

**MINUTES
BOARD OF COMMISSIONERS PUBLIC MEETING
JUNE 18, 2018**

CALL TO ORDER – ROLL CALL – DECLARATION OF QUORUM:

The Penn Township Board of Commissioners met in a regular session on Monday, June 18, 2018 at the Penn Township Municipal Building. Vice President Klunk called the meeting to order at 7:00 p.m. with a roll call of members. Present were Commissioners Brown, Felix, Heiland and Klunk. Also present were Solicitor McGannon, Zoning Officer Smith, Police Lieutenant Merwede and Township Secretary Hallett. Commissioner Van de Castle was absent with notice.

PLEDGE OF ALLEGIANCE TO THE FLAG FOLLOWED BY A PERIOD OF SILENT MEDITATION:

All in attendance stood for the Pledge of Allegiance to the flag followed by a period of silent meditation.

ANNOUNCEMENTS:

Commissioner Klunk announced that after the public meeting this evening the Board of Commissioners would convene in an executive session with the Solicitor to discuss legal, personnel, and other matters involving attorney/client privilege.

APPROVAL OF THE MINUTES:

The minutes of the May 21, 2018 Board of Commissioners meeting were approved as submitted.

PERSONS TO BE HEARD/CITIZENS COMMENTS:

Brion McConville, 147 Forry Avenue, was present. Mr. McConville stated he continues to have problems with the alleyway between his home and 155 Forry Avenue. Since he first brought this to the Board's attention at the May 21, 2018 Board of Commissioners meeting there have been some improvements. The mess along the side of the garage and the trailer have been moved. He is still unable to get in and out of his garage easily. Mr. McConville quoted from Section 201.4 of the Penn Township Zoning Ordinance, "In no case is a use permitted which by reasonable noise, dust, odor, appearance, or other objectionable factor creates a nuisance, hazard, or other substantial adverse effect upon the reasonable enjoyment of the surrounding property. Every reasonable effort must be made to prevent this effect. . . ." Mr. McConville believes this problem is a nuisance and a hazard. Commissioner Klunk said the Township is in the process of updating the Zoning Ordinance and will keep these concerns in mind.

Solicitor McGannon asked if this was determined to be a private alleyway. Commissioner Klunk said it's owned by William Penn and Commissioner Felix said it's a

private alleyway with public access. Commissioner Klunk said the Police Department and Zoning Officer have been working on this and encouraged Mr. McConville to stay in communication with Township Staff. Mr. McConville said he has been in touch with an attorney and Commissioner Klunk said that's a good idea.

Brigitte Moore, 538 Meade Avenue, was present. Ms. Moore stated she has called the Township and Police Department several times concerning an RV parked across the street from her house. She believes someone was living in it but it is now vacant. She asked if the Township could do anything to get it moved. Ms. Moore stated that the owner of the vehicle doesn't reside on Meade Avenue and it appears to be abandoned. Police Lieutenant Merwede said the RV was red tagged today for an expired registration and the owner has ten days to respond. If the vehicle were registered properly and operable it is considered to be legally parked on the road, even if the owner doesn't reside on Meade Avenue.

LERTA PUBLIC HEARING:

At this time Commissioner Klunk opened the hearing to consider Local Economic Revitalization Tax Act (LERTA) designation for 300 Fame Avenue. The hearing began with Staff review and comments.

Commissioner Klunk read the following statement prepared by Township Manager Rodgers:

"The Purpose of this Hearing is to elicit testimony regarding the establishment of a boundary within which industrial development would occur and could result in assessment of a property tax rate divergent of the rate assigned to all other properties within the taxing district. The option to adjust the tax rate is allowed by the Local Economic Revitalization Tax Act, known as LERTA. This Hearing, required by the LERTA legislation has been properly advertised in the Hanover Evening Sun.

The property at 300 Fame Avenue was previously owned by B & F Tool & Gear, Inc. which submitted a land development plan in 2010 for Legacy Athletics. At that time a 20,000 square foot addition for manufacturing was added to the facility. Legacy moved to the facility on 300 Fame Avenue in 2011.

