

August 14, 2012 - Antrim Township Board of Supervisors

Minutes of the Antrim Township Supervisors

Regular Meeting with LERTA Hearing

August 14, 2012 7:00 PM

The Antrim Township Board of Supervisors met Tuesday, August 14, 2012 in the Antrim Township Municipal Building, located at 10655 Antrim Church Road, with the following present: Chairman Fred Young, Vice Chairman Rick Baer, John Alleman, James Byers and Pat Heraty, Brad Graham (Administrator), John Lisko (Solicitor) and Jennifer Becknell (Secretary).

Visitors: See attached sign-in sheet.

Young called the meeting to order at 7:03 p.m. and reminded the audience that our meetings are audio recorded and posted to our website.

The meeting opened with a prayer by Young, followed by the Pledge of Allegiance.

Young opened the floor to Public Comment. There was none.

An Alleman/Baer motion passed 3-0-2 to approve the regular meeting minutes from July 24, 2012. (P. Heraty and J. Byers abstained.)

A Heraty/Byers motion passed 5-0 to authorize the payment of all bills listed on the Treasurer's Report dated August 14, 2012.

A Baer/Byers motion passed 5-0 to approve a plan for Wesley and Annie Martin, an one lot addition from the Martin Property to the JLG property along Rt. 11.

An Alleman/Byers motion passed 5-0 authorizing the Township to send a RFPW/NBD (Request From Planning Waiver/Non-Building Declaration) in to DEP (Department of Environmental Protection) for the Prospect Avenue property owned by Wesley and Annie Martin.

A Baer/Heraty motion passed 5-0 authorizing the Chairman to sign the SFPM (Sewer Facility Planning Module) for Nicklas C. Ehrhart and send in to DEP. This is an on lot septic system for a single family dwelling.

A Baer/Byers motion passed 5-0 to allow the increase of two fees charged by our Tax Collector, Sue Myers. The duplicate bill fee goes from \$2.00 to \$5.00 per bill, and the tax certification fee goes from \$10.00 to \$15.00. This increase is in-line with what the Borough's Tax Collector charges and is being done to help recover the costs of printing.

An Alleman/Heraty motion passed to authorize the Chairman to sign the License Agreement on the Martin Mills Bridge project, which is required for the permit registration, and then send in to DEP.

Graham announced that the joint meeting between the School Board/Borough/Township is set for September 18, 2012 at 6:00 PM at the Middle School. The School Board will be setting the agenda, so we will need to call in to add our topics.

A Young/Baer motion passed 5-0 to begin the condemnation procedure on the property along Rt. 11 owned by Matrix needed in order to install a right turn lane onto Commerce Avenue if the signatures are not completed on all paperwork by the close of business on August 28, 2012

Graham announced that the FCADC Annual Banquet will be September 6 at 6:00 PM.

Graham announced that the Greencastle Antrim Chamber of Commerce Annual Banquet will be

September 20 at 5:30 PM.

A Baer/Heraty motion passed 5-0 to increase the hourly rate for the Custodian at the Township Building, Sharon Kent, from \$8.25 to \$9.00. She has completed the 90-day probation period.

A Heraty/Baer motion passed 5-0 to take a short recess at 7:23, until the scheduled start of the Hearing at 7:30.

A Heraty/Alleman motion passed 5-0 to reconvene the meeting, and open the scheduled Hearing at 7:34, to discuss the enactment of a resolution adopting the LERTA (Local Economic Revitalization Tax Assistance) Program.

Young swore in all the persons wishing to testify or make a comment of any type during this hearing.

