

Myerstown, PA
Monday, February 29, 2016

President Bryan L. Rittle called the advertised special meeting of the Myerstown Borough Council to order at 7:00 p.m., on Monday, February 29, 2016. The meeting was held in Zinn Commons Room, at the Evangelical Theological Seminary, 121 S. College Street, Myerstown, PA 17067.

Following the Pledge of Allegiance, a roll call was taken. Present were: President Bryan L. Rittle, Vice President Michael D. Behm, President Pro Tem Park W. Haverstick, II, Eric L. Powell, Jeffrey L. Thomas, Mayor Gloria R. Ebling, Solicitor Thomas Harlan, Treasurer Lee C. Smith, Economic Development Manager Michael McKenna, Assistant Manager Barry A. Ludwig, Deputy Secretary Lisa A. Brubaker and Manager Christopher J. Moonis. Absent were Councilmembers Vince Podolski and Dana Reich.

The President introduced the Councilmembers, Mayor, Solicitor and Borough Staff present. Representing the ELCO School District was School Board Member Brandon Bernard, Dr. David Zuilkoski, Superintendent, and Kurt Rohrbaugh, Business Manager.

The President proceeded to the agendas order of the business:

The meeting is being held to discuss the proposed acquisition of the Myerstown Elementary School Building. The President asked the audience to hold their question or comments until after the Managers presentation. The President turned the meeting over to the Manager for his presentation.

The Manager provided a hand out of the presentation being shown. The Manager asked once the floor is open for questions the person to come to the microphone and state their name and address for the record. The Council, School District and Borough Staff are here to try to answer your questions.

The presentation was as follows:

Short history of the Property

- After many locations of Myerstown Public Schools, in 1915 the Myerstown High School was built on Railroad and Carpenter – now most recently called the Myerstown Elementary School.
- Complying with the policy of the time; one to six elementary school, a three year Junior High School and a three year Senior High School – a sizable addition was added during 1935-36.
- Further consolidation resulted in the discontinuance of a school building on College Street at Lincoln Avenue; the grades being housed in the Railroad Street building.
- In 1962-63, Myerstown joined with the other towns in the eastern part of the county and the new Elco building, more or less, equidistant from all of the towns, was erected to take care of this consolidation.
- In 2010, the facility was closed for Myerstown resident's educational purposes. To date, they have a Church organization who leases some space in the building.

Why should Myerstown Borough Invest in this Landmark Building?

POSSIBLE USES:

- Historical / Heritage Center and Museum (in the former library)
- Community Room & meeting space for local groups and businesses
- Small Business Resource Center/Circuit Rider Program

The Manager stated the borough is excited about the opening of a Small Business Resource Center. That resource center would be place for existing businesses to come meet with various agencies in order to expand their business and a place for new businesses that do not know where to go, they would come to this center. The Borough has received a grant to fund a Circuit Rider Program. With those funds we have hired Mike McKenna is the point man for the Economic Development and marketing the borough.

- Business Incubator
This is a place where new businesses can work out of at a low market rate rental cost.
- Myerstown Borough Administration
- Recreation Center (Gymnasium) Recreational Program Expansion
- Educational Institutions
We already have interest from educational institutions to provide adult learning programs and outreach programs.

- Medical-related services
- Rentable Space (e.g. Church, existing small business)
The borough has already been connected by people interested in renting space as well as the current renter wanting to stay.
- Myerstown hosted a well-known community fair from 1934-1958. We expect to renew this event moving forward.

What if Myerstown does not invest in the School?

Existing Uses Allowable under Zoning:

1. Business and professional offices.
2. Churches and similar places of worship.
3. Borough buildings, civic centers, libraries, museums, and similar uses.
4. Hospitals, infirmaries, clinics, (medical, dental, and veterinary clinics, with associated laboratories) and pharmacies.
5. Banks and financial establishments.
6. Public and private schools, including institutions of higher education
7. Administrative buildings and uses incidental to any of the above permitted areas.
8. Single-family residential dwellings.
9. Housing and specifically designed, equipped and staffed to care for the aged, retired and infirm.

