

1 Or if the Borough increases their taxes,
2 during this period, you're still going to receive the
3 base tax that is on the property.

4 So, it's not going to impact the finances
5 because you're still receiving the same amount you're
6 receiving today that you'll receive for ten years.

7 What you will be receiving though is a
8 building permit approximately of 250,000. What you
9 will receive is the economic benefit of the wage tax.

10 What you will receive during -- once we
11 get the phase-in, the phase 3 and phase 4, you'll be
12 receiving funds.

13 We estimate the Borough receiving
14 approximately \$2,250.00.

15 MR. SEMENZA: And I understand that. And
16 I mean --

17 MR. FRED RINALDI: I don't think it's
18 going to impact the Borough finances.

19 MR. SEMENZA: I'm not saying it is, Fred.
20 Like Mr. Rinaldi had said, the school board went to
21 George and said to George, we want --

22 MR. FRED RINALDI: This is the minimum
23 that we can do.

24 MR. SEMENZA: This is the maximum that
25 can be done?

1 MR. FRED RINALDI: The minimum that we
2 can accept that the banks are comfortable with to
3 finance the property.

4 MR. SEMENZA: What we see here is what it
5 is?

6 MR. FRED RINALDI: Yes.

7 MR. BRIAN RINALDI: Brian Rinaldi. The
8 point I was trying to make is that you can look at this
9 and try to restructure it, but it's not going to work
10 for Mr. Dunbar.

11 And the reason we got to this place, it
12 was acceptable, from the school board's perspective, as
13 a reasonable source of revenue to offset any potential
14 increase in enrollment at the school.

15 It's not where we started. We would have
16 like to have taxed them more. Frankly, I think
17 everybody in the room knows that. The district isn't
18 shy about levying taxes. That's how we stay running.
19 That's how we stay in business.

20 MAYOR MULKERIN: Could I have a quick
21 question? And I'm speaking for myself. When you met
22 and discussed it, why wasn't the Borough involved?

23 Now we're being told we're up against a
24 wall. And you have more information than most people
25 at this table.

1 MS. DESANDO: I will respectfully tell
2 you that the Borough was invited every time.

3 MR. SEMENZA: Mrs. Desando, I have
4 numerous e-mails and text messages that you would only
5 meet with me and me only alone, and not our committee.

6 MAYOR MULKERIN: I was at a few of the
7 meetings that were open to the public and --

8 MS. DESANDO: Invited every member of
9 this council for executive when we decided. And what I
10 told was --

11 MR. SEMENZA: Couldn't meet as council
12 as a whole. You're breaking the Sunshine Law.
13 Council, as a whole, is breaking a Sunshine Law.

14 MR. BROWN: I would like to interject.
15 Doesn't matter about the school. Doesn't matter about
16 the meeting. What matters is that, as elected
17 officials, we are able to have guidelines and books
18 available when we want them.

19 If you go on to the State Association of
20 Boroughs and you look under their taxation manual, it's
21 different structures which we can break down for
22 economic development. This has been out there since
23 before we were all here. And it's been out there for
24 years.

25 MAYOR MULKERIN: I don't think anybody is

1 disputing that. Specific to this --

2 MR. BROWN: Financially. Financial
3 aspect, they should have come up with a strategic plan
4 years ago.

5 MAYOR MULKERIN: We're not talking about
6 manuals. We're talking about specifically to Mr.
7 Dunbar's project.

8 MR. BROWN: I'm saying --

9 MAYOR MULKERIN: When you mention the
10 maximum he's allowed to tax or the maximum, minimum, we
11 don't know this. So, I think that was a concern.

12 MR. FRED RINALDI: Mayor, I've been here
13 since November.

14 MAYOR MULKERIN: Two or three times.

15 MR. BRIAN RINALDI: I want to respond to
16 the question you asked. This school board asked me to
17 look into the LERTA and work with Mr. Dunbar and Mr.
18 Rinaldi. And that's what I did.

19 I took it upon myself to call Fred, to
20 speak with George, to ask questions, to educate myself
21 on the LERTA process. I didn't wait for someone to
22 come to me.

23 They asked me, you need to look into this
24 and report back to us, give us what you find. And
25 that's exactly what I did.

1 I figured out what the LERTA process was
2 and spoke to Mr. Dunbar and Mr. Rinaldi about what they
3 needed. And that's how we arrived at it. And let me
4 tell you, we didn't roll over for him.

5 MAYOR MULKERIN: No, no.

6 MR. BRIAN RINALDI: I think we did a
7 pretty good job of holding their feet to the fire and
8 get everything we could from them and still make the
9 economic development viable.

10 At the end, I believe that's what the
11 Board wanted to do. They wanted to make it right for
12 everyone, but still make it a viable project in the
13 Borough of Old Forge, which we all need.

14 MR. GALLAGHER: Mike Gallagher, counsel
15 for Mr. Dunbar as well. This property has been there
16 for years. People have been trying to develop it.

17 It's been more than a decade people
18 trying to develop this. And no one came up with the
19 idea, hey, let's try to get a LERTA until Mr. Dunbar
20 spoken to Mr. Kelly and found out this was available.

21 There's other properties that Mr. Dunbar
22 can put in there. He can go to a bank and get a much
23 lower finance rate and put Section 8 housing in there
24 if he wanted to. He doesn't want to do that.

25 The LERTA is to give him the ability to

1 put the kind of properties he wants there that's going
2 to attract the kind of tenants that Old Forge wants.

3 And that's the reason that we're coming,
4 and that's why the banks have gotten behind us, yes,
5 this is the financing we'll give only if you can get
6 the LERTA approved.

