

BOROUGH COUNCIL PUBLIC HEARING
March 1, 2022, 5:30 PM, Municipal Building
Local Economic Revitalization Tax Assistance Boundary Designation

CALL TO ORDER

Josephine Laird, Council President, called the meeting to order.

ROLL CALL

Present were Councillors William Cox, Cheryl Evernham, Joseph Flynn, John Kennard, Josephine Laird, Michael Manerchia and Brian Mercadante. Also present were Mayor Gene Taylor, Borough Manager Andrew Weldon, Solicitor Mark Much, and Planning and Development Director Bruce Dorbian.

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The meeting was advertised in the February 18, 2022 edition of the Delaware County Daily Times.

PUBLIC HEARING

The applicant, Duke Realty Limited Partnership, has applied to the Borough of Marcus Hook for Local Economic Revitalization Tax Assistance, Act No. 76 of 1977 (LERTA), designation for properties located on the southern side of 10th Street and between the Marcus Hook Creek on the east and the Linwood Rail Spur on the west, consisting of 21 land parcels. The formal request for Marcus Hook Borough to adopt a LERTA ordinance covering the Duke Realty properties was submitted in a letter dated February 25, 2022.

The purpose of tonight's hearing is to establish the precise boundaries of the area and the property's classification as a deteriorated area.

APPLICANT'S PRESENTATION

Speaking for the applicant was Scott Henderson, VP Leasing and Development - Duke Realty, and Kimberly Freimuth, Esq. - Spruce Law Group.

Ms. Freimuth discussed Pennsylvania's LERTA real estate tax law. In 1977, the Pennsylvania legislature passed the Local Economic Revitalization Tax Assistance ("LERTA") legislation to encourage improvement of deteriorating property. LERTA allows local taxing authorities to exempt new construction in deteriorated areas of economically challenged communities and improvements to certain deteriorated industrial, commercial or other business property.

The LERTA law requires a public hearing by the municipal governing body for the purpose of determining the boundaries of the deteriorated area. The map identifying the boundary of the area to be classified as deteriorated and blighted was presented. This map has been included in an attachment identified as "Exhibit A" to the LERTA Ordinance (O-22-3) which was introduced for first reading at the meeting of Borough Council held on February 7, 2022.

In order for LERTA to apply to a property, each local taxing authority must by ordinance exempt from

real property taxes the assessed value of improvements to deteriorated property(s) and the assessed value of new construction within the designated deteriorated area.

The LERTA ordinance describes the deteriorated area, notes that the tax exemption on the assessment is attributable to the actual cost of new construction, the length of the schedule of taxes exempted, and the portion of new construction or improvements to be exempted each year.

Kimberly Freimuth reviewed the criteria taken from the LERTA statute as well as the Urban Redevelopment Law and the Neighborhood Assistance Act to support the identification of the subject property as deteriorated and blighted:

- Unsafe and unsanitary buildings.
- Vacant, overgrown and unsightly lots of grounds.
- Excessive land coverage, defective design or arrangement of buildings, street or lot layouts.
- Because of physical condition, property is regarded as a public nuisance and is considered an attractive nuisance to children.
- Structures are a fire hazard and/or dangerous to the safety of persons or property.

The presenters expressed their view that the subject property clearly meets the LERTA criteria for a determination that the property is deteriorated and blighted. The recent fire at the site further evidences the dangerous conditions and attractive nuisances that the property presents.

PUBLIC COMMENTS

BOROUGH COUNCIL

Borough Council unanimously supported the boundary designation for the proposed LERTA property concurring in the position that the property is deteriorated and blighted. The boundary map as presented will be included as an attachment to the LERTA ordinance which has been presented in first reading at Council's February 7, 2022 meeting and will be placed on Council's agenda for enactment at Council's March 7, 2022 meeting.

ADJOURNMENT

Motion by ____ second by ____ to adjourn. All in favor. The Borough Council Public Hearing on the matter of the LERTA boundary designation was adjourned at ____ PM.