The following special exception uses upon approval by the Zoning Hearing Board, as provided for in Part 23 of this Chapter:

A. Housing specifically designed, equipped, and staffed to care for the mentally disabled, including group foster homes, provided that the following standards are met: [*Ord. 679*]

- (1) Department of Labor and Industry approval of facility.
- (2) Applicable local agency approval of facility.
- (3) Submission of detailed architectural floor plans showing proposed layout of facilities.
- (4) Appropriate site improvements (i.e., recreational areas, fencing, etc.).

B. Residential facilities to provide on-campus housing for educational facilities as follows:

- (1) Department of Labor and Industry approval of plans.
- (2) Submission of detailed architectural floor plans showing proposed layout of facilities.

(3) Appropriate site improvements (i.e. recreational areas, fencing, landscaping, interior circulation plan with parking facilities, etc.)

- Future land uses are subject to decisions made by Future Borough Councils related to the Zoning Ordinance and Map revisions.
- Site Control: Site control is always number one. If you have site control, own the facility, then you are ahead and can control the type of development in that parcel.
- With the Borough owning the property, the Borough retains 100% control of what may be allowable in the space

VS.

- Private Investor looking to maximize space and profitability with below market-rate housing
- Appeal to the Zoning Hearing Board for uses not in compatibility of local intent

“The regulations of this district were designed primarily to facilitate office and institutional uses which have generally been found to be compatible with surrounding residential and commercial uses.”

Myerstown Heritage Center & Museum

- ▶ Utilize the former library space on the top floor and convert the space into:
 - ▶ Heritage Center
 - ▶ Myerstown Historical Museum
 - ▶ Isaac Meier Room
 - ▶ Common Area Meeting Room
 - ▶ Curator Office (there is also limited space for a small kitchen area)

Community Room & meeting space for local groups and businesses

- ▶ Goal is to provide two former classroom spaces into:
 - ▶ **Community Meeting Rooms**
 - ▶ These spaces would be open and eligible, by reservation, as general community purpose meeting rooms such as
 - ▶ Myerstown Action Network (M.A.N.)
 - ▶ Myerstown Community Association (M.C.A.)
 - ▶ Isaac Meier
 - ▶ Local Community Groups, Non-Profits, Grass-Roots community groups, Neighborhood Associations.
 - ▶ Local businesses could provide public information seminars such as:
 - ▶ Eldercare, Insurance, Legal Seminars, Handgun Safety/Personal protection, etc...

Small Business Resource Center / Circuit Rider Program & Ben Franklin Partnership

- ▶ **Small Business Resource staffed by Myerstown Borough’s Economic Development Manager, Michael McKenna – our circuit rider.**

A multi-municipal economic development initiative administered by the Borough of Myerstown and its partner, the City of Lebanon, with the goal of positively transforming the local economy through capacity planning and building, business development, and downtown revitalization. Mr. McKenna main function is to make it easier for people to start or expand business in Myerstown. This center is a one-stop shop offering business planning and development resources and the first place to visit when considering opening or expanding. The Borough received a grant under the **Municipal Assistance Program** for this project. The grant is paying for the circuit rider position. The goal is to sustain this position through other municipalities joining the partnership. Mike McKenna has created a **Business Guide**. This guide will make it easier for new and existing business owner to have a reference guide for the main items they will need to do to start a business in the Borough. It provides invaluable resources.

- ▶ **Ben Franklin Partnership Program presence**

The award-winning Ben Franklin Technology Partners is one of the nation’s longest-running technology-based economic development programs. For more than 31 years, BFTP has provided both early-stage and established companies with funding, business and technical expertise and access to a network of innovative, expert resources. Ben Franklin will come to the borough and have space in the building, so if business owners want to work with this program a representative will physically be here in the borough.

Small Business Resource Center / Score Mentor Program

- ▶ **SCORE Mentor Program**

Whether launching a new business or tackling issues in an existing one, SCORE of Lancaster-Lebanon has over 50 volunteer mentors to provide expert advice and feedback through our free, confidential, face-to-face mentoring program.