7 So, we're here now asking, and we're on
8 the praecipe now of, how does Old Forge want to go? Do
9 they want to go, that property sits there for
10 potentially another decade or more and doesn't get
11 developed, doesn't get developed into something less
12 desirable or undesirable for Old Forge?

13 Or does it get developed in a way that
14 Old Forge is going to have massive economic growth
15 here? And I think that we urge the council to vote for
16 massive economic growth.

17 MS. CORDIANO: My question is, if we
18 don't approve the LERTA tonight, that means you are not
19 going to develop this property at all or what? I mean,
20 I need that answer before I vote.

21 MR. DUNBAR: Good question. What that
22 means is I have to go back to my architect, which I
23 have some preliminary drawings with me this evening.
24 For the record, George Dunbar.

25 I'll have to go back. If I don't get the

1 LERTA, I will not be able to build the quality you all
2 see here. And I can pass it down the table.

3 So, I will have to call my architect,
4 redesign the whole concept there. And like Attorney
5 Gallagher said, I'll have to solicit rent between 6 to
6 maybe \$1,100.00 a month. That's what I will have to
7 do. I don't want to do that.

8 Every one in this room knows what I've
9 done for this municipality through my other
10 developments. It's a no-brainer. I don't even
11 understand why we're debating about it.

12 You have a developer, a hometown boy
13 willing to invest 25 million dollars in the community.
14 What are we doing? Let's get it done. Vote yes for
15 the LERTA. Let's do a great project and move this town
16 forward and this school district.

17 I won't be able to build that. The LERTA
18 helps me achieve that.

19 MS. CORDIANO: Do you have any other
20 properties in Old Forge that you've done that you
21 wanted to rent for \$600.00?

22 MR. DUNBAR: I have not. But your
23 question was to me --

24 MS. CORDIANO: Reiterating what you said.
25 If you don't do this, then you're going to be forced to

1 build something --

2 MR. DUNBAR: I know where you're headed.
3 Here's the situation. I currently have 22.19 acres.
4 My other sites, ten upscale townhomes, eleven upscale
5 townhomes, seventeen upscale townhomes. This is going
6 to be 142 no matter if I bring home the Cadillac or if
7 I do the Volkswagen. I'm doing 142 units.

8 So I'm going to have to get lessor money
9 off the bank because they're not going to want to
10 finance for the architectural concept I have now. So,
11 we're going to have to go to something else, change the
12 whole architectural plans, not the engineering plans.

13 That all remains the same, two sets of
14 plans, architectural and engineering. That will remain
15 the same.

16 But the architectural plans will change.
17 And then that puts me after a different market. And
18 everyone in the room knows what my market is. We're
19 over 200, \$300,000.00 a year bringing my clients who
20 reside here. Trust me, when I tell you that.

21 VOICE: What's the problem? What's the
22 problem?

23 MR. LUCARELLI: Arthur Lucarelli. Mr.
24 Dunbar, I have one question for you. How many
25 two-bedroom units are in that 142?

1 MR. DUNBAR: Each building is going to be
2 -- right now, there's a total of 18 buildings. Each
3 building is going to have seven, two bedrooms and one
4 one bedroom. So, it will be four -- again, may I?

5 MS. CORDIANO: Yes.

6 MR. DUNBAR: -- high-end apartments,
7 high-end apartments, four on the first floor and four
8 on the second floor. So, there will be one, one
9 bedroom.

10 MR. LUCARELLI: Seven, two bedrooms.

11 MR. DUNBAR: Yes.

12 VOICE: Section 8 or the Cadillac.

13 MR. SEMENZA: Do you want to know my
14 feelings right now? My feeling are, one way, the land
15 could possibly sit for the next 25 years and we get
16 ex-amount of dollars in taxes and get nothing. Don't
17 want to see that.

18 What we want is the best possible thing
19 for this community. Listen to me. Why I propose, and
20 I'll tell you, to make a motion to table this is to try
21 to get a little bit of tax abatement for the Borough,
22 get a little bit more coming in.

23 MR. KARAM: Mr. Semenza, at all costs.

24 MR. SEMENZA: No. We can set it and we
25 can ask the school board to go back and --

1 MR. KARAM: I understand that. But all
2 contracts have to remain the same, county, school
3 district and Borough.

4 MR. SEMENZA: Right. If we want to
5 change it, we could. And we could ask the school board
6 to go back and vote on our change.

7 MR. DUNBAR: Bobby, the thing with the
8 institution, the finance institution, I have to put
9 skin in the game. And that skin is 20 percent of the
10 whole value of the property.

11 So, what this LERTA does, it gives me
12 about 2.4, almost 3 million dollars. And that's part
13 of my skin to put into this high-end development.

14 Without that, as Mr. Rinaldi alluded to
15 and Ms. DeSando alluded to, without that, I'm dead in
16 the water. Then you're literally going to tie my
17 hands.

18 I made a huge investment there. I bought
19 the land, over \$500,000.00, not counting the interest
20 payment on it. So, I need to develop that property.
21 Or if we're going to plan A or B, it's going to happen.
22 I want to do plan A. And I need your help to do plan
23 A.

24 Also, you mentioned about economic
25 development. We have some statistics. And I mentioned

1 this before. But I would like to reiterate it that
2 each person in a municipality would generate between
3 groceries, gas and dining, note this, \$9,100.00 a year.
4 Now, you use 142 --

5 MR. SEMENZA: Each family?

6 MR. DUNBAR: Correct. 142 times
7 \$9,100.00, millions of dollars right here in the town,
8 right here, as soon as the first person starts to move
9 in.