On April 23, 2018 the Township received a request from Barley Snyder on behalf of Legacy 92, LLC, the owner of 300 fame Avenue, to consider the establishment of a LERTA boundary comprising 300 Fame Avenue. The request is for consideration of a ten year tax relief schedule for improvements only. In other words, any relief granted would not include the current property taxes being paid on the land itself and the existing improvements. The proposed taxing schedule would have the property owner contributing 0% property taxes in the first year of the LERTA schedule, incrementally increasing by 10% per year until, by year 11, the tax rate would be the full 100%. L & W Apparel Co. (doing business as Legacy Athletic) currently operates its manufacturing facility on the property at 300 Fame Avenue and is looking to expand in order to grow its business. Legacy 92 is considering the acquisition of approximately six acres of land that adjoin the property to allow Legacy to increase the size of the existing building and expand its operations. They have submitted to the Township a land development plan for an addition of 106,239 square feet which will increase the size of the building to

about 177,000 square feet. They are planning a merger with League Collegiate and the merger and expansion will allow them to add an additional 75-100 jobs to the area.

All three taxing authorities, the Township, the South Western School District, and the County of York, must agree to participate in a LERTA schedule. However, the schedule need not be the same for all three taxing entities. The Township is solely responsible for establishing by Ordinance the LERTA boundary itself.

These are the Staff review comments regarding the request. We are available to respond to any questions that the Commissioners may have now or at any time during this hearing.”

Mr. Paul Minnich, attorney, Barley Snyder, and Mr. Paige Wingert, owner, Legacy 92, LLC made a presentation to the Commissioners. Mr. Minnich began by stating this is very much a good news story for the community, considering what has already happened and what is planned going forward. Since Legacy moved in in 2011, 150 jobs have been created associated with this facility. With the expansion Legacy is looking at creating 75-100 more jobs and within five years adding another 75-100 jobs. This is in addition to temporary construction jobs associated with expanding the facility. Mr. Wingert is local to Hanover and is the CEO who started this company. It started as a headwear manufacturer and has expanded significantly. They now produce apparel, home décor and fashion accessories. There has just been a merger with League Collegiate, located in Bridgeport, PA and Mr. Wingert will serve as CEO to the merged entity and control of the company will remain local. Mr. Minnich stated this is a great opportunity for Mr. Wingert to return to his new business partners and tell them they made a good choice in moving the manufacturing to Penn Township because it is a great place to do business and is receptive to a project like this. Mr. Minnich stated that Penn Township has a history of being supportive to business enterprise in the Township. In May of 2015 APIO was granted a LERTA designation and Mr. Minnich stated this is a very similar operation.

Mr. Wingert began his presentation by thanking the Commissioners for the opportunity to make a presentation. He explained this is a time of a lot of change for Legacy. They were approached about a merger last year and, after a lot of consideration and due diligence, moved forward with that transaction in April, 2018. League Collegiate is located outside of Philadelphia in an antiquated old factory that's five stories tall. He explained that Legacy is basically a decorating company. They have to be very lean and efficient to compete with companies in China, Vietnam and Bangladesh. League Collegiate liked the facility and operations in Hanover and asked if it could be expanded and if the necessary workforce could be hired. Mr. Wingert told them he wasn't sure if the land could be purchased and it is a tight labor market right now, but Legacy 92 has worked very hard on their benefits package, pay rate, and culture. Jobs start in the \$14 range and go up from there based on shift and tenure with the company, which Mr. Wingert believes has made them an attractive employer.

Mr. Wingert showed the Commissioners a plan for the proposed expansion of the property. He explained that the plans have changed very slightly. They determined that the actual decoration space within the 106,000 square foot expansion was not adequate, so they are proposing a 35,000 square foot mezzanine. The actual square footage of the addition will be 141,000 square feet, which will make the overall facility 225,000 square feet. Mr. Wingert showed the Board where the parking will be located.