Young first called on MATRIX Properties to testify. Scott Weiland (Attorney with Salzmann Hughes, representing Matrix) and Gary Hans (VP of MATRIX) came forward. Weiland asked prepared questions in order for Hans to reply regarding the condition of the existing MATRIX building which is occupied by World Kitchen. Hans stated that this building was built in stages starting in 1960, with additions in 1975 and 1980. Hans reported some of the deficiencies (but not limited to) are: certain areas are not heated, the sprinkler system is out-dated, poor layout of product circulation in warehouse, having to enter the highway to move tractor trailers around, inadequate insulation, not compliant with ADA (Americans with Disabilities Act), unsightly building, inefficient office space, old docks, defective parking design, defective design for truck loading, defective lighting and roof is not insulated well. Hans stated that in order to address the needs of World Kitchen, MATRIX intends to invest substantially (exceeding \$10 million) to bring the building to modern standards and hopefully retaining World Kitchen as a tenant. Weiland/Hans also spoke of the attractiveness of an occupied building vs. an unoccupied (deteriorating) building, and that the World Kitchen site is only being utilized to 50% of its capacity as it is now.

Young asked if MATRIX did not retain World Kitchen as a tenant, would MATRIX still be investing the \$10 million on this property. Hans replied, not during this economic environment.

Young asked if local contractors could bid for the building projects, if qualified. Hans replied, yes.

Young asked about the plans for the property behind the existing building. Hans replied, it could be used for additions for World Kitchen or for another business all together.

Members of the audience were then invited to ask questions of the MATRIX representatives.

Young deferred a question by Joel Wenger (Planning Commission) to the section for Supervisors to discuss, as he felt it was a question for the Board, not for MATRIX. The question was. "What is the length of time for LERTA and will it have an effect on property value around designated areas?"

Young invited ATAPCO to speak next. Pat Coggins (VP Development with ATAPCO Properties) came forward. ATAPCO is the owner of Antrim Commons Business Park, which is a 250 acre industrial park located south of Commerce Drive. Coggins states that ATAPCO supports LERTA areas and feels it is in the best interest of Antrim to do so for economic growth. Coggins states that all the properties along exit 3 should be on a level playing field in terms of offering the same tax incentives to potential businesses to build here in Antrim Township. Coggins produced a map of the I-81 corridor that showed all the areas that offer an incentive zone. Antrim Township is right in the middle of all areas. Coggins said Antrim needs to announce by way of enacting LERTA that Antrim is "open for business" for various industries, such as Logistics, Trucking and Warehousing. Coggins went on to list various businesses that were lost because ATAPCO could not offer tax incentives they were looking for. Coggins introduced Joe Pierce (attorney with Eckert Seamans, Harrisburg, PA). Pierce was invited to the Hearing to answer questions of the Supervisors as he has extensive experience with LERTA Law.

Byers asked how many of the stars on Coggin's "incentive district map" are land only vs. with existing buildings. Coggins replied that the blue stars are attracting the businesses to their areas regardless, simply because they are giving tax incentives.

Joe Pierce addressed the next question from Byers. Byers asked how can a cornfield be deemed a LERTA zone. Pierce stated that "undesired land use" or "under-utilized land" has equal status within the legislation of LERTA as a vacant building or a blighted area.

Lisko responded to the question posed by Byers concerning the credit rating of the Township if we have LERTA enacted. Lisko said that the properties are not owned by the Township and would not affect our ratings. Lisko further explained that we would set our own LERTA schedule, as would the School Board and the County independently. Lisko stated that this ATAPCO property has been zoned HC (Highway Commercial) or I (Industrial) for 20+ years, thus it is not being used to its fullest economic potential.

Coggins showed an example on a 30 acre parcel of land, over a 10 year period. It compared the tax revenue generated as an undeveloped parcel vs. a parcel with a 500,000 square foot building. The combined School Board, County and Township tax revenue for the land alone parcel would be just under \$7000.00, compared to \$1.4 million with the facility, during the same time period. Coggins further compared this parcel to one in Washington County, MD. The slide showed that the Township would be on par against their Enterprise Zone, to be competitive with them across the state line.

Coggins explained that their property is vacant now. The property is only being farmed in order to maintain the vacant ground. He stated that the present use of the land as a cornfield is economically undesirable.