10 MR. SEMENZA: George, I know more people
11 that shop at Price Chopper and Gerrity's from Old Forge
12 than they shop at Mr. Z's. I'm not saying anything.
13 You can't even say that. That's not a fact. That's
14 --

15 MR. DUNBAR: Here's the good thing I
16 have. Most of my clients, 90 percent of them aren't
17 from Old Forge.

18 The physicians that we bring in are from
19 out of state. So they don't know any better to go to
20 Mr. Z's. They're staying here local because they're
21 professional.

22 MR. SEMENZA: Maybe they are. But you
23 came in and told us what we're doing. The school board
24 got to negotiate. Mr. Rinaldi told me that's the max
25 that can be done.

1 Now you're saying it's not the max. It's
2 pretty much the max you would go. I mean, I just don't
3 want to roll over and give anything away. I want the
4 best for the community.

5 And I'm 42 years old. Hopefully I've got
6 another 40, 50 years to live and raise my children in
7 this community. You know what I mean?

8 MR. DUNBAR: Simple answer for that.
9 Right now, the land, there's numerous developers trying
10 to develop it. Been sitting vacant for hundreds of
11 years, since time started.

12 So, right now, you have a guy willing to
13 invest in it. That's the economic development. Right
14 now, you have that.

15 MR. SEMENZA: I understand that and I
16 agree and take nothing away from what you do for this
17 community and the stuff you put up in this community.
18 That has nothing to do with it.

19 MS. DESANDO: Mr. Semenza, I would --

20 MR. SEMENZA: I'm not making a decision
21 yet. When the vote comes to the table, that's when I
22 make a decision.

23 I'm just trying to possibly work with Mr.
24 Dunbar to maybe get some kind of incentive for the
25 Borough, not Mr. Dunbar telling the Borough what he's

1 giving up.

2 MR. DUNBAR: Looking for the incentive
3 and I invested 25 million. Bobby, how many people
4 outside are willing to invest \$25 million?

5 MR. SEMENZA: Nobody, nobody. You're
6 probably right. We might not see. We might not see
7 it.

8 MR. DUNBAR: Let's get it done.

9 MR. CROSSIN: Mike Crossin,
10 C-r-o-s-s-i-n. The wage tax, the Borough will get the
11 wage tax once these buildings are occupied or
12 apartments are occupied?

13 MR. DUNBAR: Yes.

14 MR. CROSSIN: What is the average rent
15 for these apartments?

16 MR. DUNBAR: Right now, on my plan that
17 I'm proposing that I'm working with the planning
18 commission, anywhere from 13 to \$1,600.00 a month.

19 MR. CROSSIN: So the persons that are
20 going to occupy these apartments are going to be making
21 substantial amounts of wages?

22 MR. DUNBAR: Correct.

23 MR. CROSSIN: So the Borough is going
24 to obtain this wage tax on their salaries. It's a win
25 win for the Borough right now. I can't see why you

1 want to shut something down. I mean, both --

2 MR. SEMENZA: I'm not saying I want to
3 shut anything down.

4 MR. CROSSING: You want to get more
5 revenue for the Borough quicker than ten years. You're
6 going to get all that wage tax coming off of \$1,700.00
7 a month rent.

8 MR. SEMENZA: Let me ask you a question.
9 If we voted no and you go to plan B and you have to pay
10 taxes each year for the next ten years, what kind of
11 tax revenue is the Borough going to get out of that?

12 MR. DUNBAR: That would depend on what
13 the assessor assesses. We would go from that point.
14 It's not going to be as much as it's going to be now on
15 these buildings.

16 MR. SEMENZA: Not in 11 year, in 11
17 year, you're saying. But for the next ten years.

18 MR. KARAM: That goes back to the basis
19 of economic development.

20 MR. SEMENZA: Correct.

21 MR. KARAM: Trying to take something
22 that's generating nothing and cultivate it to bring
23 something.

24 So, if Dunbar says, hey, I'm not going to
25 do nothing for five years now. Well, that five years

1 elapsed. You could have a project that started
2 generating permit money. And there's hundreds of
3 thousands of dollars in permit money. It's a win win
4 for the Borough.

5 MR. SEMENZA: The Borough is not
6 receiving \$250,000.00 in permit money.

7 MR. KARAM: Receive our share.

8 MR. SEMENZA: Which is 20 percent.

9 MR. KARAM: Whatever the number may be,
10 we receive our share. The roads are owned by the
11 developer, right?

12 MR. SEMENZA: Right.

13 MR. KARAM: What's the loss or what's
14 the expense for the Borough?

15 MR. SEMENZA: Nothing.

16 MR. KARAM: Our expense is zero. We're
17 getting \$200.00 a year.

18 MR. SEMENZA: I said, I think George
19 comes up with beautiful places. I'm not saying.

20 MR. KARAM: I mean, I don't care what
21 kind of place he puts up. But if we're going to try to
22 build our tax base to help lessen the burden, so that
23 we're not in a bad position. You know what this does
24 for the school district? The school is on the verge of
25 closing.

1 MR. SEMENZA: I was told in a letter
2 here not to make a decision on the school board. You
3 know what? But it's a community of a whole.

4 MR. KARAM: What I'm saying is, it's a
5 win win for the Borough of Old Forge.

6 MS. DESANDO: I understand what you're
7 saying. I wanted to respond to what Mayor Mulkerin was
8 saying about the lines of communication.

9 On March 12th, I had a communication from
10 council where I invited three members of the Borough
11 Council to our next executive session for our March
12 meeting to discuss the LERTA.