He explained they are trying to work with the property itself, which is not flat and has significant slope. It's basically land locked with the surrounding parcels. For this reason Mr. Wingert believes it's a good candidate for the LERTA designation. Mr. Wingert stated that he was born in Hagerstown but has lived in Hanover since he was seven years old. He's very proud of the growth they've had in the community and the jobs they've created as well as the philanthropic activities and community service that Legacy participates in.

Commissioner Klunk asked if part of the six acres was already purchased. Mr. Wingert stated they were only able to negotiate the purchase of one acre in 2015. At that time they added approximately 30,000 square feet. Commissioner Brown asked if League Collegiate is closing their facility in Philadelphia. Mr. Wingert stated they will maintain a creative and design office in Philadelphia, along with some ancillary operations. They have a very inefficient space but would like to keep the DNA of the company in Philadelphia.

Mr. Minnich stated that the Industrial Park has been around for a long time and this track has remained unused because the development of the Industrial Park looks different than originally envisioned. This is a long standing vacant parcel with excessive land coverage, it's land-locked and hasn't been susceptible to development prior to this date. For these reasons the property meets the criteria of a deteriorated property. Mr. Minnich stated this will not impact any existing tax, but will grow the tax base incrementally because of the LERTA. Mr. Minnich stated that there has been tremendous community support for this project. He stated that Mr. Laid from the Chamber of Commerce and Ms. Hansen from the York County Economic Alliance are both present this evening in support of the project. He also stated that South Western School District is familiar with the project and has analyzed the taxes. The largest portion of the tax dollars to the school district and they are in support of the LERTA designation. Mr. Minnich offered the Commissioners a copy of a letter of support from South Western School District, but they already had the letter.

South Western School District did not have anyone present to comment on this request. Commissioner Klunk stated that a letter of support was received from Jeffrey Mummert, SWSD Business Administrator/Board Secretary.

The York County Commissioners did not have anyone present to comment on this request.

The Penn Township Planning Commission did not review or make comment on this request.

Ms. Kenetha Hansen spoke on behalf of the York County Economic Alliance. Ms. Hansen reviewed a prepared statement from Kevin Schrieber, President and CEO, York County Economic Alliance:

"On behalf of Paige Wingert and Legacy, it is my distinct pleasure to offer the following testimony supporting this request to deem the property (under review) for LERTA designation and participation.

The LERTA site designation is supported pursuant to the LERTA act under defective design. The particular lot design has deterred development on this site for many years, precluding it from significantly increasing its tax base.

I applaud Mr. Wingert for his efforts to start, grow and keep Legacy here in Hanover, York County, Pennsylvania. The YCEA partnered with him and his team multiple times relative to the acquisition and expansion of the Fame Avenue facility. Legacy proudly has grown its workforce from a few to 210 full-time employees.

We are thrilled that Legacy is postured to continue its growth trajectory. The projected \$6 million construction project would spur total economic output of \$8.8 million.

Given the competitive nature and declining levels of state economic development funding, locally driven programs such as LERTA have become increasingly vital to our economic development tool kit.

On behalf of Mr. Wingert, Legacy and the YCEA, I thank the Penn Township Commissioners for considering the LERTA site designation and participation request.”

Mr. Gary Laird spoke on behalf of the Hanover Area Chamber of Commerce. Mr. Laird stated that the Chamber is very much in support of the project at 300 Fame Avenue and respectfully requested that the Commissioners give strong consideration to this request. He stated that the backbone of our community has been manufacturing and Legacy has been fortunate to be able to sustain their business and grow over time. He recalled in 2003 when the original Legacy location was in downtown Hanover on Carlisle Street, just a small retail space selling caps. The growth they’ve achieved since that time has been amazing and can be attributed to strong leadership and commitment to our community. They’ve grown their employee base to almost 200 employees and offer a good family sustaining wage and benefits package, which is good for our community. Mr. Laird believes, under Mr. Wingert’s continued leadership, Legacy will continue to see growth that will benefit our community. Legacy has been a member of the Hanover Area Chamber of Commerce since 2003 and have been incredibly invested through charitable and financial contributions as well as encouraging their employees to get involved in the community. Mr. Laird thanked the Commissioners for their time.

