

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY
May 24, 2017

Quorum

Meeting called to order at 12:00 noon by Secretary, Nancy Neff.

Members present: Nancy Neff, Randy Patterson, Crystal Weaver, Scott Standish, Joe M. Donaldson, Mark Stoner

Members not in attendance: Jim Wagner, Tim Mentzer, Patti Connell and Christine Suarez Di Rienzo

Staff: Marshall Snively, Executive Director
Bill McCarty, Solicitor
David Aichele, LCA Director of Clean & Safe Services
Lindsay Fauth, LCA Team Administrator

Introduction of Public Guests

There were no public guests

Quorum

A quorum was met.

Minutes

Ms. Neff asked for a motion to approve the February 2017 Board Minutes. Randy Patterson motioned, Scott Standish seconded, all were in favor. Minutes were approved.

Approval of Financial Reports – February - April 2017

Mr. Snively directed the Board's attention to the Summary Sheet in the packet, noting that the pre-audit the DID will be \$37,000 over budget in net income for the last FY. This is due to \$27,000 over budget in income of prior year assessments, fees and PILOA payments as well as, \$10,000 under budget because of beautification money not spent (but will be in current FY) and lower than expected attorney fees.

Ms. Neff asked the group to reference the following checks on the Fulton Bank Account: 4270 through 4314 for February through April 2017. Randy Patterson motioned, Joe Donaldson seconded, all were in favor.

Old Business

Marshall Snively shared that the FY17-18 LCA/DID Management Agreement was unanimously approved at the Lancaster City Alliance February 2017 Board meeting. In reviewing the reconciliation spreadsheet, Mr. Snively noted that the DID saves money with this contract, assisted with an estimated \$10,000 raised through the annual Velocity Event.

David Aichele updated the Board on the DID Tree Program. In early June, Jeremy Young from the Lancaster City Alliance will work with the City of Lancaster's Public Works Staff to identify areas in the DID that are suitable for NEW tree wells. As previously discussed, tree wells that are empty or dead are the property owners' responsibility. The DID will contact the owners of identified locations for possible tree wells offering trees at no cost. The City will provide the installation of the tree well.

Ms. Neff presented the slate of officers for the current fiscal year and asked for a Motion to approve.

- i. Chair – Jim Wagner
- ii. Vice Chair – Crystal Weaver
- iii. Secretary – Nancy Neff
- iv. Treasurer – Randy Patterson

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Scott Standish motioned to approve, Joe Donaldson seconded, all were in favor. Officers were approved for the current fiscal year.

Mr. Snively reported Denny Cox has stepped down from the DID Board. In the search for a replacement, Mr. Snively and Crystal Weaver had lunch with Edward "Champ" Hall, owner of Champ's Barber School and resident of Hager Condos. He has agreed to join the DID Board. The next step is to present Mr. Hall to the Mayor who will then present to City Council. Ms. Neff asked for a Motion to present Mr. Hall to the Mayor to present to City Council. Mark Stoner motioned, Scott Standish seconded, all were in favor.

Mr. Snively presented the Board with the 25th Anniversary DID logo while explaining plans for an RFP to design a new DID logo. This anniversary logo will be included in advertising, press, and will be added as a pin on the DID uniforms.

New Business

The DID Plan Amendment/Extension in response to the County Reassessment. Randy Patterson stated that the reassessment will on average increase city properties assessments by 35% to 45%. The City will be adjusting their millage rate down to compensate. By Pennsylvania Statute, municipal millage assessment rates must be adjusted in a reassessment year to remain revenue neutral. The taxing jurisdictions (i.e. county, municipality and school districts) cannot collect more revenue as a result of the reassessment, than it did the previous tax year. A taxing district may then, by a separate vote, choose to adjust their millage rate if they choose to collect additional revenue. The law caps the additional revenue at 10% the total amount collected the preceding year. This statutory limit is different for school district, generally capped at 2%.

The Downtown Investment District Authority, while not bound or obligated by this statute to make any adjustments, wishing to remain good stewards to its property owners will evaluate the assessment impact and make adjustments as necessary to the 2018-2019 FY 2.45% millage rate to maintain revenue neutrality. This process will entail a Plan Amendment to the current plan set to expire April 30, 2019 be presented to City Council.

Pursuant to making these adjustments, the DID will be taking all necessary steps to notify the DID property owners of its intention to make this "Plan Amendment" to the millage rate through mailings and public meetings. It is also felt that while amending the millage rate, the Board should also extend the Plan expiration date to April 30, 2021.

Ms. Neff mentioned the dates in the timeline need to be reworked before taking to City Council in 2017.

Ms. Neff asked for a Motion to proceed. Randy Patterson motioned, Mark Stoner seconded to proceed. All are in favor. The timeline will be reworked and the plan amendment will be taken to City Council by the end of calendar year 2017.

Magnolia Place Billing

Mr. Snively brought to the attention of the Board to the letter received from the Magnolia Place Condo Association last month after receiving their DID bills. In terms of history, it was determined in 2016 that because the DID charges an assessment and not a tax, LERTA does not apply to DID assessments and any new projects in the LERTA program would be charged full assessments for DID services. Magnolia Place was mistakenly charged in 2016 with assessment adjusted for LERTA. The bills were mailed for the current Fiscal Year at the full assessment and the DID received several inquiries from residents who requested that they be grandfathered because they closed on their properties in 2015. It was the staff's recommendation to allow them to remain in the LERTA program and to make it clear in the LERTA legislation that the DID charges are now exempt from LERTA. Ms. Neff motioned to grant relief for 2016 and going forward for Magnolia

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Place and to also write a notification letter to the residents of Magnolia Place, and to ensure the residents incur no penalty. Crystal Weaver motioned, Mark Stoner seconded, all were in favor.

Dave Aichele reviewed the tax exempt list, noting that there were several properties now tax-exempt representing \$13,000 in lost revenue. This includes the three properties being demolished and now owned by the Redevelopment Authority for Marriott expansion (\$1,700), and 29-37 E. King which is owned by Gerard Trust from Philly (\$6,300). The others include the Bible College and Masonic Temple on Water Street.

It was suggested to reach out to Penn Square Partners, the City Redevelopment Authority and Lancaster County Convention Center Authority to request PILOA payments.

Mr. Aichele also reviewed the tax lien list. Twenty six names were on the lien list. Discussion was also had regarding the newly built properties which have recently have been sold, and when they receive a tax bill.

Adjourn

Motion by **Nancy Neff**, second, **Randy Patterson** to adjourn. Motion approved and the meeting adjourned at 1:00 p.m.

Respectfully submitted,

Marshall W. Snively
Executive Director