

Plans to develop Amity's Western Industrial Park outlined, tax abatement sought

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AMITY — The township has a new collaborative effort working to develop 200 of the 600-plus acres on north Limekiln Road known as the Amity Township Western Industrial Park, with its Planned Business Office Industrial zoning.

The industrial park area and concept were created through an ordinance (adopted by the Board of Supervisors on Dec. 15, 2012) in order to bring economic development to the township and ultimately offset the current 28.9618 school district millage rate.

Blair Gilbert, township resident and a commercial real estate broker with KW Commercial, Philadelphia, described the collaboration at the township's Jan. 8 Planning Commission meeting.

Gilbert said Jerry Gorski, P.E., president of Gorski Engineering Inc. of Collegetown, and Henry Koch, who owns a portion of the 600-acre AWIP parcels, have begun "an exciting collaborative approach to make it (the industrial park) a reality from what simply was a concept."

Gorski said the Amity Business Complex would have a variety of small and large lots, ranging from two to three acres up to 10-acre lots and with buildings for entrepreneurial users, and larger, professional users including buildings "a few 100,000 feet or larger."

The first developed lot would be eight acres on the west side of Limekiln Road, just before Amity Park Road, and could contain either two small or one large building that would total 50,000 square feet.

He said the first step to developing any of the lots is to create a local water system and secure an easement to connect to the sewer line that is 200 to 300 feet away.

Gilbert and Gorski said a LERTA (Local Economic Revitalization Tax Assistance) will be required to attract businesses and said it is vital that the project receive support from the Daniel Boone School District, the financial and business communities, economic and development business firms, as well as Berks County.

According to township solicitor Brian F. Boland, the purpose of a LERTA is to “enable local taxing authorities to exempt improvements to deteriorated business property from property tax increases for a limited period of time.”

A 10-year LERTA would begin with 100 percent tax abatement followed by 10 percent yearly tax increments added until all taxes are paid by the business in the tenth year.

“In the current climate of the Daniel Boone School District and its high tax rate, is there potential for this to happen — since the state can’t get a bill to pass to reduce property taxes?” asked Planning Commission member Terry L. Jones.

“The fact that there is a lot of residential development (in Amity Township), you have entrepreneurs that live here or nearby and that is a big driver and a large workforce,” said Gorski.

He said school district officials must understand the benefit of a LERTA and support the efforts to establish one for the Amity Business Complex.

Rich Martino, of Douglassville, president of the Daniel Boone School Board, said the board is aware of LERTA.

“The Borough of Birdsboro has asked for a five-year LERTA. The pension crisis that will hit all of the state very soon will increase the school district’s costs for the next year and many years. The current (2014-15) budget asks for a tax increase, which we will try to avoid, but I don’t know that we can. We’re on board with listening but our costs keep increasing.”

Thomas C. McKeon, executive director of the Berks County Industrial Development Authority, congratulated Amity Township with getting the industrial park area zoned for industrial use and in moving forward to develop it.

He said the county’s municipalities and boroughs have questioned how to expand their non-residential tax base.

“With a 1 million-square-foot facility, you get the land value — that doesn’t go away,” said McKeon. “The building improvements get abated.”

McKeon cited success with a LERTA at the Bethel Park Industrial Park — Bethel 76, which attracted PetsMart and Dollar General to build on the site.

Berks County Commissioner Christian Leinbach agreed with McKeon, adding that without a LERTA the first developer wouldn’t have built there.

“I like it,” said Leinbach, adding, “a LERTA doesn’t take money from anyone else and it doesn’t offer a break on the current property assessment. The benefit is that they get a break but the county gets paid in increments. PetsMart said yes and put in a 1.2 million-square-foot building, then Dollar General built a 1 million-square-foot building, and a private developer has bought the other major lot on speculation.”

“You’re doing something that benefits everyone that would be just fields. A LERTA makes a lot of sense to the school district and the community to pull in a developer. The City of Reading has been a LERTA for three years. I believe it is a good thing for everyone involved.”

Information from the Southern Berks News, www.berksmontnews.com