The seal of Bucks County, Pennsylvania, is faintly visible in the background. It features a central figure holding a staff and a bow, surrounded by the text "SEAL OF THE COUNTY OF BUCKS PENNSYLVANIA".

**PRESENTATION
MORRISVILLE BOROUGH
FEBRUARY 19, 2019**

PRESENTATION TO COUNCIL

ENTERPRISE ZONE OF BUCKS COUNTY
LERTA PROGRAM
VACANT PROPERTY REVIEW COMMITTEE
CLOVERLEAF ESTATES
STOCKHAM BUILDING

INTRODUCTION:

- BOB WHITE – RETIRED EXECUTIVE DIRECTOR RDA
 - Consultant Advisor to the RDA
- JEFF DARWAK – EXECUTIVE DIRECTOR
 - 12 years service with the RDA

ENTERPRISE ZONE OF BUCKS COUNTY

What is the Enterprise Zone?

- An area that has been designated by the Pennsylvania Department of Community & Economic Development (DCED) as financially distressed and disadvantaged
- First established in 1997
- Re-designated in 2010 and that designation expired on July 1, 2018
- The Redevelopment Authority, as the local administering agency, intends to apply on behalf of the County and participating municipalities for a new Enterprise Zone designation under the DCED's Keystone Communities Program
- This would be a 5-year designation

ENTERPRISE ZONE OF BUCKS COUNTY

What is the purpose of an Enterprise Zone?

The mission of the Bucks County Enterprise Zone is to identify and resolve impediments to business development and growth and to work with businesses and local governments to identify the impediments and facilitate private/public partnerships in order to increase new private investment and reinvestment.

ENTERPRISE ZONE OF BUCKS COUNTY

What are the benefits of an Enterprise Zone?

- Low-interest loans at below market rates
 - We work closely with businesses and our local partners that provide access to funding resources. These local partners include the Bucks County Industrial Development Authority, Workforce Development Board and the Bucks County Economic Development Corporation.

ENTERPRISE ZONE OF BUCKS COUNTY

What are the benefits of an Enterprise Zone?

- Businesses or private companies investing in rehabilitating, expanding or improving buildings or land located within the Enterprise Zone are eligible to apply for Enterprise Zone Tax Credits.
 - The EZTCP is an incentive program that provides **state** tax credits for real property improvements to buildings or land resulting in jobs created or retained.
 - **Program is competitive, not guaranteed**

ENTERPRISE ZONE OF BUCKS COUNTY

What are the benefits of an Enterprise Zone?

- Brownfields located within the zone receive priority consideration when applying for financial assistance to assess and cleanup these contaminated sites under Act II.
- Eligible businesses receive priority consideration for any resource administered by the Commonwealth that would assist in leveraging imminent business investment and job creation in an Enterprise Zone.

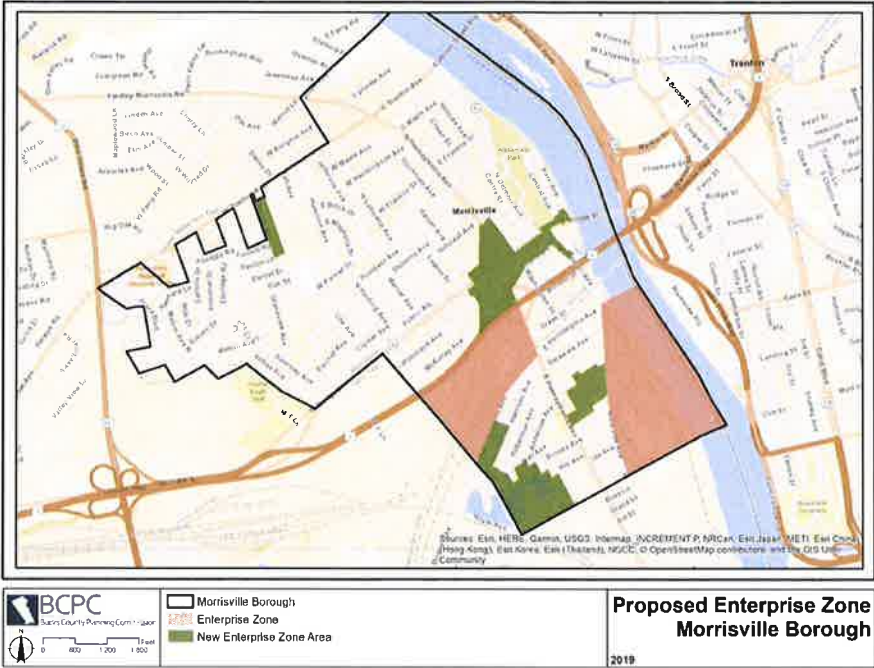
ENTERPRISE ZONE OF BUCKS COUNTY

What are the benefits of an Enterprise Zone?

