

**MINUTES**  
**Public Hearing of Steelton Borough Council**  
**May 8, 2017 6:30 PM**  
**Steelton Borough Hall**

**Present:**

President Jeffrey Wright  
Vice President Maria Marcinko  
President Pro Tem Brian Proctor  
Keontay Hodge  
Kelly Kratzer  
Michael Segina

Mayor Thomas Acri  
Dave Wion, Solicitor  
Douglas Brown, Borough Manager

**Absent with cause:** Michael Albert, Police Chief Anthony Minium, Fire Chief Eugene Vance, Thommie Leggett-Robinson, Executive Assistant

**Call Hearing to Order:**

President Jeffrey Wright called the meeting to order at 6:30 p.m.

**Pledge of Allegiance:**

The Pledge of Allegiance was led by President Wright

**Moment of Silence:**

Mayor Tom Acri led the body in a moment of silence in respect to those who lost their lives in the service of our country and other loved ones.

**Introduction:**

President Jeffery Wright addressed the body defining the purpose of this Special Hearing to Receive Public Comment In Relation To Affixing the Boundaries Of Deteriorating Areas or Neighborhoods For Tax Exemption Purposes

**Public Presentations on LERTA/IDRPTE Boundaries for Ordinance**

George Connor, Executive Director Dauphin County DCED and Redevelopment Authority Local Economic Revitalization Tax Assistance Program (LERTA Program)

In 2012 the Redevelopment Authority compiled a redevelopment plan which identified different blighted structures in the 40 municipalities within Dauphin County. Several municipalities in the County have experienced very successful programs. In 2012, plans were made to build 12 new homes on Adams Street. At that time there was no LERTA Program. In an effort to revitalize the Steelton Borough, the Redevelopment Authority was asked to assist in building the townhomes through the use of the LERTA Program. Mr. Douglas Brown, Steelton

Borough Manager stated that in 1976-1977 the State of Pennsylvania designed a way to encourage new developments and improvements in blighted areas. This was done by authorizing the easing of increasing tax based on reassessed property values. Harrisburg began using the LERTA Program in 2015. At this time, Steelton is suffering from blight throughout the Borough. The blight is concentrated in certain areas of the Borough, which as a whole has seen a significant lack of new development or redevelopment in the last ten years.

Last month Mr. Conner and Mr. Brown made a presentation to the Steelton-Highspire School District requesting a ten year 100% LERTA abatement. The School District did not approve their request as presented.

Mr. Conner explained that there are different types of LERTAS with different time limits and different percentages of relief. Mr. Wright requested clarification on the information regarding the School District's response. Mr. Conner stated that he and Mr. Brown requested Borough wide ten year 100% LERTA and the District only approved two areas for participation in the program. Mr. Wion stated that he understood that the program was approved Borough-wide but only Front Street and Adams Street Projects were approved for the ten year 100% program, thus creating two different districts. The second district will be a descaled version of LERTA. Ms. Marcinko asked if the School District gave a reason for making two separate districts. Mr. Brown stated that there was some hesitation regarding the decreased revenue if the entire Borough was included in the 100% abatement. Mr. Conner stated that the Borough has not lost anything since it will all be used for new and/or improved projects.

Using a power point slide presentation, Mr. Brown pointed out boundaries for the area that will receive full abatement. The area named the Town Center District covers: Front and Conestoga Streets to Strawberry Alley; Second Street from Adams Street to Strawberry Alley; Second and Walnut Streets to Fourth and Walnut Street and Elm Street and River Alley to Strawberry Alley. The rest of the Borough will have a five year 100% abatement. Mr. Conner stated that there were about 17 residential properties and 17 commercial properties were included in the original strategic plan. However, three additional commercial properties have been added. He stated that LERTA will spark development in Steelton and assist the town for revitalization. Three large projects identified in the strategic plan, Lykens, Hummelstown and South Allison Hill, were cited as successful programs that used the LERTA Program. The property at 101 Locust will be the first project. The Dauphin County Redevelopment Authority will partner with Steelton through the Land Bank Authority. The Land Bank Authority will partner with Habitat for Humanity which will provide volunteer labor. The Dauphin County Commissioners awarded Gaming Grant funds to the Land Bank Authority. Those funds will be used to purchase the materials for the project which is scheduled to begin in June or July.

