

GENERAL BUSINESS MEETING
JULY 26, 2011

A general business meeting of the Palmer Township Board of Supervisors was held on Tuesday, July 26, 2011 at 7:00 p.m. in the Community Room of the Palmer Library with four Supervisors in attendance: David Colver, Robert Lammi, Michael Mitchell, and Ann-Marie Panella. Robert Smith was absent. Also in attendance were the Township Manager, Planning Director, Public Services Director, Police Chief and Township Solicitor. Takisha Thomas from Patch Internet News, Colin McEvoy from The Express Times and Samantha Marcus from the Morning Call represented the news media. Chairman Colver convened the meeting and led those present in the Pledge to the Flag.

2. APPROVAL OF DISBURSEMENT OF FUNDS – JULY 11, 2011 AND JULY 26, 2011
INFORMATION

The report will be provided at the meeting.

DISCUSSION

On motion by Mitchell, seconded by Panella, and agreed by all, the Board approved the disbursement of funds for July 11, 2011.

On motion by Panella, seconded by Mitchell, and agreed by all, the Board approved the disbursement of funds for July 26, 2011.

3. APPROVAL OF MINUTES – JULY 5, 2011

DISCUSSION

On motion by Lammi, seconded by Mitchell, and agreed by all, the Board approved the minutes of July 5, 2011.

4. PROCLAMATION PRESENTATION TO CRAIG MAURER

INFORMATION

The Board will be presenting a proclamation to Craig Maurer in recognition of his achievements at the Special Olympics World Summer Games.

DISCUSSION

Dave Colver presented a proclamation to township resident Craig Maurer recognizing him for his achievements at the Special Olympics World Summer Games in Athens Greece. Maurer captured a gold medal in the bench as he lifted 171 pounds, took a silver medal with a dead lift of 281 pounds, a bronze medal in the squat with 171 pounds and earned an overall silver medal for the competition.

5. ROUTE 33 TAX INCREMENT FINANCING PLAN PRESENTATION AND RESOLUTION

INFORMATION

Representatives from the Northampton County Industrial Development Authority will be making a presentation to the Board.

DISCUSSION

Colver said he has acted as the township representative over the past several months on the TIF committee and tonight the county is here to make their presentation to the Board.

Alicia Karner, Executive Director of Northampton County Industrial Development Association said it was about one year ago when they came to the township and asked for a township representative to serve on the TIF committee. Karner said the Board agreed to have Dave Colver participate. Karner reviewed a plan designating the TIF area at the Route 33 and Main Street interchange. Karner said the county previously worked with Palmer Township for the TIF for the Home Depot project on 25th Street. Karner said a TIF takes the property taxes generated as a result of the development to pay down the debt.

Joe Hogan, TIF Consultant with Mullin and Lonergan Associates, distributed a project summary to the Board. Hogan said we also presented the 25th Street TIF several years ago. Hogan said the area consists of 689 acres. 50 acres are owned by the Nazareth Borough Municipal Authority. One residential property and the remaining is owned by the private developer. Hogan said the total assessed value of the property is \$2,230,300 and the township currently receives \$13,661 per year in real estate taxes. Hogan said this amount is known as the Tax Increment Base and must be paid before any allocation of additional tax revenues are remitted to the Industrial Development Authority for payment on the Tax Increment Bonds. Hogan said a feasibility study prepared for the TIF District by the Dietrick Group projected that development of 435 acres over a twelve year period would have an estimated market value of \$414,437,500. Hogan said the cost of the interchange project as estimated by Langan Engineers is at \$23,452,668 and \$22,333,000 of TIF bond funds will be used to construct the Route 33 interchange. The TIF applicant will pay the difference in the interchange costs. Hogan said during the first five years of the project, the increase in real estate taxes is not sufficient to fully repay bond debt. Capitalized interest will be used in the first three years. Hogan said \$22,000,000 will be distributed to the three taxing bodies over the 20-year period. Hogan said the township currently collects \$13,661 per year in real estate taxes which over 20-years would equal \$273,220. If the TIF gets approved, the township would collect \$1,146,644 over the 20-year period. Hogan said this proposal is conservative showing no tax increase over the term. Hogan said if the development moves slower than projected, a Neighborhood Improvement District (NID) would make payment on the bonds. In any year that debt payments are not sufficient to meet TIF bond payments, the NID will cause a special assessment against the properties to make up any shortfall in TIF bond debt payments.