- Eligible businesses located within the zone receive priority consideration when bidding on state government contracts.
- Increase the access of local firms to financing by lending institutions on mutually advantageous terms.
- Priority consideration for other DCED programs.

ENTERPRISE ZONE OF BUCKS COUNTY

Proposed Enterprise Zone Boundaries



ENTERPRISE ZONE OF BUCKS COUNTY

Conclusion

- If there is any business in Morrisville Borough that is thinking about improving their property and expanding their employment base, I'd be more than happy to meet and discuss in more detail how the Enterprise Zone may be of benefit to them.
- Lastly, we are asking for Council's consideration to adopt a resolution authorizing participation in the Bucks County Enterprise Zone.

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (LERTA)

WHAT IS THE LERTA PROGRAM?

- State law authorizing local taxing authorities to provide a temporary tax abatement for new construction or improvements to industrial, commercial and other business property in deteriorated areas.
- LERTA District Boundaries are established by the local municipality:
 - Must meet criteria under PA Urban Redevelopment Law
 - Note: Morrisville Borough has an established Certified Redevelopment Area
- Local taxing authorities (i.e. Borough, School District and County) adopt terms of LERTA through resolution or ordinance

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (LERTA)

WHY USE A LERTA PROGRAM?

- Provides incentive for existing businesses in the Borough to invest in their property
- Provides incentive for new businesses to locate in the Borough and attract new investment into the Borough
- **PROPERTY OWNERS CONTINUE TO PAY EXISTING TAX REVENUES**
 - Temporary tax abatement is only on the increase resulting from the new construction & improvements
- The idea is to incentivize and attract new investment in the Borough to increase tax revenue going forward
- Maximum abatement period is 10 years
 - Can be on a graduated scale (i.e. 10% over 10 years)
 - Can be level abatement

- | |
|---|
| <ol style="list-style-type: none">1. INDUSTRIAL AND COMMERCIAL PROPERTIES2. 32 West Bridge Street3. Cloverleaf Estates Property |
|---|

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (LERTA)

LERTA in Bucks County:

- Bristol Borough
- Sellersville Borough
- Quakertown Borough
- Bristol Township
- Northampton Township



VACANT PROPERTY REVIEW COMMITTEE

Redevelopment Authority working with Morrisville Borough and its Vacant Property Review Committee

What is Blight?

A blighted property is defined in the Pennsylvania Urban Redevelopment Law. The term blighted property includes:

- Any property which is declared a public nuisance;
- Any premises which is considered an attractive nuisance to children;
- Any dwelling unfit for human habitation as designated by the Department responsible for enforcement of codes in the municipality;
- Any property which is a fire hazard or otherwise dangerous to the safety of persons or property;
- Any structure without utilities so that the property is unfit for its intended use;
- Any vacant or unimproved lot or ground in a predominantly built up neighborhood which has been a place for accumulation for trash and debris or haven for rodents or other vermin;
- Any unoccupied property which has been tax delinquent for a period of two (2) years;
- Any property which is vacant, but not tax delinquent, which has not been rehabilitated within one (1) year from receipt of notice to rehabilitate from appropriate code enforcement agency;
- Any abandoned property which is a term defined by the Statute.



VACANT PROPERTY REVIEW COMMITTEE

- **The Importance of Vacant Property Review Committee:**

- Municipalities are often limited in what they can do to address blighted properties
- Vacant blighted properties take away from property values, present public health and safety issues and can strain municipal budgets
- The RDA has the ability to acquire and rehabilitate vacant blighted properties through the process and procedures outlined in PA's Urban Redevelopment Law
 - This includes a determination of blight by Vacant Property Review Committee/Planning Commission followed by notification by municipal code enforcement official to property owner.
 - If the property owner does not respond, the property can be certified to the RDA to proceed with condemnation as directed by the municipality. The property owner will again be notified and provided another opportunity to address the blight
 - If the property owner does not respond, the RDA will look to rehabilitate the property in accordance with the direction provided by the municipality.
- There are always mitigating circumstances and the program gives the property owner time to address the blighted conditions
- **WE DO NOT WANT TO TAKE A VACANT HOME OR PROPERTY**
 - Rather we want to encourage property owners to work with the municipality to clear the blight by submitting a plan and a construction schedule to the municipality showing the blight will be cured in a reasonable timeline

