Easton, Pennsylvania       February 17, 2011

A regular meeting of the Northampton County Council was held on the above date with the following present: John Cusick, President; Margaret L. Ferraro, Vice President; Ron Angle; Thomas H. Dietrich; J. Michael Dowd; Bruce A. Gilbert; Lamont G. McClure, Jr.; Ann McHale; Barbara A. Thierry; Frank E. Flisser, Clerk to Council, and Philip D. Lauer, Solicitor to Council.

Prayer

Mr. Dowd led County Council in prayer to open the meeting.

Pledge of Allegiance

Mrs. Ferraro led County Council in the pledge of allegiance.

Approval of the Minutes

Mr. McClure made the following motion:

Be It Moved By the Northampton County Council that the minutes of the February 3, 2011 meeting shall be approved.

Mrs. Thierry seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Mr. Cusick stated those individuals who wished to comment regarding the Gracedale issue would be allowed to do so under Public Comment for the ordinance which was introduced at the last meeting.

Mr. Jack Delessandro, 705 Front Street, Bangor, PA - advised he waited one month for someone to stand up for Mrs. Ferraro because the language Mr. Angle used toward her was
despicable. He further advised she deserved a public apology or Mr. Angle a censor should be given to Mr. Angle.

County Executive’s Report

Mr. John Stoffa, County Executive, stated the Swaption value as of February 16, 2011, was $12.1 million, which was down from $12.9 million two weeks ago.

Mr. Stoffa advised the Procurement Office had disposed of some surplus items through a public web-based surplus program that had returned $15,317 to the General Fund from December through January.

Mr. Stoffa stated Northampton County was scheduled to receive a $341,650 reimbursement from a Federal program entitled “Early Retiree Reinsurance”. He further stated through this program, the County would receive reimbursements for 80% of medical claims paid between $15,000 and $90,000 which were incurred by retirees between the ages of 55-65.

Mr. Stoffa advised the Sheriff’s Department had completed an internal audit of more than 700 weapons and found no discrepancies.

Mr. Stoffa stated that effective Monday, a Sheriff Deputy would be placed in the Wolf Building on a daily basis due to increasing acts of outbursts on the part of the public and for the safety of the County’s employees.

Mr. Stoffa advised the census at Gracedale had dropped to 597 as of February 11, 2011, which was down from 627 on January 7, 2011.

Mr. McClure stated over the years, the actual versus the budget at Gracedale had been wildly divergent and in 2010, the divergence between the budget and the actual costs was approximately $5 million. He further stated over the last five years, the divergence was even more profound, noting Gracedale was predicted to have cost the County $47 million, however, during that period, it actually brought in $2 million.

In answer to Mrs. McHale’s question as to what was the status of the two independent appraisals for the Gracedale sale,
Mr. John Conklin, Director of Administration, replied they were still waiting on that, but County Council would receive them before any decision was made.

Mrs. McHale advised County Council received an e-mail from the County Commissioners Association of Pennsylvania regarding the commission percentage for the insurance agent on the County’s insurance program. She then asked if the Administration had decided what percentage he would get paid.

Mr. Conklin stated Mr. Thomas Harp, Deputy Director of Administration, was discussing that with the Huth Agency, noting he felt this was a good opportunity for the County to receive some reductions.

Mrs. McHale advised if they would like her input, she would be willing to assist.

In response to Mr. Angle’s question as to when he felt the appraisals would be completed, Mr. Conklin stated they expected them by the end of the month.

In answer to Mr. Angle’s question as to what the Administration should do about the wide swings with regard to the budget projections and the actual numbers at Gracedale, Mr. McClure advised the reason he pointed that fact out was that over the last five years, the County had been wrong by $47 million with respect to their predictions as to what Gracedale would cost. He further advised even in these brutal times, Gracedale still returned $2 million to the County treasury and during the same period of time, the County was predicting Gracedale would cost the County $47 million. Therefore, how could the County rely on estimates of what the future costs of Gracedale would be when it had been nearly $50 million wrong over the last five years.

Mr. Angle stated he did not agree with the figures and it had been proven over the years that it was nearly impossible to calculate some of the figures at Gracedale because of the unknowns like funding from the State and Federal government, the capacity of the beds and other items. He further stated Gracedale was like no other department because it could not be pinned down and the best that could be done was an educated guess.
When Mr. McClure advised he agreed, therefore, future tax increase predictions could not be made with respect to Gracedale, Mr. Angle commented there were certain factors that could be determined and those were the costs to run Gracedale and the capital improvements that had to be done.

Mr. Gilbert stated he always had a problem when someone quoted numbers when comparing budgets because anyone could take any given years to prove their point. He further stated in doing the budget for an entity such as Gracedale, it was better to err in favor of the residents.

Confirmation of Appointments

Mr. Cusick advised the Personnel Committee met on Wednesday, February 16, 2011, to review the County Executive’s appointments/re-appointments to various authorities, boards and commissions.

Mrs. McHale stated the members of the Personnel Committee voted to recommend all the appointments and re-appointments to County Council for approval.

When Mrs. McHale asked if these appointments and re-appointments should be voted on together, the members of County Council replied in the affirmative.

Mrs. McHale introduced the following resolution:

R. 26-2011 RESOLVED, by the Northampton County Council that the following individuals shall be confirmed in their appointments/re-appointments as indicated hereafter:

**AREA AGENCY ON AGING**
**ADVISORY COUNCIL**

Appointment: Eileen B. Segal  
Term to Expire: 6/30/12  
2701 Liberty Street  
Easton PA 18045

**COMPREHENSIVE ECONOMIC**
DEVELOPMENT STRATEGY - LVEDC COMMITTEE

Appointment: Peter R. Albanese  
Term to Expire: 12/31/13  
706 Rudolph Road  
Pen Argyl PA 18072

CONSERVATION DISTRICT

Appointment: Margaret L. Ferraro  
Term to Expire: 12/31/11  
339 Schoeneck Avenue  
Nazareth PA 18064

INDUSTRIAL DEVELOPMENT AUTHORITY

Appointment: John T. Dittbrenner, Jr.  
Term to Expire: 3/17/13  
3504 Nicholson Road  
Bethlehem PA 18020

LEHIGH VALLEY PLANNING COMMISSION

Appointment (Citizen): Gordon M. Campbell  
Term to Expire: 12/31/14  
919 Blair Road  
Bethlehem PA 18017-3045

Re-appointments (Citizen): Charles L. Fraust  
Terms to Expire: 12/31/14  
405 Bierys Bridge Road  
Bethlehem PA 18017

George F. Gemmell  
1410 Princeton Drive  
Bethlehem PA 18017

Appointments (Elected Officials): Terms to Expire: 12/31/11
NORTHAMPTON COUNTY
HOUSING AUTHORITY

Appointment: Term to Expire: 2/9/15
Joanne E. Lambert
368 Madison Avenue
Apt. #202
Nazareth PA 18064

LEHIGH AND NORTHAMPTON
TRANSPORTATION AUTHORITY

Appointment: Term to Expire: 3/2/16
Robert J. Donchez
377 Devonshire Drive
Bethlehem PA 18017

OPEN SPACE ADVISORY BOARD

Re-appointments: Terms to Expire: 3/18/13
Judith Henckel
1752 Robin Hood Road
Mount Bethel PA 18343

Pamela Denise Kistler
49 Applewood Drive West
Easton PA 18045-5835

Isidore C. Mineo
70 Ballek Road
Riegelsville PA 18077
Mr. Angle made a motion to vote by acclamation.