Colver asked what happens after 20 years. Hogan said total taxes generated by year 20 are expected to be \$9,261,429 and Palmer Township would be getting 10% of that amount. So you would be going from \$13,661 annually in taxes collected to \$926,142. Colver asked how

the bond payment works. Hogan said taxes will come in to the township as usual and the township would make a once a year TIF payment to Northampton County IDA. Colver said you mentioned the 7% rate from Citi as being higher than you thought, can you elaborate. Hogan said there is a project in Virginia that just closed at a 7% rate, so it's a real firm number from a deal that is very similar with the same finance structure as this project. Colver said these projections also only include one property transfer over the 20-year period and no tax increases over the 20-years. Hogan said yes, that's why we believe these are conservative numbers. Colver said there are a lot of costs already being incurred, how is that being paid. Hogan said IDA is being reimbursed by the developer. Hogan said the developer and IDA looked at other state funding options but the state has nothing available. Colver said this has turned into a much larger project with \$7,000,000 required for the bridge construction alone.

Colver said the township is in the process of updating our comprehensive plan and this ties into what the township has been thinking of over the past several years of what we would like to see in the north-end of the township. Mitchell said if we don't get the interchange, we won't be able to get businesses in the industrial park. Lammi said when you look at land as you drive north on Route 33 this is a piece of land conducive to this type of development. It's relatively flat and has highway accessibility. Lammi said you are seeing a lot of this in other areas of the Lehigh Valley. Lammi said the last comprehensive plan was done in 2003 and that's when we started talking about the north end. We know from an economic development standpoint we can not develop the area impacting traffic on the local roads. That is why this interchange has become more important. Lammi said it appears there is no risk to the township. Hogan said on page four or five of the plan it states the township has no risk. Lammi said the plan talks about different types of uses in the industrial park and we have talked in the past about trying to reduce the big boxes. Lammi said with the warehouses you get a lot of square footage but not a lot of jobs. Hogan said they prefer a wide universe of uses to generate taxes. Colver said we are not zoning for any residential as part of this plan. Colver asked if there were any updates as far as the point of access study that was approved nine months ago. Scott Allinson, Tallman, Hudders and Sorrentino, said they have no official update. Langan is working with PennDOT on that. Allinson said there was some hope that the overpass would not need to be replaced but the condition is poor and it will need to be totally replaced.

Colver asked about the timeline after tonight's meeting. Hogan said we have to do special acceptance district paperwork from now to the end of year. We hope to be ready to close by spring time and ready to bid by next July and closing on the bonds around June 2012.

Peter Carlucci, Eckert Seamans, said they will be presenting to the Easton Area School District in August and then the county. The county must hold at least one public hearing where interested parties can express their views on the concept. The county must wait three weeks after the hearing to create the TIF district. Carlucci said so this could be accomplished by late November/December. Lammi asked if there is any concern with the state of the US debt plan. Hogan said Citi has held back buying up non-rated bonds. Citi thinks as time goes on and things get better there will be more buyers for the bonds. Colver asked the Township Solicitor if there were any issues or concerns. Bruno said he had no concerns from a legal perspective and this is something much larger than we have participated in the past. Township Manager, Chris Christman said he believes it has a lot of positive attributes for the township. Lammi questioned page seven of the plan where it talks about the Neighborhood Improvement District (NID). Lammi said this isn't stated in the resolution. Carlucci said it is described in the TIF plan but it

isn't in the resolution itself. We could add it to the resolution. Lammi said he felt more comfortable having it noted in the resolution as well.

The Board had no further questions.