13 This LERTA was voted on in our April
14 meeting. I have communication from somebody from
15 council who said, we're not looking to discuss the
16 LERTA.

17 So, I don't want it put out there that we
18 did not reach out to council to make a decision, to
19 help us make the decision.

20 MR. SEMENZA: Was that me?

21 MS. DESANDO: No.

22 MS. CORDIANO: That was me and --

23 MS. DESANDO: You all know that I reached
24 out to every one of you when we were first approached
25 by Mr. Dunbar and I invited everyone to come to the

1 council meeting. And I reached out to several of you
2 to come to executive session either as a whole,
3 individual or as council.

4 So, I just wanted to say that to Mr.
5 Mulkerin that there was communication. There was
6 invitations and I --

7 MR. SEMENZA: You reached out as a whole,
8 as a whole. And our solicitor could account for me
9 calling him numerous times asking him questions, could
10 we meet with the school board as a whole?

11 MS. DESANDO: I'm not denying that. I
12 just said to you that I met and said, our executive
13 session starts at 6. I will put the LERTA first on the
14 agenda. And we can allot 15 minutes to discuss. And
15 the answer I got back was, we aren't looking to discuss
16 LERTA.

17 MS. CORDIANO: Debbie, just looking to
18 open up lines of communication. And for that
19 particular text, yes --

20 MS. DESANDO: But that was in March.
21 And we voted in April.

22 MS. CORDIANO: On the agenda to discuss
23 the LERTA. And, no, we weren't, for that, we were not
24 looking to discuss that.

25 MS. DESANDO: Merely stating the fact

1 that I did reach out. I did ask for people to come. I
2 did put it on the agenda. I did ask for council's
3 input and didn't get anybody to participate. So,
4 that's the answer to your question.

5 MR. FRANK RINALDI: Councilman Semenza, I
6 appreciate everyone's input. I think George would like
7 to build a project. The finance institution gave us,
8 this is the minimum amount we can accept.

9 You know, he has two options, build a
10 lower project, which I know George absolutely does not
11 want to do, or sell the property. It's a multi-family
12 property.

13 So, anyone from out of town can build a
14 multi-family project. And that's what we do not want
15 to do.

16 MAYOR MULKERIN: Attorney Rinaldi, two
17 weeks, the original request was to table for two weeks.
18 Are you telling us that the deadline two weeks is too
19 much time?

20 MS. DESANDO: It's not two weeks, if you
21 adjust it, it has got to go back to the board.

22 MAYOR MULKERIN: My question is, the
23 original motion was to table this so that the finance
24 committee can meet with you, to ask --

25 MR. FRANK RINALDI: I don't know what the

1 finance committee is going to do because you still get
2 the same amount of tax that you're getting for the next
3 ten years.

4 MAYOR MULKERIN: I think there was
5 questions.

6 MR. SEMENZA: With the tax abatement.

7 MAYOR MULKERIN: July 5th past your
8 deadline is all my question is. Is it too far past
9 your deadline? Is your deadline prior to July 5th? We
10 need to know. Otherwise --

11 MR. FRANK RINALDI: Our financing is at
12 risk.

13 MAYOR MULKERIN: That was all my
14 questions.

15 MR. LENCESKI: How many units?

16 MR. DUNBAR: 142.

17 MR. LENCESKI: Individual.

18 MR. DUNBAR: 18.

19 MR. LENCESKI: I don't understand why you
20 couldn't meet us and maybe go 16 with LERTA and the
21 last two build on your own.

22 Get the financing for 16. Last two
23 buildings, you're on your own.

24 MR. FRANK RINALDI: Don't think our bank

25 --

1 MR. LENCESKI: No. You'll be drawing
2 all kind of rent, drawing 1,400; 1,600 on 150 units.
3 I'm not a banker, but I can't see how you wouldn't, in
4 ten years, be able to bankroll some cash to build one
5 at a time, just like the rest of your projects. Just
6 to negotiate us and help us out.

7 MR. BRIAN RINALDI: George, go somewhere
8 else.

9 MR. DUNBAR: Councilman Lenceski,
10 respectfully, I'm asking for a vote tonight, either yes
11 or no. So, I need to move forward.

12 We came to this council back in November
13 of 2015. Now we're in June. How much more time do you
14 need? Everyone knows what's going on. Everyone.

15 MAYOR MULKERIN: And you're right. You
16 were here in November. That's eight months ago. How
17 many discussions have taken place outside the work
18 sessions, aside from your presentation?

19 Like, was there three or four discussions
20 about it? I'm just asking.

21 MR. DUNBAR: With Borough Council?

22 MAYOR MULKERIN: Yeah, in this room.

23 MR. DUNBAR: This will be our fourth one
24 today.

25 MAYOR MULKERIN: Fourth one.

1 MR. FRANK RINALDI: If there's
2 questions, I'll be glad to answer them. I don't think
3 there's any other questions. I might not have any --

4 MS. CORDIANO: I agree. I don't think
5 there's any other questions. I personally agree, I
6 don't think there's any other questions.

7 MR. FRANK RINALDI: Nothing more I could
8 say, Mr. Semenza.

9 MR. BROWN: Answer my question. I'm
10 sorry. I may have -- I asked the planning commission,
11 the planning member and Mr. Rinaldi. I'm sorry. I may
12 have spiraled this into a huge discussion.

13 But I just wanted to get back to what I
14 was saying here. The project, in my standpoint, would
15 be a benefit.

16 We look at our last previous budgets,
17 delinquent taxes continue to increase. Our real estate
18 taxes that we are receiving continue to decrease.
19 Property transaction tax continues to decrease.
20 Property listings continue to increase.