A Second District, of non-C-1 properties, have been identified as blight with stagnate property values because of lack of development. Properties that have been identified as property maintenance issues are located on Ridge, Pine, Adams, Swatara Streets and some properties in the East End. Those properties that cannot be renovated will be demolished with funds provided to the Land Bank Authority by using Dauphin County Commissioner's Demolition Fund. Mr. Wright asked if the properties identified were owned by individuals or rental

companies and could the property owners apply for monies to improve them. The Dauphin County Land Bank can partner with non-profit, for profit and individuals to make necessary renovations. Mr. Wright asked about other persons using the funds to determine if there were other avenues for the identified properties other than demolition. Mr. Conner responded that properties will be assessed to determine if there is any chance that improvements can be made before identifying them for demolition.

President Wright called for questions from the audience or from Council. Mr. Proctor and Mayor Acri thanked Mr. Conner for his work. President Wright stated that anyone who would like to view the power point presentation should come to the Borough Office where it will be available. Ms. Kratzer asked if she could get a copy of the schedule. The President stated that copies would be made available.

Mr. Amrinder Singh, Codes/Zoning Officer for Steelton Borough presented a review of Blight within Boundaries of the LERTA District in the Steelton Borough. He stated that within the last ten years 1,818 properties have changed hands for a total cost of \$55.5 million. The average property sale was \$30,520. In 2016 \$6.8 million changed hands and the average property sale was \$29,169 which indicated that property values are stagnant. He shared statistics gathered through the Steelton Codes Department in 2016:

- Of 2571 properties only 93 building permits were issued. This means that 3.6% of the properties had work done on them.
- 20 stop work orders were issued for persons working on properties without building permits. The conjecture is that those property owners did not want the Borough to know that changes were being made, because doing so would increase the property values and taxes.
- 15 properties were condemned because of fire, structural damage, no utilities or no certificate of occupancy. This represents a little over .5% of the properties in the Borough.
- 93 work permits were issued for a total of \$1.1 million worth of improvements, but that means the average permit was only \$12,000. These numbers do not reflect a lot of change.
- The average rental property had about 9 code violations. Of the 385 rental properties inspected 3,361 code violations were found.
- Of the 309 property complaints filed, there were 2,104 code violations which averages 7 code violations per complaint.
- 1,553 quality of life issues (high weeds and grass, trash, animal waste violations) resulted in the Codes office issuing 1,319 warnings, 455 quick tickets and 333 citations.
- Steelton Borough passed Chapter 85 in 2011. This legislation is the vacant and abandoned real estate property registration program in which requires any financial institution connected with those properties to report a Notice of Default to the Borough. 186 notices were filed, which means in the past five years, 7.2% properties in Steelton have gone through the foreclosure process

- In the last survey conducted by the Codes Office, 180 properties are vacant, which is amounts to approximately 7% of the properties.
- According to 2011-2015 Census Bureau reports, owner occupied residential rates for the State of Pennsylvania is 69.2%, in Dauphin County the average rate is 63.5% while Steelton's is 48.3%.
- Again, according census statistics in the same period of time, the median value of owner occupied properties in the State of Pennsylvania is \$ 166,000. In Dauphin County the average property value is \$ 159,000 but in the Steelton Borough the average property value is \$ 92,300.
- According to census records the median selected owner cost without mortgage in the State of Pennsylvania is \$498 per month, Dauphin County's median is \$ 517 and in the Borough of Steelton, the median owner cost is \$581.

Mr. Singh stated that the numbers and by observation, owners are asking why they should put money into their properties. With the use of the LERTA Program, owners will be inspired to invest more into their properties which will increase property values and promote a higher quality of life for the residents.