Mike Ross, President of FCADC (Franklin County Area Development Corporation), spoke in favor of adopting LERTA areas. Ross reiterated the points made by ATAPCO and MATRIX. Ross also said having new businesses come in would help balance the school tax burden. Ross says right now the residents are shouldering the tax burden, so why not try to bring in new businesses with LERTA to help share the load. Ross says Antrim Township should be about new business and the retention of businesses to avoid the creation of abandoned buildings due to company's moving out because they received a good incentive package. Ross encouraged all Industrial sites to be included in a LERTA area.

Ross also stated that many of the other industrial properties in the Township, such as Beck, Grove, Strait Steel, Graphics Universal, Commerce Ave. businesses, etc., have the same problem that MATRIX does. In addition, Ross stated that the owners of the ATAPCO property have been trying to get it developed since 1972, but the property is still vacant.

Eric Holtzman, School Board member, spoke on his own behalf stating that he felt LERTA was a fair system, feels it should be for all commercial properties, helpful in retaining jobs and for bringing in new businesses.

Lisko/Ross listed all industrial and commercial areas to add to LERTA map, if not covered. Lisko stated that Antrim cannot discriminate on the type of business that can come into a LERTA area, stating that it must be done geographically.

Mike Still, resident, asked about the difference between a Keystone Opportunity Zone and LERTA. Ross said the Keystone Opportunity Zone requirements/criteria is much higher to prove property is blighted and usually the business can receive full abatement on real estate taxes for the full term, as well as business/corporate tax abatement.

Duane Kinzer, resident and President of Century Inc., owns the 108 acre property across the street from World Kitchen. Kinzer spoke in support of LERTA and mentioned that he has had several businesses

look at his property, but lost out to another location. He said he built an entrance to his property to attract development, but it has remained vacant since 1972.

Alan Reed, President of GAADC (Greencastle Antrim Area Development Corporation) spoke in favor of the LERTA enactment.

Lisko asked Graham if any properties have received a tax reassessment within the last 10 years due to declining property value. Those listed were: Grove, Strait Steel, Farmers Union Co-op, Anvil, Jerr-Dan, Conway and Mason Dixon.

Graham read two letters sent to the township asking to be read during Hearing. Both were in favor of LERTA enactment. The first letter was from Joel Fridgen, resident and GA School Board member, and the second letter was from Chris Hohl, General Manager at Beck Manufacturing.

Graham stated that he has contacted several businesses in our Township concerning LERTA, and reported that while some said they would not utilize the LERTA program (as they have been able to stay up on their modernizing) they can see the need for this program.

Joel Wenger, resident and on our Planning Commission, spoke up and addressed what he thought to be unfair in that he keeps his farm up to date and in good shape, but because his property is zoned AG (agriculture) he cannot ask for the LERTA support.

A Baer/Heraty motion passed 5-0 to adjourn the Hearing portion of the meeting at 9:20 PM.

A Baer/Alleman motion passed 5-0 to re-enter the regular meeting at 9:20 PM.

After much discussion among the Supervisors, a motion was presented by Heraty to adopt a resolution establishing a LERTA district as shown in exhibit A (map) with the following additions to the map: Gibbles (plant), PME (Precision Manufacturing and Engineering), all ATAPCO properties, all MATRIX properties, Mitchell Machine, Biltwood Powder Coating, Greencastle Bronze & Granite and Timbermill Storage Sheds. The application for exemption can be made anytime within the seven years from the effective date of this resolution (which is August 14, 2012) with a possible three year extension. The schedule will be at 100% abatement for the first year, and a 10% decrease each year thereafter. A second to this motion was made by Baer.

Chairman Young called for a roll call vote:

- Byers - Yes
- Alleman – Yes
- Heraty – Yes
- Baer – Yes
- Young – Yes

A Baer/Heraty motion passed 5-0 to adjourn into Executive Session at 9:57 PM

A Baer/Heraty motion passed 5-0 to adjourn Executive Session at 10:11 PM, back into Regular Meeting.

Young announced they discussed personnel matters.

A Baer/Alleman motion passed 5-0 to adjourn the Regular Meeting at 10:12 PM.

Respectfully submitted,

Jennifer Becknell

Board of Supervisors Secretary