21 As of tonight, there are 61 properties
22 within this Borough that are listed for sale. As of
23 tonight, there are 43 properties in Taylor listed for
24 sale. As of tonight, there are 48 properties in Taylor
25 listed for sale. So we have people increase -- the

1 number of houses increasing listings.

2 We have delinquent taxes increasing. And
3 we have our current tax base decreasing. So, ladies
4 and gentlemen, my question to you tonight is, do we
5 want to continue down that road? Do we want to
6 continue down that road where our Borough revenues are
7 decreasing but our expenses increase?

8 In my mind, this would be the only way is
9 to vote for this project here and now and to pass it.
10 That's all I have to say.

11 I want to thank the planning commission,
12 Mr. Piccolini and Mr. Rinaldi for answering my
13 questions. I do apologize for putting anyone on the
14 spot.

15 MR. FEBBO: Mr. Semenza, could I have
16 the floor?

17 MR. SEMENZA: Yes, you can.

18 MR. FEBBO: Been a long night here. I'm
19 part of the planning and land use committee and the
20 long-range capital improvement committee.

21 Spend a lot time in the Borough building.
22 I've heard about the TIF and I researched it. I heard
23 about the LERTA and I researched it. There's pros and
24 cons of everything.

25 After I came to my conclusion that I am

1 for this project, and I think disappointed some people,
2 I weighed everything heavily. You're right.
3 To have somebody come to this community and sink that
4 kind of money into our community here is a compliment
5 to us.

6 I've also checked in the areas to see
7 where these people would be coming from. I think I
8 questioned George and a couple people about where are
9 you going to get 140 families to fill these units.

10 So I did some research on my own. I
11 found that, generally, when people move into our area,
12 they check the Chamber of Commerce and so on, to find
13 out where housing is available.

14 Obviously, our community of Old Forge has
15 everything to offer in terms of restaurants and so on
16 and location.

17 One thing we like was building, rentals.
18 People don't want to buy homes that are going to be
19 here for two or three years, as an intern at the
20 hospital or even with the gas fields. They want to
21 rent. They want to rent high-class places. They don't
22 want to rent a half double or a single house.

23 Mr. Dunbar has provided that and he has
24 put us on the map for a quality place to reside. We
25 are attracting top-shelf people to come to Old Forge.

1 With that being said, at one time, you
2 walked away from 42 million dollars with the landfill.
3 Okay. I don't think that we should walk away from this
4 project tonight.

5 I'm not ready to settle for a substandard
6 housing development. That's not Old Forge class.
7 That's not our style. That's not what he puts
8 together.

9 I don't want to force him in to building
10 something that we can't swallow or accept. I will go
11 before the board, I am for the plan. Thank you.

12 MR. BROWN: Can we bring it to a vote?

13 MS. CORDIANO: I would just like to say
14 something. I am a hundred percent for the project. I
15 am not for the LERTA. I am not for the abatement at
16 all.

17 I honestly don't believe that if we don't
18 approve this tonight, that you would put something
19 there that was subpar in regard to any other property
20 that you've put up, because they're all beautiful.

21 And I understand the length that you have
22 gone to. But my gut is telling me this isn't the right
23 decision for a ten-year abatement. It's not. That's
24 where I stand. I just felt that I needed to say that
25 before I voted.

1 MR. DUNBAR: I appreciate that. It's not
2 my decision. It's the institution financing the
3 project. They tell me to go north, to go south, when
4 to sit, when to stand, make no mistake about that.

5 That's not -- they give me the direction.
6 Without them, there is no development. So, thank you.

7 MR. RUSSICK: Joe Russick. Does this
8 forum constitute the hearing, according to law, that's
9 required for LERTA? Does this board constitute that?

10 MR. SEMENZA: I would have to ask Bill
11 that question.

12 ATTORNEY BILL RINALDI: This is the vote
13 to approve the LERTA.

14 MR. RUSSICK: If there is anything
15 illegal about it. You have to comply with the
16 regulations in the law. I just ask the question. It's
17 a spirited conversation, spirited discussion.

18 To be in compliance, if you're not in
19 compliance with the law, that can come back to bite
20 you.

21 MR. SEMENZA: Just a vote to approve the
22 LERTA.

23 MR. RUSSICK: Well, I'm saying, the law
24 states there shall be at least, shall is mandatory.
25 shall be one public hearing. Now, does this constitute

1 one public hearing? Does it meet the requirements?

2 MR. SEMENZA: Bill.

3 ATTORNEY BILL RINALDI: There's nothing
4 special that we got to advertise a special public
5 meeting.

6 MR. RUSSICK: I can give you a copy of
7 the law. I'm just asking the question.

8 MR. SEMENZA: I'm just going with what
9 our solicitor says.

10 MR. RUSSICK: The law is the law.

11 ATTORNEY BILL RINALDI: You already have
12 our motion to blight. You already have our blight.

13 MR. KELLY: Yes. Well, just to clarify a
14 couple conversations. The planning commission is
15 making a recommendation to this council to declare the
16 property blighted or deteriorated. The planning
17 commission cannot do that. This group has to do that.

18 So, part of the LERTA, if you're going to
19 vote on LERTA tonight is, yes, we can concur with the
20 recommendation of the planning commission and that this
21 is a blighted property and boundaries are set by the
22 boundary of the pin number. You need to specify just
23 the lot, nothing else in the Borough is deteriorated.