Mr. Wright stated that if we put the onus on the owner of the property, particularly with rental property it is probable that this will increase rent cost. Ms. Marcinko stated that the owners will get a tax break for making improvements on their properties. She does not believe that the 93 permits reported reflects the true number of renovation being made in properties. Persons are concerned that their property values will increase, thus increasing their taxes. This means that the Borough needs to emphasis the tax break which will encourage property improvement. Mayor Acri asked what needs to be done to encourage the School District not to raise taxes. There was no answer to that question. The Mayor asked Mr. Singh to clarify the average property value in the Borough. Mr. Singh re-stated that the average owner occupied property, per the Census Bureau, is valued at \$92,300. There were no additional questions for Mr. Singh.

Steve Howe, Dauphin County Director of Tax Assessment presented information from the Tax Assessment point of view. He stated that the assessed values of commercial and residential properties between 2013 and 2017 decreased during this time period. However the tax exempt property assessments increased. This indicates that non-profit entities are growing, whether by number or the purchase of addition properties, either way, the tax base declines. Mr. Wright explained that with the abatement process the property owner will continue to receive tax notices based on the abated properties that we receive now. What is being abated is the assessment and consequence tax dollar for the next ten year, five or six years. The Borough will continue to receive the taxes on the properties that enroll in the program actually deferring the tax dollars to somewhere down the road so people will need to plan ahead ten years. Mr. Singh reiterated that the figures he gave during his presentation were accurate as of today.

Michael Pehur, Development Financing Consultant, submitted a written statement regarding LERTA effectiveness.

Mr. Segina stated that he thought this is a good program will help not only the Borough, but the School Board as well.

**Adjournment**

President Wright declared the Public Hearing closed at 7:22 p.m.

**Special Meeting of the Steelton Borough Council  
May 8, 2017**

**Call Meeting to Order:**

President Jeffrey Wright called the meeting to order at 7:23 p.m.

**Approval of minutes from previous meeting: April 17, 2017**

Ms. Hodge moved and Mr. Proctor seconded that motion that the minutes of the April 17, 2017 Council Meeting be accepted as presented. The motion passed by a unanimous vote of the Council.

**Public Comment on Agenda Items Only:**

There were no public comments.

**Special Order of Business:**

Mr. Wion presented Ordinance 2017- 3, Amending the Code of The Borough of Steelton, Ch. 102 Taxation, to Add a New Article IX, Exemption From Taxes on New Improvements, for Council's consideration. Mr. Wion explained the ordinance and procedures used. The public hearing statutes require a Public Hearing be held for the implementation of a constitutional provision in order to give tax exemption on real property taxes on deteriorated property in order to be able to encourage developments. The initial Ordinance was written including the entire Borough as eligible for the ten year 100% abatement. However, the Ordinance was revised and advertised to include two distinctive areas and abatement requirements as agreed by the School District that is, a Town-Center District and Adams Street Addition with a ten year exemption with 100% of the value exempt and a Non Town-Center District which will be the rest of the Borough. In order for the program to be implemented, the School District and Dauphin County must file resolutions similar to the ordinance filed by the Borough. The provision for the tax exemption schedule regarding the Non Town-Center District was included in the ordinance. Ms. Hodge requested clarification of the action the Council should take since the ordinance has to be revised as advertised. In response to the ensuing discussion, Mr. Proctor moved that Ordinance 2017-3 to change the exemption schedule for Non-Town Center District be changed to read 100% for the first five years and exemption decreasing by 20% per year so that the schedule will be 80% exemption year six, 60% exemption in year seven, 40% exemption in year eight, 20% exemption in year nine and 0% exemption in year ten. Mr. Segina seconded the motion which passed by a unanimous vote of Council. Mr. Wion was granted permission to re-advertise the Ordinance with the revision. It is noted that the revision can be made to the ordinance if it is done within ten days from the time it is passed.

## **Other Business:**

Mr. Singh requested approval for declaring May 2017 Building Safety Month. This recognition was developed to help raise awareness of building safety, the Borough of Steelton Office of Code Enforcement proudly celebrates Building Safety Month during May. Building Safety Month is a public safety awareness campaign to help individuals, families and businesses understand what it takes to create safe, resilient, affordable and energy-efficient homes and buildings. In addition, Mr. Singh requesting also requested that May 25, 2017 be designated Codes Safety Day. Ms. Marcinko moved and Ms. Kratzer seconded the motion to declare May Building Safety Month and May 25, 2017 Codes Safety Day. The motion was passed by a unanimous vote of Council.

