

MINUTES
HERMITAGE COMMUNITY & ECONOMIC DEVELOPMENT COMMISSION
OCTOBER 9, 2008

The Hermitage Community & Economic Development Commission held a regular meeting October 9, 2008 at the Hermitage Municipal Building, Conference Room #302, Hermitage, PA.

HCEDC Members Attending: Rex Knisley Members Absent: None
Bob Cucitrone (arrived 7:34 a.m.)
Meg Grober
John Holliday
George Kraynak (arrived 7:33 a.m.)
Tony Pagliaroli
Angela Palumbo

HCEDC Commissioner Representative: Bill Moder

Others in Attendance: Gary Gulla, City of Hermitage
Gary Hinkson, City of Hermitage
Jeremy Coxe, City of Hermitage
Lynn Brest, City of Hermitage
Amy Gargiulo, City of Hermitage
Shane Rosenfelder, Penn Northwest Development Corporation
Joe Pinchot, The Herald (arrived 7:38 a.m.)

I. GENERAL

A. Call to Order

Rex Knisley called the meeting to order at 7:30 a.m.

B. Consideration of Approval of Minutes

The minutes were reviewed from the July 10, 2008 Regular Meeting. John Holliday moved to accept the minutes with the correction that on page 3 the minutes be changed to state that Angela Palumbo, not George Kraynak, seconded the motion to approve the RLF reports. Angela Palumbo seconded the motion. All members approved.

II. BUSINESS MEETING

A. Monthly Activity Report

Gary Gulla reviewed the monthly activity report for August and gave an update on the following projects in the City:

Some of the remaining bond funds have been transferred back in to the City Capital Reserve. This is the remaining unencumbered funds from 2005.

The City is currently moving forward with the CDBG paving projects on Sheridan, Ethel and Ashland. The project was awarded to Sharon Paving.

Housing Rehabilitation program with Lawrence County - Jeremy Coxe stated that the City completed three (3) projects with \$21,000 from Lawrence County saving \$21,000 of the City's grant. The City is looking for more houses to qualify.

Neighborhood Investment Project (NIP) – There is a considerable amount of construction being done in the first block area. Aqua Pennsylvania committed \$500,000 to replace all the water lines primarily running north and south. National Fuel is also replacing lines in the area. Utility Contracting was hired to do work on stormwater retention basin facilities and roadwork. The project is going well so far and has been well received.

First National and Huntington Banks have partnered with the City to offer property owners in the NIP area special terms on home equity and home improvement loans. Packets promoting the NIP and the City's Housing Rehabilitation program were recently mailed.

Athletic Field Project – The City received the NPDES permit. The schedule now is to put the project out to bid in November, award a contract in December or January and allow the contractor to begin some work before the next construction season.

East State St. /Maple Drive Improvement Project – Mr. Coxe reported that the City received approval of \$533,000 to add a turning lane on Maple Drive and upgrade the existing intersection with sidewalks, new mast arms, and traffic signals. The project is on schedule and will be built next year.

Shenango Valley Bikeway Project –The contractor began work in early August and stormwater pipe is currently being installed along the north side of Highland Road. Sidewalks should be installed before winter and restoration will be completed in the spring.

Highland Road – Phase II (Transportation Enhancement) –Funds totaling \$529,000 have been obtained to construct sidewalks on both sides of the road from Kerrwood Drive east to Route 18 as a component of the Highland Road Widening Project. PennDOT will request bids in November and begin construction in April.

LindenPointe Trail Project –The project is closed out. The City received the final reimbursement from the State.

Training and Workforce Development Project – The City received the grant agreement and met with the EDA engineer and the architect. The design should be completed by December 31st and the project will go out to bid.

Technology Center Project – The Governor announced in August that \$1,250,000 was awarded to the Tech Center Project. Gary Gulla and Gary Hinkson met with the director of Revenue and the Budget Office and reviewed the procedure for submission of the application. They are trying to secure additional RCAP funds through the state so the project does not have to be scaled down. The design is complete.