VACANT PROPERTY REVIEW COMMITTEE

Success in Bristol Township

- 2015 - Bristol Township identified more than 200 vacant homes in the township
- 2016 - Bristol Township partners with the Redevelopment Authority and initiates the Blight Abatement Program - 5 vacant blighted properties are condemned by the Redevelopment Authority – all properties were rehabilitated
- 2017 – 5 vacant blighted properties condemned by the Redevelopment Authority – all properties were rehabilitated
- 2018 – 6 vacant blighted properties condemned by the Redevelopment Authority – 1 property rehabilitated; Rehabilitation of 4 properties in progress; 1 under Agreement this month
- **Implementation of the Blight Abatement Program helped reduce the Township’s inventory of 200+ vacant homes to under 80**

VACANT PROPERTY REVIEW COMMITTEE

Success in Bristol Township



VACANT PROPERTY REVIEW COMMITTEE

- THE RDA IS A TOOL IN MORRISVILLE BOROUGH'S TOOLBOX THAT CAN BE USED TO HANDLE THESE TYPES OF PROPERTIES
- In Progress: 43/45 Park Avenue:



CLOVERLEAF ESTATES ON PENNSYLVANIA AVE

OUR MEAT PACKING COMPANY HAS DECIDED NOT TO LOCATE AT THIS SITE

- ❖ HIS BUILDER FELT THIS SITE WAS TOO RISKY FOR THE OWNER'S USE
 - ❖ FLASH FREEZER REQUIRES VERY STABLE FOUNDATION
 - ❖ BUILDER AFTER REVIEWING THE TEST HOLES ADVISED THE OWNER THE SITE WAS TOO RISKY FOR HIS USE.
- ❖ OF COURSE NOW THE OWNER NEEDED TO SELL HIS INTEREST IN THE PROPERTY
 - ❖ INCLUDED ALL THE ENVIRONMENTAL STUDIES AND THE CLEAN UP PLAN
 - ❖ ALL ENGINEERING PLANS
 - ❖ ANY AND ALL VARIANCES
 - ❖ AND ANY OTHER INFORMATION AVAILABLE
- ❖ NEW DEVELOPER PURCHASED HIS POSITION IN THE PROPERTY
 - ❖ NEW DEVELOPER PLANS TO DEVELOP THE PROPERTY IN:
 - ❖ RESIDENTIAL HOUSING - WILL CONSIDER AGE 55 RESTRICTED
 - ❖ DEPENDS ON A STUDY/REVIEW OF THE USE AND NEED FOR TYPES OF HOUSING
 - ❖ COULD BECOME INDUSTRIAL COMMERCIAL WHOLESALE RETAIL USE
 - ❖ MUCH OF WHAT THIS DEVELOPER DOES DEALS WITH THIS TYPE OF USE
 - ❖ OF COURSE HE MAY NEED TO OBTAIN A VARIANCE OR CHANGE OF ZONING

CLOVERLEAF ESTATES ON PENNSYLVANIA AVE

Former Rapid Circuits Site - 6401 McPherson Street, Bristol Township



CLOVERLEAF ESTATES ON PENNSYLVANIA AVE

Former Rapid Circuits Site - 6401 McPherson Street, Bristol Township



BEFORE



AFTER



Interior Improvements



CLOVERLEAF ESTATES ON PENNSYLVANIA AVE

960 River Road
Bristol Township



CLOVERLEAF ESTATES ON PENNSYLVANIA AVE

**Former US Magnet Site
Yardley Borough**



STOCKHAM BUILDING

- WE ALL KNOW THIS PROPERTY
- BEEN IN POOR CONDITION FOR THE PAST 2 DECADES
- WE ALWAYS RECEIVE PROMISES AND PLANS
- THEY ALWAYS PULL PERMITS BUT NEVER DO THE WORK
- IT IS THE SINGLE MOST IMPORTANT BUILDING IN THE DOWNTOWN
 - And it has held back further development in the downtown.
 - THEY ACTUALLY HAD A TENANT IN A BUILDING THAT WAS NOT EVER FINISHED
 - THAT IS UNHEARD OF IN THE INDUSTRY
- THIS BUILDING IS LOCATED IN THE MORRISVILLE BOROUGH CERTIFIED REDEVELOPMENT AREA
 - THAT MEANS IT CAN BE TAKEN BY EMINENT DOMAIN
 - THE BOROUGH WOULD HAVE TO USE FOR PUBLIC USE IF THEY DO IT
 - THE RDA WILL BE ABLE TO FIND A DEVELOPER
 - WITH A COOPERATION AGREEMENT BETWEEN THE BOROUGH AND THE RDA
 - THIS COOPERATION AGREEMENT SIMPLY MEANS YOU ARE IN CHARGE
 - THE RDA DOES NOT HAVE THE POWER TO CHANGE THE USES ONLY THE BOROUGH
- THE DECISION IS ALWAYS UP TO THE BOROUGH AND THAT MEANS BOROUGH COUNCIL MEMBERS

Thank you for the opportunity to make this presentation



REDEVELOPMENT AUTHORITY OF THE COUNTY OF BUCKS

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