Mr. McClure seconded the motion.

Mr. Cusick advised the resolution was adopted by voice acclamation, with Mrs. Ferraro abstaining on her appointment to the Conservation District.

Public Hearing on the Ordinance Prohibiting the Sale of Gracedale

Mr. Cusick stated the following ordinance was introduced by Mr. McClure and Mrs. McHale at the County Council meeting held February 3, 2011:

AN ORDINANCE PROHIBITING THE SALE OF THE COUNTY NURSING HOME KNOWN AS GRACEDALE

The County nursing home, known as Gracedale, shall not be sold and/or leased by the County of Northampton for a period of five years from the date of the enactment of this Ordinance.

Public Hearing

Mr. Cusick asked if there were any member of the public who wished to comment.

Mr. Rich Grucela, 6630 Fairview Avenue, Martins Creek, PA -
Mr. Grucela stated from what he had read in the newspaper, one of the buyers or the potential buyer had indicated they would keep 85% of the beds in Gracedale as Medicaid, which meant that 15% would not be kept so he wanted to know many patients would make up that 15%.

Mr. Ross Marcus, Director of Human Services, advised that was not correct, noting it was indicated they would keep the Medicaid population at what it was today which was 85%.

Mr. Grucela asked County Council to pass this ordinance and reconsider the sale of Gracedale because he believed a creative, progressive County Administration could operate it effectively and efficiently while maintaining a high quality of care.

In response to Mr. Grucela’s comment that he did not understand how a company could come in, purchase Gracedale and turn a profit when the County could not, Mr. Angle stated there were many examples, but one example was the laundry operation was determined to be running at 31% efficiency, however, a new company would make it operate at 90% because it had to in the business world, but government did not have to run things profitably or efficiently.

Mr. Grucela advised he would not argue with that, but if that was the case, it was incumbent upon the Administration to make it run at 90% efficiency.

In conclusion, Mr. Grucela stated, as a politician, when 23,000 people favored something, he would take another look at it, noting there was nothing wrong with changing your vote because a person who could not change their mind could not change anything.

Ms. Kim Brobst, 223 Princeton Avenue, Palmerton, PA - asked Mr. Cusick what County Council was prepared to do if the voters voted to save Gracedale.

Mr. Cusick advised he planned to introduce an ordinance
that would amend the Administrative Code requiring the Administration to bring in a professional management team to run Graceale.

Mr. Brian Eichfeld, 774 Magnolia Road, Hellertown, PA - stated he liked the idea of people having the opportunity to vote on things they felt strongly about, but he believed a lot of the signatures were obtained because the people were told the County wanted to close Gracedale and put the residents out on the street.

Mr. Eichfeld urged the members of County Council to vote against this ordinance because government could not run things efficiently, but a free market system could.

Mr. Eichfeld advised he heard of the low turnover rate of employees at Gracedale and if he had a retirement package as good as theirs, he would not leave either, however, it was the taxpayers who were funding it. He further advised the County had to sell Gracedale to save it otherwise it was going to deteriorate and the County’s senior citizens were not going to be served.

Ms. Cheryl Check, 2652 Banko Lane, Hellertown, PA - stated she did not believe government had a role in healthcare. She further stated except for the military, government could not run anything effectively. She urged County Council and the voters to take their emotions out of the equation.

Mr. Mario Martinez, 2555 Chestnut Lane, Easton, PA - advised there were a lot of misunderstandings regarding this issue and a lot of misinformation going around. He further advised taxes did not have to go up if Gracedale sustained itself, which it had done in the past so it could do it in the future. He noted if government could not handle things such as this, then maybe government should be privatized.

Mr. Martinez stated the County had a responsibility to its elders. He further stated the County had $60 million in its Fund Balance, which indicated to him the taxpayers were being over taxed. Therefore, he wanted to know why those funds could not be used to carry Gracedale.

Mr. Jack Dalessandro, 705 Front Street, Bangor, PA -
advised Mr. Angle and Mr. Bernie O’Hare, as private citizens, filed a suit regarding the validity of the signatures on the petition to put the referendum on the ballot. He further advised it was obvious to all in the courtroom that they were being coached by Mr. Karl Longenbach and Mr. Mark Steward. Therefore, he wondered how much it cost the taxpayers for them to receive that advice and was the County planning to send them a bill.

Mr. Dalessandro stated Mr. Stoffa also filed a suit because he believed the referendum went against the Home Rule Charter. He further stated at a time when the County was stressing the need for fiscal responsibility why was it necessary to waste taxpayers money and he wondered how much this was costing them. He noted all of the money spent could have been used for Gracedale.

Mr. Dalessandro advised he hoped that while awaiting the Courts decision, the County did not allow Gracedale to flounder. He further advised if the County could pay the attorneys, then they could pay for Gracedale.

Ms. Marylou Zimmer, 3305 Marwood Lane, Easton, PA – read an article that appeared in the New York Times that indicated that the care given in a nursing home after it went private was more times than not worse than when it was public (see Attachment #1).

Mr. Angle stated he did not know how he became the focus of the Gracedale proponents, but he planned to continue to look at the facts, care about the patients and the taxpayers and make the decision he felt was right.

Mr. Angle advised when the Bond Issue was being discussed, he suggested taking some of that money to upgrade Gracedale because there were more facilities opening in the area that were offering things Gracedale did not offer. He further advised Gracedale did a great job with care, but it was the facility that concerned him.

Mr. Angle stated he approached the unions about allowing their members to give back some of their benefits, which he learned most of the members were in favor of, but the unions never presented a proposal to the County.
Mr. Angle advised he later suggested that a new management team be brought in for three years to see if they could turn Gracedale around and if they could not, then a decision would be made about what to do, but that did not happen either.

Mr. Angle stated he withdrew his appeal, but if the initiative did get on the ballot, he would like Mr. Stoffa to send out at least two mailers to every voter explaining all the facts. He further stated if the voters voted to keep Gracedale, he would suggest the County borrow $25 million to upgrade it so it could be competitive in today’s market.

Mr. Angle advised he was going to make his decision on what he believed was good for the residents of Gracedale and the taxpayers who had to survive in this County.

Mr. Bernie O’Hare, Nazareth, PA - stated one of the sad things about the Gracedale issue were the personal attacks that were made. He further stated that he and Mr. Angle were not coached by Attorney Longenbach and/or Attorney Steward and their presence in the courtroom was at the request of Judge Stephen Barratta so he could decide what he could do about a lawsuit that they filed the previous day.

Ms. Arlene Closek, Hanover Township, PA - advised she worked at Gracedale for 12 years and ran a 50-bed skilled unit. She further advised it broke her heart to hear the union people being so rude and arrogant. She noted Gracedale had its issues with the unions in that it kept individuals employed who did not do their jobs. She further noted she was tired of the unions because they were the greedy ones and the Democrats were right behind them.

