaVinci doesn't have a final approval of the plan. DaVinci wants the authority to sign easements on our property, but if we do that, we give up the right as far as expanding the width of Court Street. Rich Young has looked at it and said that we could expand Court Street to the point where you could get a parking lane for drop off on the left side of the street, which is towards Montessori as well as a travel lane, as well as a parking lane for the buses. Everything would have to move over a couple of feet North. Rich Young's design the standard sidewalk is 5 ft. In the DaVinci design, the sidewalk is 5 ft., 4 in. Mr. Zeller asked why we would screw with them for the 4 inches. It's not a matter of screwing with them; it's a matter of saying that the standard sidewalk is 5 ft., and it doesn't have to be 5 ft., 4 in. Then, they would have to put in sidewalk per city ordinance when you put in a street which is not anywhere in DaVinci's proposal. Mr. Morgan stated that the authority was never notified of the planning meeting. Mr. Morgan made a comment to Leonard about not being invited to the meeting. Mr. Morgan asked Leonard whether it was addressed that if a street is put in that there has to be a sidewalk. Mr. Morgan mentioned that the way Rich Young laid out the plan, it works. A sidewalk can be put in, a curb line can be put in, tree line, the lights and there can be a parking lane for drop off not for permanent parking. On the DaVinci plan, that side of the street has signs that say no parking at any time. Ms. Affa asked why there is an issue with Rich Young's plan. Mr. Napoli stated that Grace Montessori is APA's tenant, so APA has an obligation to keep the value of that space as high as possible to have a lane for drop off. DaVinci of course probably doesn't feel that way because it is not their space. APA has to fight for that. Mr. Morgan stated that DaVinci's sell to Montessori is that there will be a big sidewalk across the street, just have the parents drop off there. It may work on paper but when you have the school buses parking there to drop off where are the parents going to go. Mr. Zeller said everyone is going to park in that deck there, go down the elevator and just walk in the street to get to the PPL Center. The public purpose for that sidewalk is multi-fold, even for the 700 ADP employees that park in this deck. The fact that this is now chained off, they now have to walk all the way up Lumber Street to Hamilton. They have to go to Hamilton anyway, but in their mind it's a big inconvenience. Mr. Napoli was glad we are advocating for the sidewalk. Mr. Morgan reiterated that the whole issue is that we were not invited to the table for the meeting to review the plan. Mr. Zeller stated that we will have to cost it out and make application to ANIZDA because they will pay for the trees and lights, but not the rest of it. Mr. Zeller said that there is going to be a point that it looks like we are holding up this project. Mr. Morgan stated that Montessori plans to be at the final planning meeting and they will fill the room. It was asked how many students. Mr. Haney responded that there is about 60 to 100. Mr. Zeller continued that we have a duty to them, but long-term we have our own interests there. He stated that maybe that this is not the best use for this school. If traffic gets crazy for them, maybe that isn't the best place. There are many different uses that could go in that building which is in our long-term interest. We support the school that would be up to them to make that decision. With a sidewalk in there, the property value does increase even though we are encroaching a little bit in that area. Ms. Abercrombie stated that the outside area is not included in their lease. Mr. Zeller stated that it's been a year and the plans still haven't been finalized. He understands where they are coming from, but if this means we need to take a leadership position on it. We need to get these plans finalized and get in a potential ANIZDA submission. Mr. Zeller asked if we were supposed to get notice of the planning meeting. Mr. Morgan stated that yes, we are an adjoining property owner.

Ms. Affa asked to be clear that we are just going to focus on the legislation that is going to go before Council and the other matters we are going to table.

This meeting was adjourned at 2:04 pm.

The next Board Meeting will be held on Wednesday, May 25, 2022.