

Gadfly Forum Highlight: candidate Callahan on the budget

The Bethlehem Gadfly Candidates for election, Election, Forum, Gadfly Forum May 13, 2021

🦋 Latest in a series of posts on the Gadfly Forum 🦋

This year I was stunned when my fellow City Council members voted 6-1 to raise your taxes 5% in the middle of a World Pandemic and to cut 4 Fire public safety positions. I was the one and only vote against it!
Bryan Callahan

The prompt:

‘Tis said that the most important job of City Council is approving the budget. The Mayor proposes, Council disposes. Budgets demand setting priorities. Budgets require hard choices. Choices that often need to be explained to a questioning public. We’d like a window into your thinking about budgets by focusing on a specific complex issue [the pedestrian bridge] that came before Council last November, and thus in which some of you were involved, and which issue, frankly, gave me pause.

For responses by other Council candidates to this prompt, click [here](#).

Bryan Callahan

The most important thing that residents need to understand is that there are basically just two ways our City can generate additional revenue to pay our bills. The first is to



raise taxes and fees on all the existing properties and property owners in the City. The second way is through smart economic development, by taking an empty lot or rundown property that has a very low tax assessment and then building something

on that lot that has a much higher tax assessment/higher taxes paid by the developer, when the project is completed.

The new projects on 3rd and New St (The Benner Building) and the 510 Flats building on 3rd St. are great examples of the latter. The 510 Flats building was an empty stone parking lot forever that paid a couple thousand dollars in taxes per year. The 3rd and New St (Benner Building) was an empty lot for over a decade and also paid a very small amount of taxes due to the fact both lots were empty with no buildings of any value on them. The two developers invested close to \$30 Million each into both of those sites and are currently each paying close to \$300,000 per year in taxes.

My point in bringing this up is, I'd much rather prefer to increase everyone's property values in our City than raise taxes on existing property owners. Every time the City raise taxes on existing property owners, we make our City less affordable for lower and middle income residents.

This is even more true for renters. The bottom line is that the owners of rental units are in business to make money on a long-term investment. They are not investing their money into the rental units to lose money. Thus, whether you want to believe it or not, every time the City raises property taxes/fees, the owners of the rental units don't absorb the additional taxes/costs. The owners of the rental properties are only passing those costs on to the renters. If you are renting in our City, you know exactly what I'm talking about. Bethlehem is becoming unaffordable to live in for many because we keep raising taxes instead of promoting more smart economic development.

When I ran for council 8 years ago for my first term, I promised to keep Bethlehem Safe and Affordable. I have fought hard on Council to try and make needed cuts in a bloated permits and zoning department and to hold the line on taxes by promoting smart economic development. In 7 years I voted 6 times against raising your taxes. Why? Because every time I've been asked to vote to raise your taxes, I think of the parents of my old Kaywin Avenue friends and neighbors who still live in the same middle class ranch homes on the West Side. They are all retired now and living on fixed incomes. They don't live extravagantly, they love

Bethlehem and what it has given them. They pay their bills but because of continued yearly tax increases, they struggle to be able to even afford a simple week vacation each year.

If Bethlehem is going to stay as the cultural center of the Lehigh Valley and Northeast Pennsylvania, we will have to continue to support smart economic development on vacant and condemned properties so we can hold the line on taxes for our current residents and let the developers generate the new tax revenue needed for increases in wages, retirement, and health care costs.

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