Ms. Closek stated the County could not afford to keep Gracedale in these economic times and the residents would not receive rotten care.

Mr. Ron Heckman, Bethlehem, PA - advised he believed there was a need for Gracedale because the County had an obligation regarding its elderly, its children and the infirm. He further advised most nursing home residents could not be accommodated at home.
Mr. Heckman stated the number of elderly increased every year and the County was going to be the core of last resort to taking care of them. He further stated he knew of a few people who were currently at Gracedale because they were turned down by other private facilities in the area.

Mr. Heckman advised he knows there would be costs involved and if County Council would be willing to take on those costs, he would also accept that responsibility as a taxpayer.

Mr. Chris Dawson, 304 West Broadway, Jim Thorpe, PA - stated he had been employed at Gracedale for the past 29 years and urged County Council to sit down with the union to see what could be worked out.

Mr. Dawson advised at the last meeting a question was raised as to what the sale of Gracedale would have on the Pension Fund, but he did not know if that was ever answered.

Mr. Cusick stated he had not received anything.

Mr. Angle advised that if the union did not listen to its own members, it was not going to listen to County Council. He further advised they were negotiating contracts with other unions and realized Gracedale would probably still be unionized under the new owners and they would still get their dues so rather than jeopardize their negotiations with other facilities, they would sell the Gracedale employees down the river.

Mr. Angle stated he never disputed the employees at Gracedale were hard workers and really cared about the residents so it was very sad that the union would not listen to its members, but they were a big union and had to be concerned about how the give backs would affect their other negotiations.

When Mr. Cusick commented it was the role of the County Executive to conduct negotiations, Mr. Dawson urged the County Executive to try again to save Gracedale.

Mr. Vic Mazziotti, Director of Fiscal Affairs, advised the County had an actuary that determined the required annual contribution to the pension and they did ask the actuary to determine what would happen to the County’s annual required
contribution if Gracedale were to be sold. He further advised they did come back with some numbers, but there were some questions that still had to be answered. He noted the costs would go down because the County would have fewer employees, but Grasedale was covering a significant cost of the pension.

Mr. Mazziotti stated there were two components to the annual cost, which were the cost to keep someone on the payroll in any given year, which would go away, and the second was the unfunded liability, which would not go away. He further stated the unfunded liability was the number they were trying to obtain and he hoped to have it by the next meeting.

In answer to Mr. Angle’s comment that by his calculation, taxes would have to be raised 15-18% to keep Gracedale, Mr. Mazziotti replied that would depend on how much was spent on capital, but it was reasonable based on the operating costs so far.

Mr. Cusick asked if there were any members of County Council who had any questions or comments.

In response to Mr. McClure’s question as to whether the 15-18% or one mill tax increase would occur along with maintaining a $60 million a year fund balance, Mr. Mazziotti advised that would be regardless of the fund balance, noting he was just talking about the operating budget. He further advised what the County did or did not do with the fund balance was a separate question, but in terms of balancing the budget from an operating standpoint, the subsidy required at Gracedale was probably equivalent to one mill.

In answer Mr. McClure’s question as whether a tax increase would be necessary if the County were only to maintain a $18 million fund balance, Mr. Mazziotti stated he would not agree that the County had a $60 million fund balance. He further stated there were components of the $60 million that were set aside because the auditors recommended County Council establish an ordinance regarding Governmental Accounting Standards Board (GASB) 54, which dealt with fund balances and if they did not, they would be risking a qualified audit. He further noted after all the components were subtracted, the fund balance was only approximately $15 million.
In response to Mr. McClure’s comment that County Council had the power to move the $60 million around the various components, Mr. Mazziotti agreed.

In answer to Mr. McClure’s question as to what percentage of the $2.8 million Gracedale shortfall was due to the under performing pension fund, Mr. Mazziotti advised he did not know because the pension costs were based on a number of factors.

In response to Mr. McClure’s question that most of the shortfall was due to a shortfall in the pension that was charged to Gracedale, Mr. Mazziotti stated it could have been half of it.

In answer to Mr. McClure’s remark that the shortfall was not just due to operating costs, Mr. Mazziotti advised the pension fund was operating costs.

In response to Mr. McClure’s comment that he believed State law permitted the County when there was interest earned in excess of the obligations of the pension fund to put that interest into the General Fund, Mr. Mazziotti stated he was not familiar with those requirements, but he would find out and report back to County Council.

In answer to Mr. Gilbert’s question as to how GASB 54 came about, Mr. Angle advised it was so there would be a uniform accounting for how monies were handled by public entities.

Mr. McClure stated GASB 54 suggested the County set aside two months’ worth of the General Fund on hand, which would only be approximately $25 million, which was done. He further stated the balance of the $60 million was put into other pots, one of which was the Swaption. He noted when the budget was adopted, $20 million was set aside for the Swaption and now it was down to approximately $12 million. Therefore, he suggested taking the $8 million difference and using it to bring in a management team to keep Gracedale operating.

Mr. Gilbert advised he could not support that suggestion because it was based on the value of the Swaption continuing to decrease and there was no guarantee that was going to happen.
Mr. Cusick stated a vote in favor of this ordinance would adopt the ballot proposal so it would not have to go on the ballot and a vote against it would send it back to the Election Commission who could then put it on the ballot. He further stated if County Council were to table it within 60 days it would go back to the Election Commission for further action.

Mr. Lauer advised that was correct, however, the only issue that was still unclear was that Section 1106 provided for County Council to take action or not and for the 60-day period to begin upon the final determination that the initiative or referendum petition conformed to the provisions of this article. He further advised he was not sure County Council was in that position yet because of the pending litigation. He noted they did receive a decision from this County’s court, but he did not know officially where things stood with any appeals. He further noted generally Mr. Cusick was correct, however, the only complicating factor was whether or not there was a final determination, but County Council was still within the 60-day period.

In response to Mr. Dietrich’s question that since the Courts gave their decision did the 60-day clock begin if no one filed any appeals, Mr. Lauer replied if no one filed an appeal, the clock did begin, however, a person had 30 days to file an appeal.

In answer to Mr. Dietrich’s question as to whether he planned to file an appeal, Mr. Stoffa stated he had not made a decision.

Mr. Angle commented that Mr. O’Hare had filed an appeal so the appropriate action for County Council would be to table this ordinance.

Mr. McClure advised if the County’s Court decisions were held up by the Commonwealth Court, the clock started running when the Election Commission accepted the petition so that 60 days would have expired.

Mr. Lauer stated he did not know if Mr. McClure was incorrect because he had not researched that issue, but that was something that could be upheld. He further stated he did not believe the Home Rule Charter had contemplated anything other
than the approval of the Election Commission or its determination as starting that 60-day clock.

Mr. McClure advised when interpreting statutes when there was no definition, the plain meaning of the language was used.

Mr. Lauer agreed and they have talked at some length about how the Home Rule Charter did not even provide Judicial Review unless the Election Commission would have found it to be nonconforming, which it did not. Therefore, it was unclear as to what the term “final determination” actually meant. He stated it appeared to him that what the Home Rule Charter contemplated was a decision by the Election Commission and to that end, he did not know if there was any harm in County Council acting on this ordinance because if a Court down the road decided that all of this was improper that could be undone as well.