Mr. Singh presented a letter from Mr. Michael Rozman resigning from Zoning Hearing Board. Ms. Marcinko moved and Ms. Hodge seconded the motion that the Council grant approval of resignation letter effective April 20, 2017 and that Mr. Brown send a letter to Mr. Rozman thanking him for his service. The motion passed by a unanimous vote of Council. Mr. Brown was granted permission to advertise the position

Mr. Brown requested Council approval to send Ms. Marcinko and Ms. Kratzer to PSBA Conference on May 9, 2017. Mr. Segina moved that Ms. Marcinko and Ms. Kratzer be approved to attend the meeting with a maximum stipend of \$250.00. Mr. Proctor seconded the motion which was unanimously passed by Council.

Mr. Proctor presented items from the NEDC.

- The committee would like to sponsor a Halloween parade. He asked Ms. Kratzer to work with Ms. Terry Carroll to plan and prepare for the parade.
- The Committee would like to rename Borough Hall the Frederick W. Douglas Building. Ms. Marcinko noted that Mr. Douglas was the first African-American Police Chief in the eastern part of the United States. She added that since there was no separate Police Station, he should be honored by renaming the building in which the Police Department is housed.
- The Committee recommends renaming Adams Street to Frank Brown Boulevard. Mr. Brown was the first African-American mayor of Steelton. Mr. Proctor stated that these are the first two changes the Committee would like to make. Other recommendations such as honoring Mr. Wiederman and others who have made significant contributions to the community are being considered.

Mr. Acri informed the Council that every property owner on the street must input on the renaming of street. Ms. Marcinko moved that Mr. Brown contact each property owner on Adams street to get their input of the renaming of the street and that they be given 30 days to respond to the inquiry. Ms. Kratzer seconded the motion and it was passed by a unanimous vote of Council. Ms. Kratzer moved that October 30, 2017 be designated as the day for the Steelton Halloween Parade which will be conducted on Second Street. Ms. Hodge seconded the motion which was unanimously passed by Council. Ms. Marcinko moved that Mr. Wion be authorized to prepare a resolution naming Borough Hall the Frederick W. Douglas Building, and

that the resolution be prepared for presentation by the next Council meeting. The motion was seconded by Mr. Proctor and was passed by a unanimous vote of Council.

**Public Comment:**

There were no public comments.

**Council Concerns:**

There were no Council concerns.

**Executive Session:**

Council recessed into Executive Session to discuss personnel and legal issues at 7:58 p.m.

**Adjournment:**

Council resumed the meeting. Mr. Segina moved and Ms. Kratzer seconded the motion that the meeting be adjourned. By a unanimous vote of Council, the meeting was adjourned at 8:00 p.m.

Respectfully Submitted,



Douglas Brown, Secretary



**Special Meeting of the Steelton Borough Council  
May 8, 2017**

**Call Meeting to Order:** President Jeffrey Wright

**Pledge of Allegiance:** President Jeffrey Wright

**Moment of Silence:** Mayor Thomas F. Acri

**Executive Sessions between meetings:** None

**Approval of minutes from previous meeting:** April 17, 2017 Council Meeting

**Public Comment on Agenda Items Only**

**Special Order of Business:**

Mr. Wion

Consideration of Ordinance 2017- 3 Amending the Code of The Borough of Steelton, Ch. 102 Taxation, to Add a New Article IX, Exemption From Taxes on New Improvements

**Other Business:**

Mr. Singh

Approval for Declaring May 2017 Building Safety Month

Mr. Singh

Resignation of Mr. Michael Rozman from Zoning Hearing Board – Board Approval of Resignation Letter

Mr. Brown

Approval to Send Ms. Marcinko and Ms. Kratzer to PSBA Conference on May 9<sup>th</sup>

**Public Comment:**

**Executive Session:** To Discuss Personnel Issues

**Adjournment:**