The Lancaster-Lebanon chapter of SCORE also offers a variety of affordable seminars and workshops that educate and prepare entrepreneurs and small business owners, covering everything from business fundamentals to financial planning and marketing.

Our SCORE Business Roundtables give small business owners with common interests the opportunity to interact in an open forum to share experiences, exchange best practices and network.

Small Business Resource Center / SBDC

Small Business Development Center (SBDC) Kutztown University of PA Mission

The mission of the network of Pennsylvania Small Business Development Centers (SBDC) is to provide entrepreneurs and small business owners with the knowledge needed to make smart decisions and prosper.

The Mission of the Small Business Development Center at Kutztown University is to grow the economy of South Eastern and South Central Pennsylvania. The Kutztown University SBDC is one of 18 Small Business Development Centers in Pennsylvania and is an accredited affiliate of the national network of Small Business Development Centers.

Vision

The Kutztown University SBDC provides consulting services and educational programs to entrepreneurs looking to start or grow their small business. SBDC consultants may work with entrepreneurs in confidential, one-to-one sessions to help them with a range of business issues including testing a new business proposition, shaping a business plan, investigating funding opportunities, and much more. SBDC educational programs serve to inform and assist entrepreneurs with the many decisions a new business owner faces. Program topics range from regulatory compliance issues to marketing tactics and are offered throughout the Kutztown University SBDC service territory with many offerings available online.

Small Business Resource Center / SBA

U.S. Small Business Administration

- **What SBA Offers to Help Small Businesses Grow**
- What does SBA offer to small business owners? The programs are many and varied, the qualifications for each are specific. SBA can help facilitate a loan with a third party lender, guarantee a bond, or help you find venture capital. Understanding how SBA works is the first step towards receiving assistance.
- **SBA's Role**

SBA provides a number of financial assistance programs for small businesses that have been specifically designed to meet key financing needs, including debt financing, surety bonds, and equity financing.

SBA offers Guaranteed Loan Programs (Debt Financing), Bonding Program (Surety Bonds), and Venture Capital Program

The Manger stated they have already committed to spending time in the borough.

Small Business Resource Center / CFF

Community First Fund provides a variety of loans to individuals and community based organizations committed to starting or expanding small or mid-sized businesses, creating affordable housing units, or developing commercial spaces that will impact the community. Community First Fund charges nominal application fees ranging from \$50 to \$100.

Small Business Loans: Up to \$50,000 for the starting of new businesses or expansion of existing businesses. Uses may include machinery and equipment purchases, site improvements, working capital, inventory, materials and supplies, and expansion.

Mid-sized Business Loans: From \$50,000 to \$500,000+ to support the increased capital needs of maturing businesses and may be used for such things as expanding or improving the business site and services provided, increasing supplies, materials and/or staff. The amount of loans to early stage and startup businesses will be considered on a case by case basis.

Community Development Loans: For the support of non-profit and community organizations to develop and support community-based programs.

Affordable Housing Loans: For for-profit and non-profit developers to rehabilitate affordable housing for rental or resale.

Commercial Mortgage Loans: Up to \$500,000 for commercial properties used as retail space, wholesale operations, light manufacturing, storage, etc. The purpose can be to purchase, construct or refinance.

SBA Guaranteed Loans: Community First is an SBA approved lender. For more information on the SBA 7(a) program, Express, Community Express, and Patriot Express visit the [U.S. Small Business Administration's Web site](#).

They can provide money from various sources in order to help you grow or start a business that you otherwise do not have access to. They are interested in making a presences in this type of facility.

Myerstown Business Incubator & Tech Center

Will be located at the Myerstown Business Center, The BF TechCelerator@Myerstown will be a full service incubator offering our businesses a place where they can not only rent the space in which to grow their companies, but also participate in the program(s) that will help them grow.