Mr. Angle advised Mr. O’Hare’s and his issue was different from Mr. Stoffa so he felt Mr. Stoffa had to appeal because he took an oath to uphold the Home Rule Charter and all the laws and if believed the early judge’s decision ignored the Home Rule Charter, he had an obligation on behalf of all citizens to have the Courts decide that. He further advised he planned to make a motion to table this ordinance because he felt it would be improper to make a decision without a final determination by the Courts and that Mr. Lauer should request the Commonwealth Court to expedite the matter.

Mr. Angle made a motion to table this matter until all legal challenges or times of appeal have expired by either Mr. Stoffa or Mr. O’Hare and at that point in time, have it brought back to County Council immediately even if it required a special meeting to expedite this matter.

Mr. Gilbert seconded the motion.


The motion passed by a vote of 5-4.
Public Hearing on the City of Bethlehem Tax Abatement Ordinance

Mr. Cusick stated the Bethlehem Tax Abatement program was initially reviewed at the Economic Development Committee held February 3, 2011 and the Committee recommended it be presented for adoption by the Northampton County Council. He further stated the ordinance was introduced by Mrs. McHale and Mr. Dowd.

Mr. Dowd advised this ordinance continued the Local Economic Revitalization Tax Assistance (LERTA) in a specific designated area of Bethlehem which was largely comprised of the Lehigh Valley Park VII and was formerly the Bethlehem Steel property. He further advised it extended Bethlehem’s current plan on the same site with a ten year phase in of property taxes on the improvements to the site.

AN ORDINANCE OF THE COUNTY OF NORTHAMPTON, COMMONWEALTH OF PENNSYLVANIA, ENTITLED LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE – LERTA TAX ABATEMENT AREA, PURSUANT TO ACT 76 OF 1977; P.S. SECTION 4722 ET SEQ., BY CONTINUING THE LERTA PROGRAM THROUGH DECEMBER 2012

WHEREAS, the City of Bethlehem held a public hearing which included the County of Northampton, the Bethlehem Area School District and the Saucon Valley School District, in accordance with said Act, on October 2, 2007 to determine the boundaries of said deteriorated areas; and

WHEREAS, at said public hearing the appropriate planning agencies, having jurisdiction in and about the County of Northampton and its subordinate governmental units, and other public and private agencies and individuals presented to the Northampton County Council, the City of Bethlehem, Bethlehem Area School District and the Saucon Valley School District their recommendations concerning the location of the boundaries of deteriorated neighborhoods in deteriorating areas.

NOW, THEREFORE, BE IT ORDAINED, by the County Council of Northampton County:

I. DEFINITIONS
As used in this Ordinance, the following words and phrases shall
have the meaning set forth below:

A. “Deteriorated area”, means that portion of the City of Bethlehem which the City of Bethlehem has determined to be physically blighted pursuant to Act 76 of 1977 of the General Assembly of the Commonwealth of Pennsylvania, as amended (72 P.S. 4722 et seq.)

B. “Deteriorated property”, means any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorating area, as provided by Resolution of the Northampton County Council, or any such property which has been the subject of an order by a government agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations. Buildings wherein at least 30% of the usable gross or business use shall, if otherwise qualified, be considered a ‘deteriorated property’ within this Article.

C. “Improvement”, means the construction of new building structures, new additions to existing structures which result in an increase in assessed valuation of the deteriorated property. Such improvements shall have the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

For the purpose of this Ordinance, new construction, or the substantial renovation of residential structures shall not constitute an improvement eligible for real estate tax exemption under the provisions of this Ordinance; nor shall improvements or expansion to structures containing non-conforming uses be eligible for real estate tax exemption under the provisions of this Ordinance.

D. “Local taxing authority”, means the City of Bethlehem, the Bethlehem Area School District, the County of Northampton, the Saucon Valley School District or any other governmental entity having the authority to levy real property taxes within the City of Bethlehem.

E. “Municipal governing body”, means the County of
F. “Becomes assessable”, means immediately following issuance of the state and local occupancy permits.

II. ELIGIBLE AREAS

The City of Bethlehem hereby determines with the approval and participation of the County of Northampton, Bethlehem Area School District and the Saucon Valley School District that the following areas of the City of Bethlehem, County of Northampton, contain “deteriorated” areas as defined in Act 76 of 1977, 72 P.S. §4722, et seq., and are eligible for tax exemption under this Act by Bethlehem City Resolution number 15163 on October 2, 2007:

CITY OF BETHLEHEM LERTA ZONE BOUNDARY DESCRIPTION

A. PART I: [Bethlehem Area School District]

BEGINNING at a point said point being the centerline intersection of the Lynn Avenue and East 4th Street, said point located at 2,634,866.583 Feet East and 474,843.179 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the centerline of East 4th Street in a westerly direction to a point being the intersection of the Centerline of East 4th Street and an extension of the southwest boundary of Northampton County Parcel “P7-6-6B” currently owned by “Lehigh Forge Corporation”.

Thence in three courses along the perimeter of Northampton County Parcel “P7-6-6B, first in a northwesterly direction along the extension of the southwest boundary and following the southwest boundary line to a point located at 2,633,587.667 Feet East and 474,994.667 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, second in a northerly direction following the western boundary line to a point located at 2,632,973.500 Feet East and 476,687.167 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, third in an northeasterly direction following the northern boundary line to a point located at
2,633,971.333 Feet East and 477,079.083 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, to a point being the northeast corner of Northampton County Parcel “P7-6-6B” and the Northwest corner of Northampton County Parcel “P7-6-6H-3” currently owned by “10 Emery Street Associates LP”.

Thence along the northern boundary line of Northampton County Parcel “P7-6-6H-3” to a point being the northeast corner of Northampton County Parcel “P7-6-6H-3” and the Northwest corner of Northampton County Parcel “P7-6-6H-2” currently owned by “Lehigh Valley Industrial Park”. Said point located at 2,635,662.417 Feet East and 477,436.167 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southeasterly direction along the northern boundary line of Northampton County Parcel “P7-6-6H-2” to a point being the southeast corner of Northampton County Parcel “P7-6-6H-2” and the northern most point of Northampton County Parcel “P7-6-F” currently owned by “United States Cold Storage LLC”. Said point located at 2,637,459.917 Feet East and 477,255.250 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southeasterly direction along the northern boundary of Northampton County Parcel “P7-6-F” a distance of approximately 1.09 Feet to a point located at the northeast corner of Northampton County Parcel “P7-6-F” and the northwest corner of Northampton County Parcel “P7-6-6-18” currently owned by “Brandenburg Bethlehem LLC”. Said point located at 2,637,461.000 Feet East and 477,255.917 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southeasterly direction following the eastern boundary line of Northampton County Parcel “P7-6-6-18” to a point located at 2,638,496.833 Feet East and 475,913.083 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone. Said point being the southeastern corner of Northampton County Parcel “P7-6-6-18” and the northeastern corner of Northampton County Parcel “P7-6-6-14” currently owned by “Lehigh Valley Industrial Park”.
Thence in a southwesterly direction following the eastern boundary line of Northampton County Parcel “P7-6-6-14” to the southeast corner of Northampton County Parcel “P7-6-6-14”, a point located at 2,638,402.167 Feet East and 474,806.167 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southerly direction along the extension of the eastern property line of Northampton County Parcel “P7-6-6-14” to a point being the intersection of the extension of the eastern property line of Northampton County Parcel “P7-6-6-14” and the centerline of Shimersville Road. Said point located at 2,638,402.667 Feet East and 474,779.833 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southerly direction along the centerline of Shimersville Road to a point being the centerline intersection of Shimersville Road with East 4th Street. Said point located at 2,637,667.087 Feet East and 473,936.064 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a northwesterly direction along the centerline East 4th St to a point being the centerline intersection of the Lynn Avenue and East 4th Street, located at 2,634,866.583 Feet East and 474,843.179 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone said point being the place of BEGINNING.