Colver made a motion that Palmer Township approve the resolution for the TIF District as outlined in the county's presentation this evening with one minor change related to the Neighborhood Improvement District noting the cost will be levied by the owners of the parcels in the TIF District. The motion was seconded by Lammi. Bruno asked to consider amending the motion to include authorization for the Chairman to sign the resolution once amended. Colver and Lammi amended the motion as noted by the township solicitor.

Charles Altemose, 2814 Hermitage Avenue, said he has lived here for over 40 years. Altemose said the only knowledge he has is from what he reads in the newspaper. Altemose said the object seems to be putting the debt load on the local government, the school district and the county who already have budget problems. Altemose said he drove up Van Buren Road and it is beautiful country that you are going to destroy. What are you going to do about the area roads and additional police services? Altemose said these are tricky financial arrangements. The Easton Area School District is supposed to educate children not fund these types of projects. My school taxes are over \$3,000 a year and you want them to support a bond for an interchange. They can't do the business of educating the children, now this. Altemose said the people in Tatamy don't want this interchange and neither do I. Altemose said the only one that will benefit is the developer.

Colver said from the township's perspective the widening of the roads and infrastructure is going to be done by the developer, not at a cost to the township. Colver said the township isn't putting any money into the project and neither is the school district or the county. Colver said the developer is ultimately responsible. Carlucci said we borrow enough money to pay the interest on the bonds while development occurs. The money that is part of the TIF financing would pay interest on the bonds until development occurs. None of your \$3,000 school tax is going to be used for these types of bonds. If the system fails the developer is the one held responsible. Altemose asked if anyone went to the state to get money. Hogan said yes over a year ago we went to the state and there is no money available from the state. Hogan said the state currently has a gap of \$3.5 million in their transportation budget.

Colver said we also held two prior public meetings about the interchange project and we met with representatives in Tatamy and the surrounding areas. Colver said we received 28 letters of support from those public meetings and not one letter against the project. Over 100 people attended each of those public hearings. Altemose said so Palmer Township, the school district and the county are not liable for this. Colver said that is correct, the developer is liable. Altemose asked why they don't sell the bonds on the open market and not get us involved. Hogan said the developer is affecting a whole area around his land so it's not feasible for him to do that.

Lammi said we have to think about what we did at the old Bethlehem Corporation site and see how the TIF helped out with that project. That would not have happened if it wasn't for the TIF program that brought in the finances. Altemose asked once the property is developed if we will reassess them or are they getting additional tax breaks. Colver said no tax breaks

involved. Bruno said they are still paying the taxes but the township and county are agreeing to use part of those taxes toward the TIF fund.

Doug Stocker, 4075 Freemansburg Avenue, said he lives in Bethlehem Township by Route 33 and Freemansburg Avenue and that area is a zoo. Stocker said this area is also going to become a zoo. Stocker said Chrin said they were going to pay for the interchange and now they aren't and it's going to be done with the TIF. Stocker said he believes the property will get developed one way or another. Stocker asked if Chrin is going to build the interchange. Colver said \$22 million is toward the interchange. Stocker said that comes out of the TIF project. Stocker said Chrin owns another 300 or 400 acres not in the TIF plan - if he isn't paying for it he shouldn't be able to build it. Stocker asked if Chrin will be doing the construction. Alicia Karner said it will be a prevailing wage project. Karner said anyone can bid on it. Colver said he doesn't know the legality related to that question; if Chrin would be allowed to bid the project and actually do the work. Colver said it is most likely going to be someone that does highway construction. Altomose asked if this falls through is the school district, township and county liable. Colver said no.