We will be a growing an Entrepreneurial Ecosystem in central PA with the potential support of many organizations, such as the LV Economic Development Corporation, the Lebanon Valley Chamber, Ben Franklin Technology Partners, Kutztown Small Business Development Center and many private and public organizations.

This program can be funded by LVEDC, and also by the Pennsylvania Department of Community & Economic Development's Discovered in PA, Developed in PA program. Additionally agencies and organizations support both the program and the renovation of the facility including the Commonwealth of PA, Lebanon County and the Borough of Myerstown. Several private sector firms may also support the program with financial assistance and other resources.

Incubating Businesses:

Advisory board- comprised of leaders in business, education, economic development, finance and entrepreneurship

Mentoring – by experienced small business executives

Financing – for technology startups

Entrepreneurs

Intensive Training Program

Entrepreneurs in very early stage

Discover whether or not to stick with the business

Provide some financial help

Co-working – Transitional Space

Short term rent in shared area

Available on a daily, weekly or monthly basis

Wireless Internet and desks available

Access to incubator programs

Myerstown Borough Administration & Recreation

- Myerstown Borough Administration would occupy the former School Administration offices
- A class room would be dedicated to the Business Resource Center
- The Gymnasium and outdoor play areas would be utilized year-round by expanding recreational opportunities to both children and adults,
 - Fall and Winter Basketball
 - Indoor Winter training: baseball, softball, soccer, basketball, etc....
 - Indoor Volleyball, Adult Aerobics, etc....
 - Summer recreation program for youth to expand

Educational and Medical Opportunities

- ▶ Educational Institutions
 - ▶ HACC use
 - ▶ Lebanon Valley College use
 - ▶ Kutztown University use
 - ▶ Adult Learning Center
 - ▶ Possible venue for vo-tech classes
- ▶ Meds
 - ▶ Urgent care
 - ▶ Physical therapy
 - ▶ Lab
 - ▶ Dialysis center
- ▶ In conjunction with
 - ▶ Good Samaritan/Wellspan
 - ▶ Penn Medicine: Lancaster general health

Rentable Space / Sponsorships

Existing Church Rental:

We intend to continue to rent space to Harvest Bible Chapel for the foreseeable future. We will meet with them formally during the architectural design of the facility to attempt to incorporate their needs.

New Rental possibilities:

We have been approached by three professional businesses that want individual classrooms at a market-rate rental price.

We expect more potential tenants to approach us.

The gym can be rented to individual organization at a market-rate rental price.

Corporate Sponsorships:

We are considering corporate sponsorship of the Building or its components.

Community Fair

- ▶ The Borough would provide the ground and building to host an annual community fair utilizing both the School & grounds and the Community Park for a potential 2-day community fair.
 - ▶ Heritage exhibits
 - ▶ Food Vendors with the possibility of a "Cook-off" competition
 - ▶ Live Music
 - ▶ Craft show / vendors
 - ▶ Kids events
 - ▶ Car Cruise-in
 - ▶ Corporate Sponsorships
 - ▶ Free- and open to the greater Myerstown region
 - ▶ Would coordinate with Jackson Township, M.A.N., M.C.A., and Isaac Meier

Acquisition & Rehabilitation

Currently, we do not have an architect. We did not want to spend the money yet. There is a provision in the agreement, that we will not acquire the building if the rehabilitation/renovations of the space exceeds the purchase price of the facility.

Sources & Uses of Funds

Uses:

Acquisition:	\$600,000
Rehabilitation:	<u>\$600,000</u> (not to exceed)
Total Acq. & Rehab.	\$1,200,000

Sources:

Keystone Grant	\$750,000 (up to on a dollar for dollar match)
Local Match:	\$750,000
<u>Total Sources Avail.</u>	<u>\$1,500,000</u>

► **Details of Local Match:**

- In 2014 the borough took advantage of a Sewer Revenue Bond refinancing and borrowed approximately \$1,160,239 at a low interest rate of 2.25% for seven years with a not to exceed blended rate of 4.750% thereafter. The purpose of this bank note was to (in part):
 - Building Project: for the design, acquisition, construction and equipping of alterations, renovations and additions, as applicable. Currently the balance is \$906,304;n of which **\$350,000** could be allocated toward the project
 - The current faculties on E Washington Avenue would be put up for sale. The Borough estimates receiving approximately **\$250,000** for both properties.
 - **If needed**, the Borough's Reserve Funds could support **\$150,000** in additional costs.