B. PART II: [Bethlehem Area School District]

BEGINNING at a point said point being the centerline intersection of Shimersville Road and the extension of the western boundary of Northampton County Parcel “P7-22-2-4A”, currently owned by “Lehigh Valley Industrial Park”. Said point being located at 2,638,511.083 Feet East and 474,833.167 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a northerly direction along the centerline of Shimersville Road to a point being the intersection of the
centerline of Shimersville Road with the extension of the northern boundary line of Northampton County Parcel “P7-22-2-4” currently owned by “Lehigh Valley Industrial Park”. Said point being located at 2,638,858.750 Feet East and 476,021.833 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the northern boundary of Northampton County Parcel “P7-22-2-4” in a northwesterly direction to a point being the northeast corner of Northampton County Parcel “P7-22-2-4”, The southeast corner of Northampton County Parcel “P7-22-1”, the Southwest corner of Northampton County Parcel “P7-8-2” and the Northeast corner of Northampton County Parcel “P7-15-3” currently owned by “Tecumseh Redevelopment Inc.”. Said point being located at 2,640,426.250 Feet East and 476,321.583 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the northern boundary of Northampton County Parcel “P7-15-3” in a northeasterly direction to a point located at 2,640,498.250 Feet East and 476,349.583 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence continuing in a northeasterly direction, an extension of the northern property line, to a point being the intersection of the extension of the previous section of property line for Northampton County Parcel “P7-15-3” and the centerline of Applebutter Road. Said point being located at 2,640,523.500 Feet East and 476,363.417 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the centerline of Applebutter Road in a easterly direction to a point being the intersection of the centerline of Applebutter Road with the common school district boundary line of Bethlehem Area School District and Saucon Valley School District. Said point being located at 2,641,064.750 Feet East and 476,502.583 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the common school district boundary of
Bethlehem Area School District and Saucon Valley School District in along the following three courses, first in a southerly direction south to a point being located at 2,641,537,500 Feet East and 472,261.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, second in a easterly direction to a point being located at 2,642,822,417 Feet East and 472,351.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, third in a southerly direction to a point being located at 2,643,180,500 Feet East and 471,111.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, said point being the intersection of the common school district boundary of Bethlehem Area School District and Saucon Valley School District with the centerline of South Easton Road and the City of Bethlehem municipal boundary.

Thence in a southeasterly direction along the common boundary line of Bethlehem Area School District, Saucon Valley School District, the City of Bethlehem and the centerline of South Easton Road to a point being the intersection of the intersection of South Easton Road, school district and municipal boundaries with the extension of the southern boundary line of Northampton County Parcel “P7-22-2-4C” currently owned by “Lehigh Valley Industrial Park”. Said point being located at 2,641,194.917 Feet East and 469,218,333 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in four courses along the perimeter of Northampton County Parcel “P7-22-2-4C”, first in a easterly direction along the extension of the southern boundary and following the southern boundary line to a point located at 2,640,894.250 Feet East and 469,179.417 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, second in a northeasterly direction continuing along the southern boundary line to a point located at 2,640,993.500 Feet East and 469,666.667 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, third in an westerly direction still following the southern boundary line to a point located at 2,640,814.000 Feet East and 469,653.333 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, fourth in a northerly direction to a point along the southern boundary line of Northampton County Parcel “P7-22-2-4C” being located at 2,640,771.250 Feet East and

Thence in a northerly direction, keeping the same bearing as the previous line segment and crossing Northampton County Parcel “P7-22-2-4C”, to a point along the common boundary lines of Northampton County Parcel “P7-22-2-4C” and Northampton County Parcel “P7-22-54” currently owned by “Lehigh Valley Industrial Park”. Said point being located at 2,640,618.583 Feet East and 471,311.083 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System.

Thence along the common boundary lines of Northampton County Parcel “P7-22-2-4C” and Northampton County Parcel “P7-22-54” in a westerly direction to a point located at 2,639,714.417 Feet East and 471,216.500 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System. Said point being the common corner of Northampton County Parcel “P7-22-2-4C”, Northampton County Parcel “P7-22-54”, Northampton County Parcel “P7-14-1C” currently owned by “Lehigh Valley Industrial Park” and Northampton County Parcel “P7-14-1B” currently owned by “Lehigh Valley Industrial Park”.

Thence along the southern and western boundary of Northampton County Parcel “P7-14-1C” in a northwesterly direction to a point being the northwestern corner of Northampton County Parcel “P7-14-1C”. Said point being a common point with western boundary of Northampton County Parcel “P7-22-54” and located at 2,638,380.250 Feet East and 471,844.083 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System.

Thence along the western boundary of Northampton County Parcel “P7-22-54” in a northerly direction to a point being the northwest corner of Northampton County Parcel “P7-22-54”, the north east corner of Northampton County Parcel “P7-14-1B” and the southern right-of-way boundary of Commerce Center Boulevard. Said point being located at 2,638,375.583 Feet East and 471,923.667 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System.

Thence in a northerly direction crossing the Commerce Center Boulevard right-of-way, to a point along the northern right-of-way boundary of Commerce Center Boulevard being a common point with the southeast corner of Northampton County.
Parcel “P7-14-1” currently owned by “Lehigh Valley Rail Management” and the southwest corner of Northampton County Parcel “P7-22-2-4B” currently owned by “Lehigh Valley Industrial Park”. Said point being located at 2,638,369.083 Feet East and 472,034.500 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System.

Thence in a northerly direction along the western boundary line of Northampton County Parcel “P7-14-1” to a point being the Northwest corner of Northampton County Parcel “P7-14-1” and the Northeast corner of Northampton County Parcel “P7-22-2-4A”. Said point being located at 2,638,511.500 Feet East and 474,805.500 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System.

Thence in a northerly direction along the extension of the western boundary line of Northampton County Parcel “P7-14-1” to a point being the intersection of the western boundary line extension of Northampton County Parcel “P7-14-1” and the centerline of Shimersville Road, being located at 2,638,511.083 Feet East and 474,833.167 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone. Said point being the place of BEGINNING.