24 Once you do that, then what you do is
25 then take the action on the resolution for granting the

1 LERTA.

2 There is a requirement for public
3 hearing. There is a requirement to have citizens ask
4 questions, council ask questions.

5 There's requirements to bring in somebody
6 that's knowledgeable in the area of LERTA, which is
7 usually the Redevelopment Authority. It's actually in
8 the Act, Act '76, 1977. You have to bring in somebody,
9 regional planning, Redevelopment Authority, somebody
10 that's knowledgeable in the area. And that's why I've
11 been asked to come here.

12 I think this is probably my third time to
13 council. May have been the old council I talked to.
14 The school board, I met the school board at least two
15 or three times. We have taken some steps to educate.

16 MR. SEMENZA: I think this is the only
17 time you've been here with the LERTA. I think the
18 other times have been with the TIF.

19 MR. KELLY: The first time with the TIF,
20 correct.

21 MR. FRANK RINALDI: Councilman Semenza,
22 as you know, TIF was a hundred percent abatement. You
23 know, it would be in the ten to twelve-year period,
24 longer period of time and a hundred percent of the
25 taxes would go towards paying the TIF loan.

1 So, this is a way for, one, that George
2 to be able to do his project without the constraints of
3 the TIF and giving the Borough instantaneous money with
4 permit fees and the declining balance.

5 So, I just want you to recognize, you
6 know, the TIF would be a ten to twelve-year period of a
7 payback. And that's the thing, we've been here
8 numerous times.

9 Just to clarify for the council, you
10 know, what impact the TIF would be. The TIF would be
11 ten to twelve years at a hundred percent.

12 MR. SEMENZA: After the ten, right,
13 okay.

14 MR. FRANK RINALDI: I respectfully
15 request a vote tonight for your consideration,
16 Councilman Semenza, and all counsel.

17 MR. SEMENZA: Anybody have any other
18 questions?

19 MS. CORDIANO: I have one more question.
20 I'm sorry. I think in the last work session, you said
21 that this was going to create thousands of jobs. Could
22 you --

23 MR. DUNBAR: I did make that statement,
24 yes, both directly and indirectly.

25 MS. CORDIANO: Can you explain that

1 further?

2 MR. DUNBAR: Yes. Directly would be,
3 let's start from the footer up. For the excavator,
4 excavating out the footer, that is direct. So that
5 would be somebody local.

6 The fuel provided for that excavator,
7 that could be someone here in Old Forge, someone down
8 in Pittston, that's someone down in Scranton.

9 The parts sold for that excavator, that
10 would be indirect. So, for example, if they were using
11 a Caterpillar, have to go to Caterpillar to get the
12 parts. That's what I mean by indirect.

13 Now, the foundations, okay. So now you
14 have masons doing foundations. You have laborers. You
15 have truck drivers bringing the product. You have the
16 manufacturer manufacturing the block.

17 Now you have the manufacturers buying the
18 material to make the block, just goes on and on and on,
19 trickle-down effect.

20 Now all these people, right? So, you
21 know, somebody has got a headache, got to go to a
22 pharmacy. Somebody is hungry. Got to eat. Right?
23 Somebody has an emergency situation, you know, they
24 have to go to REDI-Care up the road.

25 So that's what I mean by direct and

1 indirect. We can go on, because there's an array of
2 sequences when you construct a project like this. We
3 haven't been talking about pipe, storm water pipe,
4 bioretention pond, sanitary roads, the road base, the
5 curbs, so, thousands.

6 MS. CORDIANO: You don't have to -- under
7 LERTA, you don't have to use union workers though,
8 correct?

9 MR. FRANK RINALDI: Union or non-union
10 has no impact. George can pick his attorney. He can
11 pick --

12 MR. DUNBAR: Here's what I need to do.
13 I'll answer that question. I have a time frame. I
14 need to build my units.

15 So, if my first sequence is going to be
16 three structures, three building, 24 units, I have to
17 have them all built at the same time. I can't get
18 ready for this framer to get done, then go to the next.
19 I'm going to need three crews to do each building,
20 because of my restraint. And I need to get clients.

21 So we're going to have a staff. As we're
22 building, we're going to have facility managers on the
23 websites generating clients. Having clients for, you
24 know. So, it's a process. It's a huge undertaking.
25 But I'm up for the challenge. I'm ready to get going,

1 start digging right now. If you approve the LERTA, I'm
2 ready to go.

3 MS. CORDIANO: Thank you.

4 MR. DUNBAR: You're welcome.

5 MR. SEMENZA: Quarter to 9 at night,
6 going to get started?

7 MR. DUNBAR: Get the headlights out
8 there.

9 MR. SEMENZA: Anybody have any questions
10 for either Mr. Rinaldi, Mr. Dunbar or Mr. Kelly or
11 anyone else in the audience have any questions or the
12 floor?

13 MR. FEBBO: One way or the other, we have
14 to get by the fact that he's not going to pay taxes for
15 ten years or the amount of taxes we feel he should pay.

16 But, in return, at the end of five or ten
17 years, we'll have something very tangible to be proud
18 of.

19 MR. SEMENZA: Right. Okay. At this
20 time, the Chair would entertain a motion to pass a
21 resolution granting Local Economical Revitalization Tax
22 Assistance to a 22.19 acre site that is located at west
23 of Milwaukee Avenue and identified at pin number
24 17503-020-004 owned by Birchwood Estates Realty LLC,
25 setting forth amounts of tax abatements for each year

1 for ten years.