Total available acquisition and rehabilitation: \$750,000

Total needed: acquisition and rehabilitation: \$600,000

Surplus (150,000)

Additional Operating Revenues

- Ongoing Operational Revenues (conservative):
 - Existing Lease Rental: \$46.5K
 - 1st year additional rental \$27.0K (est.)
 - Recreational Space Rental \$7.0K (est.)
 - **Total 1st year rental \$80,500**
 - **Total 2nd year projected rental \$83,335 + Incubator Rent**
 - **Total 3rd year projected rental \$87,502 + Incubator Rent**

Finishing the presentation, the Manager asked if anyone from the Council or School District have any questions or comments. See none, the Manager deferred the public comment portion to the President.

The President thanked the Manager for his work on the presentation, you can tell a lot of effort and time went into it. This is not saying the Council is entering into the project. That is why they are holding this meeting to see what the general public thinks. With that being said, the President opened the floor for Citizens and Visitors Comments.

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(1.) Joel Zinn – 4 Meadow Lane – had several questions. 1.) What is the borough funds surplus? The Manager stated he did not have the exact numbers with him. The General Funds - approximately \$500,000.00 and Wastewater Funds - approximately \$3,000,000.00. The Annual Financial Audits are available at the Borough Hall. 2.) Will operations impact any tax rates to the resident's? The Manager stated not as a result of this facility, it should be no tax burden. 3.) What if the church moves from the building? The Manager stated the existing lease is yearly and the church could grow that they need another place, but our incubator program may grow that we need the space as well. All indicators from the Church Officials is they are content for the foreseeable future in this location and want to say. 4.) The yearly cost of operations? The Manager stated \$80,000.00 will cover costs of operations.

The Manager asked Mr. Zinn his comments or thoughts on the Heritage Center/Museum. Mr. Zinn is in favor of a Heritage Center. He believes it is workable and would endorse it. He feels it is important for the younger generation how the community was built. The Borough is unique because we are the only community with a by-pass. He believes the suggestions can really help the people wanting to start a business in town. It is not going to be easy, but if we can get this started it will be a wonderful thing.

The Borough will be celebrating its 250th Anniversary – Sestercentennial – in 2018. If anyone is interested in participating please contact the Borough.

(2.) Dan Flanagan – 32 E. Main Ave. – is not completely sold on the project. 1.) With a building of that age and from a municipal and school tax payer stand point, they were told the building was so deplorable the school had to move out. Now, we are going to buy the building that was so bad that we couldn't educate our children in but now we are going to educate other people and try to bring other business in. He is questioning how did the ball bounce on the other side of the net? 2.) As far as the funding, from what he know sewer funds could only be used for sewer systems. 3.) Operating costs, you are saying it will not be burden to the town. How will the Mike McKenna be paid after the grant funds are used? 4.) Concerned about heating, utilities and renovation costs. 5.) Opening the building for activities, who is going to oversee it and how will they be compensated?

The Manager stated the borough does not own the building yet, we have crafted an agreement. As part of the due diligence that we are going to do once an agreement of sale is in place is an Environmental Study. This study will need to be done before we move forward with the purchase. The roof is new. Checking the heating system/air conditioning, plumbing and electrical will be done once the borough hires a structural engineer and architect to look at the facility in between the time we have an agreement of sale until settlement. There are items in the sale agreement that allow the borough to do their due diligence to make sure of the cost.