C. PART III: [Saucon Valley School District]

BEGINNING at a point said point being the intersection of the common boundary line of Bethlehem Area School District, Saucon Valley School District, the City of Bethlehem and the centerline of South Easton Road. Said point being located at 2,643,180,500 Feet East and 471,111.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the following three courses of the common school district boundary of Bethlehem Area School District and Saucon Valley School District, first in a northerly direction to a point being located at 2,642,822,417 Feet East and 472,351.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, second in a westerly direction to a point being located at 2,641,537,500 Feet East and 472,261.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone, third in a northerly
direction a point being the intersection of the centerline of Applebutter Road with the common school district boundary line of Bethlehem Area School District and Saucon Valley School District. Said point being located at 2,641,064.750 Feet East and 476,502.583 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the centerline of Applebutter Road in a northeasterly direction to a point being the intersection of the centerline of Applebutter Road with the northerly extension of the western boundary line of Northampton County Parcel “P7-15-3”. Said point being located at 2,643,696.167 Feet East and 477,426.250 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southerly direction along the extension of the eastern property line of Northampton County Parcel “P7-15-3” and the common boundary line of the eastern property line of Northampton County Parcel “P7-15-3” and the western property line of Northampton County Parcel “P7-15-2” to a point being the southwest corner of Northampton County Parcel “P7-15-2” currently owned by Conectiv Bethlehem LLC. Said point being located at 2,643,922.917 Feet East and 476,534.417 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the southern boundary line of Northampton County Parcel “P7-15-2” to a point being the intersection of the southern boundary of Northampton County Parcel “P7-15-2” with the City of Bethlehem municipal boundary. Said point being located at 2,645,427.667 Feet East and 477,306.833 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the City of Bethlehem municipal boundary in a southeasterly direction to a point being the intersection of the City of Bethlehem municipal boundary with the common point of property boundaries of Northampton County Parcel “P7-15-3-2” currently owned by “Tecumseh Redevelopment Inc.”, Northampton County Parcel “P7-15-3-1” currently owned by “Lehigh Valley Industrial Park” and Northampton County Parcel “P7-15-3”. Said point being located at 2,645,427.667 Feet East and 477,306.833 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.
Thence along the City of Bethlehem municipal boundary and the northeastern boundary line of Northampton County Parcel “P7-15-3” in a southeasterly direction to a point being the Northeast corner of Northampton County Parcel “P7-15-3”. Said point being located at 2,646,733.917 Feet East and 476,002.500 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a northerly direction, keeping the same bearing as the previous line segment of Northampton County Parcel “P7-15-3” and the City of Bethlehem municipal boundary, crossing Northampton County Parcel “P7-22-53” currently owned by “Lehigh Valley Industrial Park” to a point being the intersection of the City of Bethlehem municipal boundary and the centerline of Ringhoffer Road. Said point being located at 2,647,003.347 Feet East and 476,063.540 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence in a southeasterly direction along the centerline of Ringhoffer Road to a point being the intersection of Ringhoffer Road and the City of Bethlehem municipal boundary. Said point being located at 2,647,830.917 Feet East and 473,856.500 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone.

Thence along the City of Bethlehem municipal boundary in a southerly direction to a point being the intersection of the City of Bethlehem municipal boundary and the centerline of South Easton Road.

Thence continuing along the City of Bethlehem municipal boundary and the centerline of South Easton Road in a southeasterly direction to a point, being the intersection of the common boundary line of Bethlehem Area School District, Saucon Valley School District, the City of Bethlehem and the centerline of South Easton Road, located at 2,643,180,500 Feet East and 471,111.750 Feet North in the State Plane US NAD 83 (US FEET) Coordinate System, Pennsylvania South Zone. Said point being the place of BEGINNING.
III. EXEMPTION AMOUNT

A. The amount to be exempted shall be limited to that portion of the additional assessment attributable to the actual cost of improvements.

B. The exemption shall be limited to that improvement for which an exemption has been requested in the manner set forth below, and for which a separate assessment has been made by the Assessment Division of the Department of Fiscal Affairs of Northampton County Board of Assessment Appeals (hereafter referred to as Assessment Division).

C. The exemption from taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

IV. EXEMPTION SCHEDULE

Subject to the conditions, requirements and limitations set forth in this Ordinance, taxpayers making assessable improvements to deteriorated property located in the deteriorating area, may apply for and may be granted a real estate tax exemption limited to the amounts in Section III (A) and (B) as set forth above, subject to the following schedule:

1. For the first year immediately following the date upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted.

2. For the second year immediately following the date upon which the improvement becomes assessable 90% of the eligible assessment shall be exempted.

3. For the third year immediately following the date upon which the improvement becomes assessable 80% of the eligible assessment shall be exempted.

4. For the fourth year immediately following the date upon which the improvement becomes assessable 70% of the eligible assessment shall be exempted.

5. For the fifth year immediately following the date
(6) For the sixth year immediately following the date upon which the improvement becomes assessable 50% of the eligible assessment shall be exempted.

(7) For the seventh year immediately following the date upon which the improvement becomes assessable 40% of the eligible assessment shall be exempted.

(8) For the eighth year immediately following the date upon which the improvement becomes assessable 30% of the eligible assessment shall be exempted.

(9) For the ninth year immediately following the date upon which the improvement becomes assessable 20% of the eligible assessment shall be exempted.

(10) For the tenth year immediately following the date upon which the improvement becomes assessable 10% of the eligible assessment shall be exempted.

(11) After the tenth year the exemption shall terminate.

V. NOTICE TO TAXPAYERS

A. There shall be placed on the form application for building, zoning and alteration permits the following:

**NOTICE TO TAXPAYERS**

Under the provisions of City Ordinance No. 3070 you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the City of Bethlehem and must be filed with the City at the time a building permit is secured.

B. At the time a building permit is secured for
construction upon an existing deteriorated property for which an exemption is requested, the taxpayer shall apply to the City of Bethlehem or any successor agency thereto for the exemption provided for in this Ordinance. The taxpayer shall be permitted to apply for the exemption provided in this Ordinance up to a period of sixty (60) days from the date a final executed building permit is secured. Request for the exemption must be in writing certified in full as prescribed by the City setting forth the following information:

(1) The date a final executed building permit was issued for said improvement.

(2) The type of improvement.

(3) The summary of the plan of the improvement.

(4) The cost of the improvement.

(5) That the property has been inspected and verified by the City of Bethlehem, Bureau of Inspections.

(6) Any or all such additional information the City may require.

VI. PROCEDURES FOR OBTAINING EXEMPTIONS

A copy of the request for exemption, on forms prescribed by the Northampton County Director of Fiscal Affairs, shall be forwarded to the Northampton County Assessment Division, and the Bethlehem Area School District or the Saucon Valley School District as would be applicable, by the City. Upon completion of the improvement, the taxpayer shall notify the City and the Northampton County Assessment Division so that the Northampton County Assessment Division may assess the improvements separately for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established in this Ordinance. The City will then obtain from the Northampton County Assessment Division the amount of the assessment eligible for exemption and will notify the taxpayer. The Director of the Department of Fiscal Affairs is authorized to make refunds, if applicable, only after the Northampton County Assessment Division has notified the Director
of Fiscal Affairs of its separate assessment upon the improvement for which an exemption and the amount eligible for the exemption may be taken by the taxpayer of the City as provided by law.