Joe Kearney, 3140 Glen Avenue asked what if this goes "ker-plunk" and the project doesn't get finished. Carlucci said once the project is bid the money will be there to fund. Carlucci said the contractors have to provide performance bonds equal to 100% of the contract price. Kearney said you stated you don't want residential properties or big box operations; what are you looking to put in there. Colver said when we say big boxes we mean big distribution centers like in Fogelsville. Colver said the Planning Director is currently working on the comprehensive plan for the township and we are looking at what would typically be at an interchange location. Colver said light distribution, light manufacturing, offices and hotels are possibilities. Colver said it blends into our existing industrial park and what is already going on in that area now. Lammi said we tend to look at uses that bring jobs to the area. Lammi said he thinks about the Majestic facility in our existing industrial park and what a great operation that is. Altomose said that is a big box. Lammi said it is a big box but it also employs over 700 people. Kearney said we recently had a major fire in that area and asked what will need to be done related to emergency services. Colver said over the years we've talked about the potential of a possible third fire station on the north end of the township. Colver said we won't know that until we see how this shakes out. Colver said the township is controlling what will be able to go in that area and until we know what the layout is going to be we won't be able to address that. Colver said there may be a need to have one acre of land donated to the township for township services. Colver said developers have to give the township recreation fees or in some cases land in place of the fees.

There were no further comments. The board voted on the motion and it was approved by all in attendance with a 4-0 vote.

Colver said he was remiss during the TIF discussion that Supervisor Smith asked him to comment in his absence that he went through the TIF information provided and he was in favor of the process.

6. TRAFFIC CONTROL SIGNAL LIGHT ORDINANCE AND STOP AND YIELD SIGN ORDINANCE – REQUEST TO ADVERTISE

INFORMATION

The Board needs to approve/disapprove advertising the ordinance.

DISCUSSION

Colver said this is a packet of every intersection, traffic signal, yield and stop sign in the township.

On motion by Lammi, seconded by Mitchell, and agreed by all, the Board authorized the solicitor to advertise the ordinances for future adoption.

7. 2011 EMERGENCY MANAGEMENT PERFORMANCE GRANT AGREEMENTINFORMATION

The Board needs to approve/disapprove the 2011 Emergency Management Performance Grant Agreement.

DISCUSSION

On motion by Panella, seconded by Mitchell, and agreed by all, the Board approved the 2011 Emergency Management Performance Grant Agreement and authorized the Township Manager to sign the agreement.

8. TWO RIVERS COUNCIL OF GOVERNMENTS REGIONAL SKATE PARKDISCUSSIONINFORMATION

The Board needs to approve/disapprove endorsement of the concept of a regional skate park.

DISCUSSION

Lammi said he is the delegate on the Two Rivers Council of Governments and at their meeting last week Sal Panto and Dean Young made a presentation to the council. Lammi said Easton is planning a skate park in Lower Hacket Park. Lammi said we all have a problem with skateboarders trying their sport in places they shouldn't be trying their sport. Lammi said when the police chase skateboarders out of the parks the kids ask where they can go and they really have no local place to go. Lammi said Easton would like to make this a regional project and are asking for endorsement from each governing body to approve the concept of a regional skate park. Lammi said the COG as a whole supports the project and their resolution of support is part of the Boards packet. Lammi said there was some discussion as to the cost of each member that participates. Panto had a breakdown of costs using the 2000 census numbers and it was based on population by municipality. Lammi said we would also be looking for a grant to pay for some of the park. Lammi said tonight we are asking for this Board's endorsement to a regional skate park. Lammi said the COG can then use the resolutions of support to move forward.

Lammi made a motion, it was seconded by Mitchell, to approve the concept of a regional skate park for the region of Easton, Palmer Township, Forks Township, West Easton, Glendon Borough and Williams Township.

Colver asked about the use of recreation funds for this type of project. Bruno said the facility has to be reasonably accessible to the subdivision in which the money was contributed. Bruno said he would have to look if having the park outside the municipal boundaries presents an issue. Colver said he thinks each of those municipalities should contribute annually to a small maintenance fund. Panella said the demographics of skateboarders are an older group and if the teenagers have something to do they will stay out of trouble. Lammi said since this will be on Easton property, Easton will take care of all the liability issues.

Pennsylvania State Representative Joe Emerick said Nazareth Borough recently put in a skate park and said it may benefit you to talk with them about how they completed their project. Emerick said Pen Argyl Borough also put one in.

There were no further comments. The Board voted 4-0 to approve a resolution of support for a regional skate park.