The Manager explained the Circuit Rider has nothing to do with the cost of the building. The position is covered by the grant. Once the grant is complete, our partners will have to contribute. Mr. McKenna will have to prove himself and get results here so other municipalities join, if he does not then the position may go away. The rental costs; we will have to decide with the engineer what will be the best way for utility services to be designed. Renters will not get services for free, it will either be in the rental fee or sub charged through separate meters. All costs are being considered. Again, there is language in the agreement that if the costs exceed \$600,000.00 the borough does not have to execute the agreement. The hope is we do not have to spend that amount.

Dan Flanagan questioned parking. How will you support the parking? You are saying we are going to have these businesses startup in the building but where are they going to go and how will they be a betterment to the community. The Manager stated they are all valid comments. Ongoing operational costs; we have been informed there could be ongoing grant funds available. Councilmember Park W. Haverstick, II stated there is certainly a risk involved in this. There are no guarantees. We have to weigh the risks against the potential benefits. You talk about the empty storefronts, that is part of the problem and this may help fill those. With starting a business, many people do not know how to start them and this would give them the resources and put them into those buildings instead of having them sitting vacant. There are cost to that and this whole project, but we certainly hope that it would never become a burden to the taxpayer. It will benefit all of us. The risk is worth it. The parking issue you say Enck's Gun Barn is creating parking problems but you're glad they are here. The President stated there is a lot more space in the back and could be designed for

parking. This will be looked at with the engineer also. He asked what he would like to see happen to the building if the Borough doesn't purchase it. Mr. Flanagan did not know.

The President stated he feels we have shown that we can purchase and run the facility at no extra cost to the taxpayer, but based on the studies that were done and the success of the Lancaster County small business incubator he likes our chances. The comments are good points, but the risk here is worth the reward we can receive from it. The potential of doing nothing could lead to this town being nothing. If we can expand in any way that is worth it. If we do not do anything property values will continue to go down. It is a vision the Council has had and we are trying to implement it. We have two major roadways into the Borough, as such, it is the opportunity to look at economic development. Councilmember Park W. Haverstick, II stated this is an opportunity. Town is already great but this could make it even better.

(3.) Charlie Kline – 2 W. Main Ave. – really appreciates the concerns that were raised, they are legitimate concerns, but he also really appreciates the effort put in this project. Obviously there is risk but something is going to happen to that building and he believes that this is an opportunity for a magnificent looking facility to possibly be the center for downtown. He is glad to hear of the clause in the agreement to protect the borough and would love to see something like this take place.

The Manager addressed the parking comment. Parking problems in the downtown are a good thing. We can solve those problems. Whether that is expansion of lots, reserving of spaces, or acquiring other lots for future parking. We know it is close to residential houses and residents are accustomed to parking in front of the home; and we get that, but if you are in the downtown area and the downtown is starting to grow these are good problems to solve as to what the next steps would be to accommodate parking. Enck's Gun Barn, for example, are working on the issue of parking, they are not just blindly going forward. They want to be good neighbors. Parking problems mean your downtown is starting to bustle and grow.

(4.) Bryan Stevenson – 121 W. Carpenter Ave. – spoke to the church currently renting in the building to try to do some joint events together with Fireplace. They have just hired a fulltime pastor and have no intentions of moving from the borough. How many existing parking spaces are in the side lot? The Manager stated he does not know at this time. In speaking with the church, the Manager felt they are happy to be here in the space.

The Mayor stated we asked you here to get your opinion on the borough buying this building. She would like to see a show of hands as to who is in favor. (5.) Ron Ream – 621 S. Railroad St. – he feels the renovation costs seem low, but with the clause in the agreement if the costs go over then we rethink. The Manager stated the Borough will be thinking the whole time going through the process as to when it is a losing proposition. As stated by Councilmembers, they must look at when does the value and risk exceed the outlay of funds upfront. For the record, this agreement was negotiated for a long time with the school district. We got to a number that was workable for Council and the School District. That is why the School District is here to hear your opinions to decide if this is good for the ELCO School District. The Manager thanked the representatives present for all of their work and for coming to the meeting.