VII. TERMINATION

This ordinance shall be effective retroactive to January 1, 2009 and shall terminate on December 31, 2010 unless otherwise repealed by Council. No later than August 1, 2010, the Mayor of the City of Bethlehem shall submit a written report to the Northampton County Council which shall inform the Northampton County Council as to how this Ordinance has been administered, the effects of this Ordinance on the community and include any suggestions or recommendations for this Ordinance’s re-enactment, modification or repeal. Nothing contained herein shall act to prohibit the Northampton County Council from enacting a similar ordinance after December 31, 2010. Any property tax exemptions granted under the provisions of this Ordinance shall be permitted to continue according to the exemption schedule found in Section IV even if this Ordinance expires or is repealed.

VIII. HEARING BOARD

A Tax Abatement Hearing Board (hereafter referred to as Board) shall consist of the Business Administrator of the City of Bethlehem, the Director of the Department of Community and Economic Development of the City of Bethlehem as Chairperson, the Director of Fiscal Affairs of the County of Northampton, the Assistant to the Superintendent for Finance and Business Administration of the Bethlehem Area School District and the Business Manager of the Saucon Valley School District, for resolution of differences between the approving authority and the owner-taxpayer of the improved property on matters concerning interpretation and execution of the provisions of this Ordinance.

The Hearing Board shall have the following powers:

(1) To hear appeals from any person aggrieved by the application of this Ordinance.
(2) To make rules with regard to conducting its hearings.

(3) To make such findings of fact as may be required by the application of this Ordinance.

(4) To decide questions presented to the Board.

(5) To affirm, revoke or modify the decision of the County of Northampton as to the eligibility of a particular property for the Property Tax Abatement as provided for in this Ordinance.

(6) The Board shall meet upon notice of the Chairperson within thirty (30) days of the filing of an appeal and shall render its decision within thirty (30) days after the appeal hearing.

(7) Every action of the Board shall be by resolution and certified copies furnished to the appellant.

(8) All hearings shall be public; and the appellant or any other person whose interests may be affected by the matter on appeal shall be given an opportunity to be heard.

IX. RULES AND REGULATIONS

In accordance with the provisions of the Northampton County Home Rule Charter, Section 302, the County Executive of Northampton County is authorized and empowered to prepare, promulgate, execute and enforce rules and regulations made pursuant to the provisions of this Ordinance.

X. SEVERABILITY

The provisions of this Ordinance are severable and if any of its sections, clauses or sentences shall be held illegal, invalid, or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses, or sentences. It is hereby declared to be the intent of the Northampton County Council that this Ordinance would have been adopted if such
illegal, invalid or unconstitutional sections, clauses, or sentences had not been included herein.

XI. CONTINGENCY

Notwithstanding any other provisions of this Ordinance, this Ordinance shall remain in full force and effect conditioned upon the City of Bethlehem, the Bethlehem Area School District and the Saucon Valley School District enacting similar ordinances or resolutions, with identical deteriorated areas as those designated by the City of Bethlehem and approved by Northampton County Council.

XII. DEFAULT

Tax abatement under this ordinance shall be available only for those properties for which real estate taxes are promptly paid and discharged when due. Any property that is declared delinquent as established by the statutes of the Commonwealth of Pennsylvania shall lose the LERTA benefits and any and all currently due and future taxes shall be due and payable at the full unabated assessment and tax rate.

XIII. APPEAL OF DEFAULT

Properties that have been declared delinquent may appeal the rescission of the LERTA benefits by providing a written request to the Hearing Board providing a basis for the appeal and the justification for the waiver of the requirements of Article XII.

XIV. EFFECTIVE DATE

This Ordinance shall take effect thirty (30) days after the date of enactment and be retroactive to January 1, 2009 and shall remain in effect thereafter from year to year, unless repealed, until December 31, 2012.

XV. REPEAL
All Ordinances and parts of Ordinances inconsistent herewith be, and the same are hereby, repealed.

Public Hearing

Mr. Cusick asked if there was anyone from the public who wished to comment on this ordinance. There were no respondents.

Mr. Cusick asked if any member of County Council wished to comment on this ordinance.

Mr. Angle stated a LERTA was basically the taxpayers subsidizing a for-profit industry coming into an area for a certain number of years. When Mr. Angle asked how long Bethlehem had a LERTA, Mr. Dowd replied it was 18-20 years. Mr. Angle then asked how many years was the County going to subsidize industry in Bethlehem.

Mr. Dowd advised the question really was how many years did the County need to assist companies relocating into urban areas. He further advised that there was an inordinate amount of non-profit entities in Bethlehem, which had to be offset by profit entities and, at times, that required the County assisting them.

Mr. Angle stated businesses came in all over the County without the taxpayers giving them a break to do so. He further stated when the issue of having a collector for earned income tax, Bethlehem was not interested in having someone local be the collector so how long were the taxpayers going to support Bethlehem.

Mr. Dowd advised the elected leaders of Bethlehem turned down the local earned income tax collector so it was unfair to penalize the citizens of Bethlehem. He further advised it was harder to get someone to come into an urban area so he believed an incentive was appropriate.

Mr. Angle stated he believed in offering LERTAs when times were good financially, but things were not good now so he did not think this was something the County should be doing.

Mr. Cusick advised he felt this was a good program, but this site had already received aid from the Federal and State
governments, as well as the County. Therefore, he did not think that the County should be foregoing tax revenue based on what the taxpayers have already put in. He further advised with this location being so close to an interstate, he did not think they needed an incentive.

Mrs. McHale stated that once this land was developed, the County would be getting more tax revenue than it currently received as it existed now. She further stated the City of Bethlehem contributed more tax dollars to the County than any other municipality.

As there were no further questions, Mr. Cusick called for the vote.


The ordinance was adopted by a vote of 5-4.

Introduction of the Resolution Rescinding the Butterfly House 2011 Contingency Allocation

Mr. Cusick advised at the meeting held January 20, 2011, County Council approved a $25,000 Contingency allocation to the Butterfly House Project. Subsequently County Council was informed that the Butterfly House withdrew its funding request from the County. He further advised at the meeting held February 3, 2011, a motion was made that the County Executive shall not process the $25,000 allocation to Butterfly House, pending the adoption of a resolution formally rescinding the Butterfly House allocation.

Mr. Angle introduced the following resolution:

R. 27-2011    WHEREAS, the Northampton County Council adopted resolution No. 7-2011 at the meeting held January 20, 2011; and

WHEREAS, resolution No. 7-2011 reads as follows:

WHEREAS, the Butterfly House, a transitional
NOW, THEREFORE, BE IT RESOLVED by the Northampton County Council that the sum of $25,000 shall be transferred from the 2011 Contingency account #05000-76050 and allocated to the Butterfly House, this 20th day of January 2011.; and

WHEREAS, the request for Contingency funding has been withdrawn by the Butterfly House.

NOW, THEREFORE, BE IT RESOLVED By the Northampton County Council that resolution No. 7-2011 is rescinded this 17th day of February 2011.

As there were no questions or comments, Mr. Cusick called for the vote.


The resolution was adopted by a vote of 9-0.

Consideration of the Career Service Regulations Resolution

Mr. Cusick stated at the request of Mr. Cusick a resolution was prepared which would provide for the adoption of the revised Career Service Regulations compiled by the Personnel Commission. He further stated the revised Career Service Regulations were reviewed at the Personnel Committee meeting and the Committee unanimously recommended adoption by the entire County Council.