9. PUBLIC COMMENT

Pennsylvania State Representative Joe Emerick said his office will look into the grant request for the skate park and see what opportunities exist. Emerick said on July 13th the State Fire Commissioner came into the district and gave a full presentation to local volunteer firefighters and EMS providers about state and federal grants that are available to these groups. Emerick said Palmer Township was unable to attend so he brought the packet of information with him tonight to pass on to them.

Representative Emerick said they would do whatever they can to assist the township with the TIF project. Emerick said it is very positive and he believes it is beneficial to the community. Emerick said we are all about new job creation. Emerick said the Bangor Area developed their own group to do these types of projects to attract businesses as well. Emerick said this is an opportunity that has a positive economic impact for us moving forward. Emerick said please do not hesitate to contact his office for assistance.

Emerick said he recently held a press conference regarding the toll hikes at the Delaware River Joint Toll Bridge Commission. Emerick said we have proposed a one-year moratorium to hold off on the increases. Emerick said there were no public hearings and no public feedback from residents before the commission announced the increase. We asked the Bridge Commission to reconsider and they said no. We are asking for resolutions requesting a repeal of the toll increase. We are trying to develop business in the area and this devastates that attempt. Emerick said one company said the tolls their truckers pay each year is over \$100,000 and they are now considering moving to South Carolina. Colver asked if they had a sample resolution the township could review. Emerick said yes, they are working on that. Emerick said during our research of the Bridge Commission we found there are three toll bridges and two of those toll bridges reside in Northampton County. Toll bridges account for 56% revenue for the bridge commission. Emerick said he takes issue with this and we will continue to work on this from a

legislative perspective in Harrisburg. Lammi said they give out grants to a lot of non-bridge related projects. Emerick said about 60% of their total cost is for salaries and benefits. Colver said he is glad Representative Emerick got to come out to one of our meetings tonight and thanked him for coming.

Keith Sterner, 4019 Nicholas Street, was in attendance with his wife Annette. Sterner said they have an ongoing problem with the construction at Edamy Street and William Penn Highway at the funeral home project. Sterner said he has a lot of their mud coming onto his property. Sterner said he lives four doors up from the project. Sterner gave the Board photos from yesterday's storm. Sterner said all that water came onto my neighbor and my properties. Sterner said it was six inches deep and it continuously washes away their flower beds and mulch; even on a two or three day continuous rain, not just the hard fast rain. Sterner said he talked to Weiss Construction who is doing the funeral home project and they said they understand there is a water problem. This has been going on since before this project. Colver said there was discussion during their land development plan about the handling of the water. Sterner said Weiss said the township engineer approved the plan that they are using now. They poured a concrete street at the southeast corner of that property and they cut the curb low as if water should flow out there. Sterner said he went to the Northampton County Conservation District and they issued a violation for the silt runoff. Sterner said he is ready to take legal action to replace all his work in replanting and mulching that he continuously loses. Sterner said his driveway continues to get coated with clay. Colver said we will have to pull plans tomorrow and take a look at it.

Kevin Bender and Joan Cleadorfer, 4033 Nicholas Street, said they are here to get something done. Bender said we were at the zoning meeting when the funeral home plan was approved. We were told by the Finegan's that they knew there was a water problem and they would do everything they could to correct the problem. Every time we get a heavy rain the water, clay and silt ends up on our property. Bender said no-one could foresee the amount of rain we got yesterday but I have a yard full of silt. Colver asked if anyone has said when the paving is happening. Bender said he didn't know. We were promised it would be fixed. We were told they surveyed for piping and that would cost too much money and they didn't have to do it. Bender said that construction site is a mess. There is garbage on site with a dumpster that was full for at least two weeks. Colver said we will get the plans out tomorrow and look at what is going on and we will get in contact with the contractor. Bender asked why the entranceway is in the corner where all the water flows. Colver asked for a day or two for the township staff to work on this and to be able to get out there and conduct an on-site inspection.