(6.) Chris Layser – 131 W. Main Ave. – asked when businesses move into the space, will they be able to modify the areas and when they move out who will restore the space? What about security since we do not have a police department. The Manager explained the borough is covered by the State Police. The building will have a security system as part of the renovations. Any modifications will be at their cost, and each situation will be decided on at the time of signing a lease.

(7.) Ron Weidman – 116 S. Broad St. – more than just the parking problem, is speeding and safety. The Manager stated this is an issue we know about. The Public Works Department has done some line painting and crosswalks. The Borough hired a part-time Code Enforcement Officer. He has started to patrol the area and give tickets. The Borough does have more work to do to increase safety. Call the office when issues arise. Mr. Weidman stated he would like to see a police force back. Councilmember Park W. Haverstick, II stated that is a longer discussion than for tonight. The President stated two cars are assigned for this area.

(8.) Joel Zinn asked what happen if the renovation costs come in higher than the \$600,000.00 are you going to drop it. The Manager reiterated there is a clause in the agreement if the renovations exceeds the cost of acquisition, the Borough does not have to close on the property. If it does exceed, then the Council will have to have discussion on whether or not the risk and the additional costs outweigh the benefit of the building.

The President stated if costs exceed, it does not mean the borough has to spend the costs of renovations immediately. We have the ability to apply to the State for more grant money to help with the costs. It does not mean we have to do all the renovations all at one time, but if the costs get too high then the project will have to be reevaluated, there is a limit to the opportunity.

The Manager stated there are 3100 people in town, in the last two years we have secured 1.5 million dollars in grant funds. This is phenomenal and we need to leverage that. They are acknowledging Myerstown is a player in the State. He believes the 1.5 million could help leverage 3 to 3.5 million dollars of investment in the downtown as a result of that grant money. Someone is going to get the grant money, why not us? The State Legislators and DCED are going to continue to award money out and they are starting to give it to Myerstown. It is your tax dollars that is going to get spent somewhere in the State, why not here?

When the Manager applied for the DCNR Grant, the director called him to ask why Myerstown has not applied for any Conservation and Natural Resource funding since 1977? Money has been given all over the State and you as taxpayers have paid and have not had any advantage of that since 1977. This is just from one agency. This is a golden opportunity to leverage Myerstown as much as we can. This should be a solid place where your property values are going up, not stagnate or going down. If you look at the assessed valuation of the Borough, year after year it had been on a steady decline. Your values are decreasing where other communities are increasing. That is what we are trying to do here, increase values and the quality of life.

We want your children to want to stay here, to own a home not rentals. The rental number is approaching 50%. That is not a good thing for a community. It is not good when half of the properties are rentals. You start to lose the sense of community when you get rentals at that level. We have to provide incentives through this building, through these programs, through these economic develop tools that promotes homeownership, that promotes the reversion of storefronts and make it economically feasible to do that.

(9.) Bryan Stevenson ask the school district members present has anyone else as shown interest in the building? The Manager stated if the downtown business starts to revitalize and more jobs come into town and property values go up the school district will be doing cartwheels over the fact that we made it happen in that building, because there is no tax being generated right now. As values go up, as interest in Myerstown goes up, everyone in this room benefits and he contends that the Borough is the best owner of the building to control what may happen in growth patterns around the downtown.

School Board Member Brandon Bernard stated there has been some interest but nothing of a formal proposal. It was listed with a real estate company for a higher price but the Board Members that are on the board are from the area and live in the area. They felt strongly that while they have a fiduciary responsibility to the school district taxpayers they also have a responsibility to our communities. They found this to be a win, win, where we are taking an asset off the books gaining a little bit of income but they are also investing in the community by allowing the Borough to have the building and do the things they are proposing to do. The Board felt this was the best one for the community.

(10.) Sam Moyer – 107 E. Washington Ave. – what will happen to the \$750,000.00 grant monies if we say thanks but no thanks? What will happen in the future if we go back and say I have a better idea now? Will they take us and put us on the back burner? The President stated we might as well forget about receiving anymore grants because they went through the hoops to get us the grant and now they were strung out to dry. It would not be good. The Manager stated it will definitely strain the relationship. This was not an easy grant to get.