Mrs. McHale introduced the following resolution:

R. 28-2011 WHEREAS, Northampton County Home Rule Charter Section 805 sets forth procedures that are to be followed with regard to adopting and amending the Career Service Regulations; and
WHEREAS, on February 11, 2011, the County Executive presented to County Council the Northampton County Personnel Commission's recommendations for revisions to the Career Service Regulations (a copy is attached hereto and labeled as Exhibit “A”).

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT in accordance with Northampton County Home Rule Charter Section 805(c) the Northampton County Council approves the Revised Career Service Regulations as set forth in Exhibit “A”, effective this 17th day of February 2011.

Mr. Gilbert advised he wanted to commend the individuals who worked on this project and felt it was a job well done.

Ms. Pat Siemiontkowski, Director of Human Resources, stated the Commission members did work very hard and long on this process, as well as her staff. She further stated they would begin the process of reviewing, and possibly revising, the County’s policies.

Mr. McClure advised he also wanted to thank the members of the Commission for their diligent work, especially Mr. Gerald Seyfried.

As there were no further questions or comments, Mr. Cusick called for the vote.


The resolution was adopted by a vote of 9-0.

Mr. Angle made a motion that Mr. Flisser order Distinguish Services Award plaques for these individuals and Mr. Seyfried to be presented at a later date.

Mrs. McHale and Mrs. Thierry seconded the motion.

As there were no questions or comments, Mr. Cusick called for the vote.

The motion was passed by a vote of 9-0.

Introduction of the Ordinance Providing for Amendments to Northampton County Administrative Code Section 6.06 Gracedale Division, (a.) and (c.)

Mr. Cusick stated at his request an ordinance was prepared that called for Gracedale to be operated and administered by a qualified nursing home management corporation. He further stated the ordinance was being cosponsored by Mr. Dietrich and the public hearing, debate and possible vote was scheduled for the meeting to be held March 3, 2011.

Messrs. Cusick and Dietrich introduced the following ordinance:

AN ORDINANCE AMENDING NORTHAMPTON COUNTY ADMINISTRATIVE CODE ARTICLE VI, DEPARTMENT OF HUMAN SERVICES, SECTIONS 6.06 GRACEDALE DIVISION a. AND c.

WHEREAS, Northampton County Home Rule Charter Section 202 Powers (7) provides that the County Council shall have the power “to adopt, amend, and repeal the Administrative Code;” and

WHEREAS, Northampton County Home Rule Charter Section 602. Ordinances (a) Acts Required (1) provides that the County Council shall “adopt an ordinance for any act which adopts or amends the Administrative Code, establishes or abolishes an agency, or assigns powers or duties among agencies.”

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Northampton County Council that Northampton County Administrative Code, Article VI, Section 6.06 Gracedale Division (a.) and (c.) shall be amended as indicated hereafter (sections marked with bold underline are being added and sections marked with strikeout are being deleted):
Section 6.06 Gracedale Division (County Home)

a. The head of Gracedale Division (County Home) shall be the Administrator of Gracedale. **The Gracedale Division (County Home)** shall be managed, operated, and administered by a **qualified nursing home management corporation, or entity, selected through the competitive negotiation procedure.**

b. The purpose of Gracedale is to provide adequate residential and patient care for medically and financially needy residents of Northampton County.

c. The Administrator of Gracedale, in person or through subordinates, shall: **A qualified nursing home management corporation or entity shall:**

   (1) administer and supervise the County Home in accordance with policies and directives established by the County Executive and the Director of Human Services;

   (2) provide residential, medical, nursing and other programs, services, and facilities for the care of the medically and financially needy of the County;

   (3) administer admission policies and procedures established by the County Executive and by the Director of Human Services;

   (4) administer the Federal, State and County programs
and regulations as they relate to residents of the County Home;

(5) prepare monthly and quarterly reports of admissions, discharges, and deaths of patients for Federal, State and County officials;

(6) represent the Division at meetings and conferences;

(7) serve as liaison to cooperating agencies; and

(8) perform such other duties and functions related to the County Home as are assigned by the Director of Human Services or the County Executive.

Lehigh County State of the County Address

Mr. Angle advised he thought he might see Mr. Cusick at this event. He further advised he believed Lehigh County Executive Don Cunningham gave a wonderful address, but it was not realistic.

Pension Board

In response to Mr. Angle’s question as to whether he felt the firm in charge of the Pension Fund managed it well during 2010, Mr. Cusick replied he would have to get back to him on that issue.

When Mr. Angle suggested getting a new management company, Mrs. McHale stated that was a decision to be made by the Pension Board not County Council.

Prison Community Education Center Program Graduation
Mr. Angle advised it would have been appropriate for Mr. Cusick to attend the graduation to say a few words. He further advised Mr. Cusick had to become more involved in the duties of the Presidency.

Mr. Cusick thanked Mr. Angle for his comments and concerns.

Human Services Committee Report

Mr. Dietrich stated a Human Service Committee meeting was held early and the purpose was to gather information concerning the proposed changes in the County’s Mental Health program. He further stated it was a very informative session and it was remarkable to see how the employees were so focused on serving their consumers.

Mr. Dowd advised the point that Mr. Dietrich was able to get out was the County was going to have to deal with diminishing resources and it was going to be a challenge to run the program going forward.

Mr. Dietrich stated the incredible thing was the division was receiving less money, but proposing to do more.

Finance Committee Report

Mr. Gilbert advised the Finance Committee met this week and Mr. Stephen Barron, Controller, reviewed various audit reports and follow ups. He further advised Mr. Barron indicated he believed there were some areas where he could find savings and where the County could improve.

Mr. Gilbert stated he would like to ask the Controller if he could put together a list of the subcontractors, the amounts the County spent on each subcontractor, how long each subcontractor had been with the County and were there viable options out there that could improve value and possibly costs.

Mr. Cusick advised Mr. Gilbert he could make a request by resolution.

Judicial and Legal Committee
Mr. McClure asked Mr. Lauer if he could provide an opinion as to whether he believed a discussion regarding the issuance of subpoenas was an appropriate subject for Executive Session. Further, it seemed to him that a subpoena had no power if it could not be referred to some prosecuting authority if County Council felt they were not being told the truth, therefore, he would like Mr. Lauer to research that issue as well.

Mr. Angle stated at the Personnel and Finance Committee meeting yesterday, the union president at the Prison made allegations about mismanagement by its administration. He further stated he felt it was not appropriate for an employee to come to County Council with a grievance that had not gone through the process. He then asked if it was appropriate for County Council to hear grievances about mismanagement.

Mrs. McHale advised there was no grievance filed, it was just a concern they had because they went through the chain of command and got absolutely nowhere and the issue was never brought to the County Executive.

Mrs. Ferraro stated she believed anyone had the right to come before County Council to state their personal opinion.

Mr. Lauer advised he did not attend the meeting so he could not comment.

Adjournment

Mrs. Ferraro made a motion to adjourn.

Mrs. McHale seconded the motion.

The motion passed by acclamation.

Frank E. Flisser
Clerk to Council