

The stated meeting of the Public Affairs Committee of the Board of Commissioners of the Township of Abington was held on Wednesday, September 4, 2019 at the Township Administration Building, Abington, PA., with Commissioner Spiegelman presiding.

CALL TO ORDER: 8:25 p.m.

ROLL CALL: Present: Commissioners SPIEGELMAN, BOWMAN, SCHREIBER, DiPLACIDO, MYERS

Township Manager MANFREDI
Assistant Township Manager WEHMEYER
Township Solicitor CLARKE
Township Engineer MONTGOMERY

Also Present: Commissioners KLINE, ROTHMAN, ZAPPONE, BRODSKY, CARSWELL, THOMPSON, GILLESPIE, WINEGRAD, VAHEY

APPROVAL OF MINUTES:

Commissioner Spiegelman made a MOTION, seconded by Commissioner Schreiber to approve the minutes of the June 5, 2019 Public Affairs Committee Meeting.

MOTION was ADOPTED 5-0.

PRESENTATION: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

Item PA-01-091219:

Commissioner Spiegelman made a MOTION, seconded by Commissioner Myers to authorize advertisement for members to be appointed to the Board of Code Appeals.

Commissioner Spiegelman asked for any comments from Commissioners or staff.

Manager Manfredi said last year, the Board passed an ordinance authorizing the creation of a Board of Code Appeals, but chose to wait until a future date to make sure there is a need for it. This is a request to advertise vacancies so the Board of Commissioners can make appointments to the Board of Code Appeals.

Vice President Kline said this is long overdue and this is a good way to vet interpretation for building permit/code disputes.

Commissioner Schreiber clarified that candidates will be sending a letter of interest to the Township Manager's Office. Is that correct?

Manager Manfredi replied yes. If approved for advertising, four members will be interviewed by a subcommittee of the Board of Commissioners and then appointed by the full Board.

Vice President Kline noted there is a certain skill set prescribed in the ordinance as mandated by the code.

Commissioner Spiegelman asked for any public comments.

Lora Lehmann, 1431 Bryant Lane, commented that her concern is that "we are going to have developers and friends of the Township who want to break the rules and this will be used to get the monkey off your back and put it in others' hands."

MOTION was ADOPTED 5-0.

Item PA-02-091219:

Commissioner Spiegelman made a MOTION, seconded by Commissioner Schreiber to authorize advertisement of Ordinance 2169, Economic Development Corporation, and approve the rate schedule for Obermayer, Rebmann, Maxwell & Hippel, LLP for legal services as attached.

Commissioner Spiegelman called on Mr. Dave Nasatir, Partner and Mr. Michael Thom of Obermayer Rebmann Maxwell & Hippel LLP.

Mr. Nasatir said we were asked to look at the concept of an Economic Development Corporation and whether or not it would make sense to create this vehicle for the Township. An EDC is a quasi-governmental nonprofit corporation whose mission is to provide economic development to a targeted geographical area.

The EDC would be created by an ordinance of the governing body; the EDC would create bylaws and articles of incorporation and pass a corporate resolution and the Board of Commissioners appoints directors to serve on the EDC's Board.

The Township will need to provide funds to cover start-up costs to fund projects and operations of the EDC and this can be done through a loan/line of credit extended to the EDC; a cooperation agreement to continue utilizing existing management structure to decrease start-up costs or a gift of finances. EDC may also obtain grants and loans; additionally, post-development, the EDC may be able to generate revenue through leasing developed sites, creating a loan facility to small businesses or sell developed sites.

Anyone who is involved in the community or has a business in Abington regardless of whether or not they live here can serve on the EDC.

EDC's are great for spurring development throughout a community; they should not be set up to complete one project, instead they should be created with forward-thinking and long-term vision of redevelopment throughout the community.

Possible EDC development; Old York Road/Susquehanna Road, a project consisting of purchase and redevelopment of blighted properties on or near the intersection including acquisition of properties; demolition of properties; redevelopment and widening of intersection and redevelopment of properties. Other areas for possible EDC redevelopment would be the Noble and Roslyn areas.

Creation of an EDC would spearhead redevelopment as well as future growth and economic development within the Township. Pros of redevelopment through EDC; quasi-governmental nonprofit corporation can access private funding sources as well as taxable and tax-exempt debt; Township retains control of the EDC, but distance itself from day-to-day operations and public reaction to redevelopment; EDC's are not required to comply with timely governmental requirements including bidding and EDC development sites can become revenue to fund future projects throughout the Township.

Mr. Thom provided examples of successful EDC projects such as the Philadelphia Navy Yard; Sly Fox Brewing Company in Pottstown and Hatfield Industrial Development Authority.

Mr. Nasatir said we recommend that the Township create an Economic Development Corporation as it makes sense for numerous sites identified by staff that includes a cooperation agreement.

Commissioner Spiegelman asked for any comments from Commissioners or staff.

Commissioner Bowman said he attended a briefing on this matter and it makes sense for the Township as we do not have the expertise necessary for redevelopment and this is a vehicle that will help get projects completed without constant oversight by the Board. He is in favor of it and intends to vote for it and he urged his colleagues to do so as well.

Commissioner Schreiber agreed with Commissioner Bowman's comments and she is also in favor of it. Since it is a volunteer Board has it ever slowed down the process?

Mr. Nasatir replied it tends to be quicker than government because a lot of the "red tape" has been removed from the process.

Commissioner DiPlacido questioned how the Township's Economic Development Committee would interact with an Economic Development Corporation.