(11.) Zina Rittle – 3 W. Maple Ave. – If the Council does not purchase the property could low income housing go into the building? School Board Member Brandon Bernard stated that is what they are trying to avoid. Again, some of the Board Members live in the community and do not want to see something like that happen. Would the taxpayers have a say on who goes in? The Manager brought back up the slide that shows

the usages allowed in that Zoning District. It was asked if anyone can by-pass a Zoning ruling? The Solicitor, Thomas Harlan, stated no, if they do not agree with the zoning decision they can appealing they file to the Court of Common Pleas and go to court.

School Board Member Brandon Bernard stated as the Board they are concerned with what would go into a center of one of their communities in the district. While they want to sell the building because they do not want to be landlords, there primary reason is to educate children. This is a great opportunity for them to sell the building to someone who will help the community. They are very aware of the concerns regarding what could go into the building.

Mrs. Rittle stated the taxpayers were lead to believe the building was good for our kids and now we want to put other people in it but if she is right the Schaefferstown School has a school in it now. Then this should have been good enough for our kids. So why did we take them out? School Board Member Brandon Bernard stated this is a Borough meeting not a school board meeting. He was not a member of the school board at that time so he is unable to comment on the decisions made at that time. The buildings have been closed and the intermediate school is opened. At this point they are expenses for the district so that is why they sold the Schaefferstown Building and why they are selling the Myerstown Building because there is no need for the building. The President stated we are going to have an engineer and architect to look at the facility to see if it is feasible to utilities the space. Mrs. Rittle stated as a taxpayer she would rather see the building go for something for the community than for low income housing.

Councilmember Michael D. Behm stated getting back to the Mayor's question, now that you have heard the presentation, how many are not in favor and how many are still un-decided. (12.) Scott Yeagley 25 E. Main Ave. asked if the question could be rephrased? To how many are interested in the purchase if there is no tax increase through the purchase of any other project that may come up. He is just not sure a tax increase will not happen? Councilmember Michael D. Behm stated there is no way to guarantee there would be no tax increases in the future. If they were to say that and if there was an increase then everyone would say it is because of the purchase. Councilmember Park W. Haverstick, II stated taxes can still go up, taxes are always going to go up.

The Manager explained he proposes a budget to the Council to consider. We provide a number and the last thing we wants to do is raise taxes. There have been fiscal studies done stating if you do not raise taxes or do not have a system of raising taxes, this borough will be eating reserves and potentially bankrupt by the end of 2017. So the Council took a look at police services and public safety. They made a decision on police services and it has helped sustain us without any tax increase. Only one tax increase has happened thus far. But if we follow the study from the CPA Firm that looked at our financials, which asked how are we going to get from point A to point B and sustain ourselves. They are telling us we should have had multiple tax increase and incrementally make tax increases each year. Council has not done that because they found alternate ways to make cuts. We are not trending to raise taxes. There were no tax increase for this year. Councilmember Park W. Haverstick, II stated if there was a tax increase that does not mean it was because of the purchase there are a number of reasons. Cost do not stay the same. Costs go up.

(13.) Brian Beamesderfer – 10 W. Lincoln Ave. – asked if we have the cost for the renovation of the Schaefferstown School building. The Manager stated we do not. Mr. Beamesderfer stated personally, this project is an asset to the community. The Bahney House was condemned and thanks to Mr. Kline look at what we have now. Look what the Enck's have done with their building. You are seeing these old structures being bought and rehabilitated. They are increasing our tax structure. It is creating a revenue plus rehabilitating these structures. I understand concern about paying higher taxes, but if you do not do anything to these properties we will be paying higher taxes because we do not have any generated income. He really appreciates the Council and School District for coming here tonight.

The President asked if there were any additional comments for the good of the borough. Seeing none, a motion was made by Park W. Haverstick, II, seconded by Michael D. Behm, to adjourn the meeting at 9:03 p.m. All those in favor: Motion unanimously carried.