National Guard Armory Project – The Department of Military and Veterans Affairs has contacted the City and stated that they are nearly complete on the design of a new facility but have not received Federal construction money through Washington. The project is on hold until approval is received. The new armory will have a LEED certified design and is still considered a top project in Pennsylvania.

Holiday Light Parade – The parade is scheduled for Saturday, November 22, 2008.

Hermitage Business Association – The regular HBA meeting will be hosted by the City on Thursday, October 23, 2008. The HBA has invited the Chamber of Commerce Community Affairs to be part of the meeting as well.

Newsletter – The City newsletter was distributed in September.

B. Community & Economic Development and RLF Reports – August

The Revolving Loan Fund Repayment Reports were reviewed for August. All payments were current. For August the RLF program balance was \$83,369.49. Total available for loans based on projected repayments through the end of the year was \$119,444.33. The Landscape and Façade Improvement program balance was \$182,458.05. The total available for loans based on projected repayments through the end of the year was \$189,828.12.

Quotes were received for signs that would be posted at businesses utilizing the Landscape and Façade Improvement Program. Upon discussion it was decided that signs should be ordered to promote the program.

Tony Pagliaroli moved to accept the RLF reports. John Holliday seconded the motion. All members approved.

C. Keystone Opportunity Zone New Legislation

- Penn Northwest Development Corporation

Shane Rosenfelder of Penn Northwest Development Corporation attended the meeting to discuss the new Keystone Opportunity Zone legislation. Keystone Opportunity Zones are tax free zones for state and local taxes. Zone parcels in the City of Hermitage include Stateline Industrial Park (KOZ currently scheduled to end in 2010), the Morocco Property (KOZ currently scheduled to end in 2013), and the City Slag property (KOZ currently scheduled to end in 2010).

In July 2008 legislation was introduced to extend the KOZs. Any parcels occupied and developed will continue to expire in 2010. One of the options in the legislation is to extend the timeframe on the zones for parcels that are not occupied.

The two options in the legislation are as follows: (1) for an unoccupied parcel an extension of seven (7) years from the expiration date of the zone or (2) a 10 year expansion that would begin from the date of occupancy provided that the parcel is developed and occupied before December 31, 2015.

Applications for extension are due in Harrisburg by June 30, 2009.

The application process is the same as it was in 1998 when the KOZs were created. The municipality would have to pass a resolution approving extension of the zone, the school board would have to pass a resolution to approve the extension of the zone, and then the County would take action to approve the plan. The application package is assembled with maps and supporting documentation and submitted to the Northwest Commission and then sent to Harrisburg.

Mr. Gulla asked if the City could petition that the slag dump be included in the extension questioning if it is really occupied. Mr. Rosenfelder stated that the State has not been specific on the definition, but has indicated that any type of activity on the site would mean it is occupied.

John Holiday moved to recommend to the Board of Commissioners that they endorse the 10 year extension. George Kraynak seconded the motion. All members approved.

III. Other Business

A joint meeting with all the City's authorities, boards and commissions will be held Wednesday, October 29, 2008 at 4:30 p.m. in the Commissioners meeting room. Various staff members will give updates on projects throughout the City.

The City is still under a connection ban by DEP. With some exceptions, such as LindenPointe, the City can not issue building permits to anyone that would connect to the sanitary sewer system. The City is working with DEP to resolve the issue. The City hopes to receive a draft of a new consent order in the near future that will allow the City to request and be allocated some connections for the coming year. Part of the consent order will require an expansion and improvements to our plant. Mr. Hinkson is hopeful that by November the City will have an allocation of connections that can be issued.

John Holliday moved to adjourn the meeting. Bob Cucitrone seconded the motion. All members approved and the meeting adjourned at 8:29 a.m.

Respectfully Submitted,

Amy Gargiulo
Recording Secretary

Draft as of 10/16/08
Pending Approval 11/6/08