2 MR. BROWN: Mr. Chairman, I would like to
3 make that motion.

4 MR. SEMENZA: Motion on the floor by
5 Councilman Brown.

6 MR. FEBBO: Second that motion.

7 MR. SEMENZA: Seconded by Councilman
8 Febbo on the question. Public input.

9 VOICE: Pass it.

10 MR. SEMENZA: Roll call, please.

11 MS. BARTOLETTI: Councilman Brown.

12 MR. BROWN: Yes, definitely a hundred
13 percent.

14 MS. BARTOLETTI: Councilman Cordiano.

15 MS. CORDIANO: Yes.

16 MS. BARTOLETTI: Councilman Febbo.

17 MR. FEBBO: Yes.

18 MS. BARTOLETTI: Councilman Rinaldi.

19 MR. RUSSELL RINALDI: Yes.

20 MS. BARTOLETTI: Councilman Lenceski.

21 MR. LENCESKI: Yes.

22 MS. BARTOLETTI: Councilman Semenza.

23 MR. SEMENZA: Yes.

24 MR. DUNBAR: Thank you very much.

25 MR. SEMENZA: We're still in a meeting,

1 ladies and gentlemen. I apologize. I, myself, got a
2 little anxious.

3 Not on the agenda or public input, but
4 Mr. Bernie Banks is here from American Asphalt. Do
5 you want to approach the podium? Catch everybody up to
6 speed. Well, you want to --

7 MR. BANKS: My name is Bernie Banks.
8 We were the contractor who did the paving over at
9 Rosemont.

10 And as part of the process, a
11 subcontractor had knocked some material into a storm
12 drain.

13 There was an issue where they had to get
14 cement out fairly quickly. A phone call was made. I
15 don't know this gentleman's name.

16 MR. PAPI: Paul Papi.

17 MR. BANKS: And he was near one of the
18 local American Rooter. They came over to perform the
19 work. We did not have a problem with that, because we
20 did need to get the material out of the sanitary line.

21 But the gentleman continued performing
22 another four operations after that, over the next ten
23 days.

24 We got a bill from them for about
25 \$5,400.00, I believe it was. We did not authorize them

1 to go and do all this work. Although we did not have a
2 problem with them doing it the first day.

3 Right now, we're in litigation with them.
4 And the authorization appeared to come from -- I don't
5 know the individual, but somebody from Old Forge
6 Borough.

7 What we're asking, just so this could go
8 away, we're agreeable to pay half that amount for the
9 one time that we accept responsibility. But the other
10 four times, we don't feel we're responsible for it.

11 But we will split the bill with the
12 Borough for half of the amount.

13 MR. SEMENZA: Right. Let me interject
14 real quick. Bernie, we sat, yourself, me, Councilman
15 Rinaldi. And the bill was roughly --

16 MR. BANKS: I believe \$5,600.00.

17 MR. SEMENZA: \$5,600.00, and we
18 basically, it was our committees, and we spoke to
19 Councilman Cordiano on that, that it was basically me
20 that said that I felt that it was -- the split was
21 reasonable and it would go to council.

22 Basically, we have to bring it to the
23 table tonight, Mary, I think, right? Bill, is that
24 what it is?

25 ATTORNEY BILL RINALDI: Yep.

1 MR. SEMENZA: Is there anything else you
2 wanted to say about it?

3 MR. BANKS: Not really. Like I said, the
4 gentleman that did the work, if we don't come to
5 resolution, we're going to end up in court with them.

6 We're going to deny the claim, and he's
7 going to be stuck holding the bag unless he wants to
8 sue you guys. I don't think he really wants to do that
9 because he does work for you.

10 So, this is just a way for everybody to
11 kind of get out of it fairly and I believe equitably.
12 And, again, I think that us paying half of it --

13 MR. RUSSELL RINALDI: Do you have a total
14 amount?

15 MR. BANKS: Again, gave it to Attorney
16 Rinaldi.

17 MR. SEMENZA: Bill, do you have the
18 total?

19 ATTORNEY BILL RINALDI: I don't have it.

20 MR. SEMENZA: Dave, do you have the
21 total?

22 MR. LOPATKA: I don't have it.

23 MR. BANKS: I believe it was 4,200 plus
24 14.

25 MR. RUSSELL RINALDI: I think we would

1 need a total here to make an official vote, correct,
2 Bill?

3 ATTORNEY BILL RINALDI: Do we have it in
4 the sewer bills.

5 MS. BARTOLETTI: I don't know.

6 MR. SEMENZA: I thought it was 5200. I
7 might be mistaken.

8 MR. FEBBO: Question on that.

9 MR. SEMENZA: Yes, sir.

10 MR. FEBBO: He's asking us to pay half
11 that bill, our half. Rosemont going to pay for our
12 half?

13 MR. SEMENZA: I was going to get to that.
14 Our half would go, because, Councilman Febbo, you're
15 correct by saying that.

16 A lot of that work was camera line,
17 inspection of lines. And before you to turn over a
18 road, correct, Bill, that all lines must be inspected?

19 ATTORNEY BILL RINALDI: Yeah. What
20 happened was, they were going to pave that Monday, this
21 accident occurred on Wednesday or Thursday.

22 Didn't want to hold up the pave job down
23 there, by having them start to pave and find out we got
24 to rip up new pavement when this accident occurred.

25 MR. FEBBO: Okay. Then the another

1 question then. The camera where the manhole was
2 collapsed or concrete with the manhole and they
3 cameraed certain areas, right, from that manhole?

4 MR. BANKS: Sucked it out and cameras.

5 MR. FEBBO: Now we're paying for
6 cameraing a partial part of the sewer line. Before we
7 go back to accepting any of the Rosemont, will we not
8 be recameraing all the lines? Are we going to go on
9 the assumption that this part is done so we're going to
10 skip it?