Mr. Nasatir replied the Township's current Economic Development Committee works under Township's auspices and provides guidance and needs approval for any decisions to be made. An Economic Development Corporation would be a separate body created and appointed by the Township that is given certain duties and has the power to complete it on a much bigger platform.

Manager Manfredi clarified that the Economic Development Corporation has different tools under the law as opposed to a committee. Is that correct?

Mr. Nasatir replied absolutely. It has the ability to borrow money; obtain grants; execute contracts; hire consultants; engage with a master developer for a particular site that is vetted to decide whether to see it through to completion.

Mr. Thom added that the Economic Development Corporation also has the ability to lease projects after they are developed and become property managers; sell properties and turn whatever is developed into something that generates revenue for the Township.

Manager Manfredi added that they operate under a different statutory authority as opposed to an ordinance or resolution of the Township.

Commissioner Myers said while she is very much in favor of the corporation, she has questions on cost. Would the corporation be paying the firm's fee or would the Township be paying it?

Mr. Nasatir replied upon the creation of the EDC with members appointed by the Board of Commissioners including articles of incorporation and bylaws adopted by the Township, the EDC would choose its own solicitor and advisors, engineer, architects, etc., and the EDC would be responsible for paying those bills. Initially, the EDC will not have any funds, it will need to borrow monies from the Township such as with a line of credit, but when redevelopment occurs and revenue is generated, then the Township would be paid back.

Commissioner Myers asked for approximate start-up costs.

Mr. Nasatir replied the EDC would need to retain a solicitor and decide whether to retain his firm or choose another one. The Township needs to pay for the creation of the EDC, and after it is created and a Board is appointed, they would choose a solicitor and they would need to pay for those services going forward. Fee would be approximately \$10,000-\$20,000.

Commissioner Myers questioned whether fees contained in the letter of intent are in-line with industry standards.

Commissioner Brodsky said he also attended the initial briefing and agreed with Commissioner Bowman's comments, and the fees are within industry standards.

Commissioner Myers suggested a not-to-exceed amount.

Solicitor Clarke said there is nothing to prevent the Board from placing a soft cap on fees, and if it exceeds that amount, approval is needed by the Board.

Commissioner Myers said she likes the idea of a cap to check on progress.

Commissioner Bowman agreed on a soft cap of \$20,000 and further approval would be needed for exceeding that amount.

Vice President Kline said this is a motion to advertise, and he agreed with Commissioner Myers that there should be no reason why they cannot offer a fixed fee amount for the work that needs to be done to create an EDC as this firm has the experience, and he wants that to be explored between now and the time of the hearing.

Commissioner Bowman said this is not just a motion to advertise, but also to approve the rate schedule, so it is appropriate to discuss a cap.

Commissioner Rothman asked about a timeframe for this work to be done.

Mr. Nasatir replied we will move quickly to put an ordinance in place, bylaws and articles of incorporation, which can be done within 60-90 days.

Commissioner Vahey commented that he works for a peer firm of Obermayer and a 30-year partner would charge double or more, so the fee is reasonable. Also, he is the Board's liaison to the existing Economic Development Committee and he sent an email to their chairman about this and the EDC will continue to move forward in its current advisory capacity. They actually spearheaded the Old York/Susquehanna Roads project and took the lead on it for many years, but he feels they have come to the end of the road of what their powers will allow them to do as far as moving the project forward, so creating this corporation will provide more power in seeing this project grow. He is excited that the EDC will be able to support these projects with their own funds and their own staff, and this is a great opportunity and he urged the Board to support it.

Commissioner Thompson said he whole-heartedly supports this opportunity. Work has begun on the new Comprehensive Plan, and by having an EDC evolve over the next few years along with the Comprehensive Plan, it may offer a unique opportunity to target and prioritize projects with a proactive plan.

Manager Manfredi noted that considerable dollars have already been spent in analysis of Old York/Susquehanna Road project and the rate schedule was included in the motion for transparency. He clarified that a lot of the work that has already been done and paid for will reduce costs going forward. Is that correct?

Mr. Nasatir replied absolutely.

Commissioner Spiegelman said he is strongly in favor and eager to see it move forward. He asked for any public comments.

Lora Lehmann, 1431 Bryant Lane, said she is not at all in favor of this for so many reasons and expressed concern about "the Board appointing people who are doing business in a separate entity with Township resources and the Board should be enforcing the laws so that the resident's lives are better."

Commissioner Myers made a MOTION to AMEND the original MOTION to include a \$20,000 soft cap.

MOTION to AMEND the original MOTION – PASSED 5-0.

MOTION as AMENDED – PASSED 5-0.

Item PA-03-091219:

Commissioner Spiegelman made a MOTION, seconded by Commissioner Bowman to award the Base Bid for the 2016 Growing Greener Project for Stormwater Management BMP Control Measures at Roychester Park and Evergreen Manor Park to Land Tech Enterprises, in the amount of \$174,774.00 and to authorize utilizing MS4 program money from appropriated MS4 program funding, if necessary.

Commissioner Spiegelman called on Township Engineer.

Ms. Montgomery said the project was sent out for re-bid and three bids were received. The lowest base bid was slightly higher than what remains in the budget; however, MS4 funds are available if needed.

Commissioner Spiegelman asked for any comments from Commissioners or staff. There were none.

Commissioner Spiegelman asked for any public comments. There were none.

MOTION was ADOPTED 5-0.

PUBLIC COMMENT – general matters relating to Public Affairs:

Lora Lehmann, 1431 Bryant Lane, expressed concern about the speaking rights.

ADJOURNMENT: 9:31 p.m.

Respectfully submitted,

Richard J. Manfredi, Township Manager/Secretary

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