There were no comments from Public Officials.

There were no comments from Solicitor McGannon.

There was no one from the general public present to comment and the public hearing was closed.

BRIEF RECESS

After a brief recess the Board of Commissioners reconvened at 7:36 p.m.

Commissioners Felix/Brown moved to adopt Ordinance No. 805, amending the Local Economic Revitalization Tax Assistance Program (LERTA) for Legacy 92, LLC. Motion carried 3-0 on a roll call vote with Commissioner Heiland abstaining.

TOWNSHIP REPORTS - STANDING COMMITTEES:

Public Safety – Commissioner Brown:

Commissioners Brown/Felix moved to adopt Ordinance No. 806, amending Section 300-29 Parking Prohibited at all Times of the Penn Township code. Motion carried 3-1 on a roll call vote with Commissioner Heiland dissenting.

Commissioners Brown/Heiland moved to approve a request dated June 13, 2018 from the Hanover Police Department for use of the Penn Township Fire Police during the Fourth of July activities. Motion carried unanimously.

Public Works & Recreation – Commissioner Felix:

There were no additions or changes to the Engineer's Report.

Commissioners Felix/Brown moved to award the 2003 Chevy K3500 Truck Bid to Keith Frederick of Doylestown, PA for a bid price of \$8,500. Motion carried unanimously.

Commissioner Felix stated that the MS4/Stormwater Inspector is available Monday thru Friday from 8:00 a.m. to 4:30 p.m. to answer any questions.

Planning – Commissioner Felix:

Commissioners Felix/Brown moved to approve a request dated May 18, 2018 from GHI Engineers & Surveyors for a waiver of Section 404 (Environmental Impact Study) of the Subdivision and Land Development Ordinance for the Legacy land development plan. Motion carried on a 3-0 vote with Commissioner Heiland abstaining.

Commissioners Felix/Brown moved to deny a request dated May 18, 2018 from GHI Engineers & Surveyors for a waiver of Section 306.B.4.a (Fencing) of the Stormwater Ordinance for the Legacy land development plan. Motion carried on a 3-0 vote with Commissioner Heiland abstaining.

There were no additions or changes to the Zoning Officer's Report.

The following subdivision and land development plan was formally filed:

SL18-10 – Mark's Auto Body

Commissioners Felix/Brown moved to approve the following subdivision and land development plans:

SL18-03 – South Western Turf Fields

SL18-08 – Wellspan Hanover Urgent Ortho

Motion carried unanimously.

There were no extension requests.

Finance – Commissioner Felix:

Commissioners Felix/Brown moved to approve Township warrants in the amount of \$885,201.77. Motion carried unanimously.

Commissioners Felix/Brown moved to approve a request dated June 1, 2018 from Denise Myatt with Relay for Life, for a waiver of the yard sale permit requirements. They further moved that Denise Myatt be required to obtain one yard sale permit for her multi-vendor yard sale. Motion carried unanimously.

Personnel – Commissioner Felix:

Commissioner Felix had nothing to report.

Health & Sanitation – Commissioner Heiland:

Commissioner Heiland had nothing to report.

MANAGER’S REPORT:

There were no additions or changes to the Manager’s Report.

OLD BUSINESS: None.

NEW BUSINESS: None.

PERSONS TO BE HEARD/CITIZEN’S COMMENTS: None.

QUESTIONS FROM THE PRESS FOR THE COMMISSIONERS: None.

ADJOURNMENT:

Commissioners Brown/Heiland moved for adjournment at approximately 7:47 p.m. Motion carried unanimously

Respectfully submitted,

Angela M. Hallett
Township Secretary