11 ATTORNEY BILL RINALDI: No. I had it
12 subsequent to that, not related to that issue, LLBSA
13 camera everything for us.

14 MR. FEBBO: Cameraed everything.

15 ATTORNEY BILL RINALDI: They were in
16 there to make sure all those other lines were cut off.
17 And I asked them to camera everything. They did them
18 all for us.

19 MR. FEBBO: Back to the question.

20 MR. SEMENZA: And I believe that, like
21 you said, about half the payment being on Rosemont
22 would be it. I don't know.

23 MR. FEBBO: Yes or no.

24 ATTORNEY BILL RINALDI: Going to have to
25 throw it on our total. We're not going to hold up a

1 paving contractor that took nine months.

2 MR. SEMENZA: Could I make a motion to
3 vote to pay half of the -- without a total?

4 ATTORNEY BILL RINALDI: Yeah, we can do
5 that. Who is the bill for, Paul?

6 MR. PAPI: American Rooter. All-American
7 Rooter.

8 ATTORNEY BILL RINALDI: Half of the
9 All-American Rooter bill for repairs in Rosemont with
10 regards to American Asphalt Paving project.

11 MR. SEMENZA: At this time, the Chair
12 would entertain a motion to pay 50 percent of the bill
13 submitted by American Rooter to American Asphalt on the
14 paving project in Rosemont Estates.

15 MR. LENCESKI: Mr. Chairman, I'll make
16 that motion.

17 MR. SEMENZA: On the floor.

18 MR. FEBBO: Second the motion.

19 MR. SEMENZA: Seconded by Councilman
20 Febbo. Do I have to say anything about Rosemont paying
21 half of it in this motion?

22 ATTORNEY BILL RINALDI: We're going to
23 ask for it, request it under the general order for
24 repairs.

25 MR. SEMENZA: Motion and seconded. Roll

1 call, please.

2 MS. BARTOLETTI: Councilman Brown.

3 MR. BROWN: Yes.

4 MS. BARTOLETTI: Councilman Cordiano.

5 MS. CORDIANO: Yes.

6 MS. BARTOLETTI: Councilman Febbo.

7 MR. FEBBO: Yes.

8 MS. BARTOLETTI: Councilman Rinaldi.

9 MR. RUSSELL RINALDI: No.

10 MS. BARTOLETTI: Councilman Lenceski.

11 MR. LENCESKI: Yes.

12 MS. BARTOLETTI: Councilman Semenza.

13 MR. SEMENZA: Yes. At this time, the
14 Chair would entertain a motion to adjourn.

15 MR. LENCESKI: I'd like to make a motion
16 to use the CBG money to pave Kohler Avenue or at least
17 get the process started to pave Kohler Avenue.

18 MR. SEMENZA: Motion on the floor by
19 Councilman Lenceski.

20 MR. FEBBO: Second that motion too.

21 MR. SEMENZA: CDBG money, partial CDBG
22 money to pave Kohler Avenue. Do we have to say from
23 block to block or --

24 ATTORNEY BILL RINALDI: I can tell you
25 exactly.

1 MR. PAPI: Church Street to --

2 MR. BIERYLA: Church to Philip.

3 CHIEF DEBURNAS: Riley to Church.

4 MR. SEMENZA: Riley to Church Street.

5 Seconded by Councilman Febbo.

6 MR. FEBBO: Sorry. Yes.

7 MR. SEMENZA: On the question.

8 MR. RUSSELL RINALDI: Question. Bill, is
9 that road owned by us or is that the road that we're
10 disputing with the county?

11 ATTORNEY BILL RINALDI: County doesn't
12 own it.

13 MR. RUSSELL RINALDI: County doesn't own
14 it.

15 ATTORNEY BILL RINALDI: Traced it back to
16 the '20s and it was laid out by Lahutski.

17 MR. RUSSELL RINALDI: So then we own it.

18 ATTORNEY BILL RINALDI: Back in those
19 days, they just laid out roads and never dedicated.

20 MR. RUSSELL RINALDI: So then we own it?

21 ATTORNEY BILL RINALDI: Yeah. It's
22 grandfathered.

23 MR. SEMENZA: Public input. Roll call,
24 please.

25 MR. RUSSELL: Are we collecting liquid

1 fuel money on that?

2 MR. SEMENZA: Yes, we are.

3 MS. BARTOLETTI: Councilman Brown.

4 MR. BROWN: Yes.

5 MS. BARTOLETTI: Councilman Cordiano.

6 MS. CORDIANO: Yes.

7 MS. BARTOLETTI: Councilman Febbo.

8 MR. FEBBO: Yes.

9 MS. BARTOLETTI: Councilman Rinaldi.

10 MR. RUSSELL RINALDI: Yes.

11 MS. BARTOLETTI: Councilman Lenceski.

12 MR. LENCESKI: Yes.

13 MS. BARTOLETTI: Councilman Semenza.

14 MR. SEMENZA: Yes. At this time, the

15 Chair would entertain a motion to adjourn.

16 MR. LENCESKI: Make that motion.

17 MR. SEMENZA: Motion on the floor by

18 Councilman Lenceski. All in favor.

19 (Chorus of ayes.)

20 (Whereupon, at 8:55 p.m, the hearing was

21 adjourned.)

22

23

24

25

CERTIFICATE

I hereby certify, as the stenographic reporter,
that the foregoing proceedings were reported
stenographically by me, and thereafter reduced to
typewriting by me or under my direction; and that this
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my ability.

BY: 

Janet E. Smith, Court Reporter