Sterner said to his northeast corner next to the Coldwell Banker property his neighbor put up a fence on her property without a permit and she put the fence up with the nice side facing her side, not my side. She also concreted posts on her neighbor's property. Sterner said she has since applied for a permit. Sterner asked how she could apply for a permit without a drawing. Sterner said I get permits for all of my projects so why can she get away without it. What enforcement does the township have? Do I have to wait one-year before she has to finish the fence? If there is an infraction can't it be addressed now? Bruno said having no permit is a township issue and can be addressed. Bruno said you may need to deal with private council for the private property issues. Planning Director Cynthia Carman said the violation should be addressed as soon as possible.

10. REPORTSTownship Solicitor

- Bruno said he forwarded a draft conditional use opinion letter to the Board for review regarding the Norwood Company project which he believes confirms the Board's opinion. On motion by Mitchell, seconded by Panella, and agreed by four, the Board authorized the chairman to sign the conditional use opinion letter.
- Bruno said Milford Plaza has not moved forward with their public improvements and are requesting an extension of time until July 31, 2012. On motion by Lammi, seconded by Panella, and agreed by four, the Board authorized the chairman to sign the extension request.
- Bruno said regarding the Kharecha subdivision property, we haven't heard back from his attorney and their extension agreement expires July 31, 2011. Bruno said since we won't meet prior to that date we will need a motion to authorize a demand on the letter of credit if an extension is not granted, subject to it being rescinded if the extension agreement is signed by the developer. On motion by Mitchell, seconded by Panella, and agreed by four, the Board authorized the solicitor to make a demand on the letter of credit subject to it being rescinded if the extension agreement is signed by the developer.
- Bruno had two litigation items for executive session.

Township Manager

- Christman said Supervisor Smith asked him to convey his appreciation to the Palmer Township Fire Department and all other departments that fought the fire at the National Plastics facility.
- Christman said we are in the process of upgrading the municipal building telephone system. Christman said we looked at several proposals and have found a system for \$9,890. It will modernize the system but we will continue to have a receptionist answer the initial phone calls.
- Christman said we have also evaluated the current copy machine and centralized printing options in the building. Christman said he has selected a lease option for a new copy/fax machine and over the next five year period we will see a savings of over \$6,000. Christman said this is because our service contracts were much higher when we purchased equipment.
- Christman said Nextel/Sprint is going to be dropping their direct connect service in the near future. Christman said the township staff met with representatives from Verizon Wireless and they are making inroads to be able to offer services. They can provide the same level of service, or better, at the same price we incur now. Christman said he would like to move forward with switching to the Verizon network. Colver said Sprint is supposed to move over in October to their two-way network. Christman said Verizon does have a push to talk feature that is the same as the Nextel direct connect. Christman said he had no issues with the Verizon system in other municipalities. Christman said at this point there is no cost saving. Colver said if there is no cost savings why not wait to see what Sprint rolls out in October before we make a change. Colver recommended Chris talk to the Verizon representative about their service to make sure it doesn't include two-year contract fees and early termination fees. Christman said they are not allowed to charge those fees to government agencies.

- Christman said the Camp Cadet program was held a few weeks ago and he was excited to see the program and participate for the first time. Christman presented to the Board a plaque of appreciation from the police department for funding the Camp Cadet program.
- Christman had one legal item for executive session.

Planning Director

- Carman had one personnel item for executive session.

Public Services Director

- Adams reported they would be finishing paving Van Buren and Stocker Mill Road tomorrow.

Police Chief

- Chief Fretz said this year's Camp Cadet program was another success. Fretz said Sue Siegfried and Officer Umstead, Linda Johnson and Tabby Smith did an excellent job coordinating the program. Fretz said ten children were repeat attendees and there were 15 new participants.

Supervisors

- Lammi said he wanted to second what Supervisor Smith and thank the fire department and all the fire departments that assisted at the National Plastics fire. Lammi said it shows that the mutual aid system can work very effectively.
- Colver said Delmar Grube will be providing the Board accounting of all manpower and equipment that was involved in fighting the National Plastics fire. Colver said we found out that they had numerous notices from the code and fire departments prior to the fire.

On motion by Mitchell, seconded by Panella, and agreed by all, the meeting was adjourned at 9:38 p.m. with one personnel and three litigation items for executive session.

Respectfully submitted,

Christopher S. Christman
Township Manager