

## ***OFFICE of the MAYOR***

***Leo S. Lutz***

August 5, 2010

### **Food For Thought:**

During the next several months you will be making the second most important decision that has been made in my nine years working for Columbia Borough. The first major decision was the purchase and sale of the property at Third and Linden Street. I believe we all can agree that this was the right thing to do toward jump starting Economic Development and Revitalization in Columbia Borough.

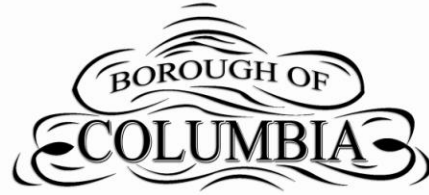
Now Columbia Borough has been offered the gift of three parcels of land owned by Safe Harbor Power and Water commonly know as the River Cottages. The decision will be what do we do with this gift and what is the right thing to do? I have thought long and hard about this decision and listened to many discussions and ideas on the subject.

To further spur economic development, business retention and revitalization, Columbia Borough needs to invest in the program by completing projects that have become stalled or not completed due to lack of funding. No community will succeed or be successful asking others to invest unless the community first invests in itself.

Columbia Borough must show it is serious by completing projects such as constructing a building at River Park, purchasing the adjoining fourteen acres of land between the bridges, increasing parking by purchasing and demolishing the building between the Market House and the Market House Parking Lot and completing the Downtown Beautification Project.

These projects and the theory behind completing these projects are noted in the soon to be finalized Economic Development Strategic Plan and Comprehensive Plan. Both plans have been developed by residents throughout all walks of life in Columbia Borough with a common goal; creating a sense of place, that place where we all want to live and call home.

With this in mind, I have heard or thought of three different scenarios on what to do with the gifting from Safe Harbor Power and Water and how to create the funding necessary to complete started or stalled projects. Allow me to outline these and include my assessment of each.



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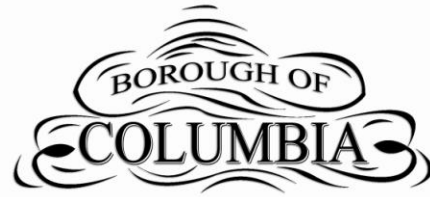
One; take the gifting from Safe Harbor and place the property up for sale to the highest bidder. This will create capitol, but may take a generation to see the full economic impact if any. As seen in the purchase and sale of the Third and Linden Property this option is very time consuming on personnel at a time when we need to have other projects moving and may take years to complete the transaction. Also, the development that may take place may not be in the best interests of Columbia Borough. This is not the right thing to do to people who have been there for generations and as noted is part of the historic fabric of Columbia Borough.

Two; take the gifting from Safe Harbor and continue to lease the property to the cottage owners. This option will not create the capitol needed to do those projects planned or stalled. Additionally the expenses of becoming a landlord such as taxes, maintenance and installation of roads and infrastructure will off-set much of the monies collected on leases. This is not the right thing to do.

Three; take the gifting from Safe Harbor and sell to the River Cottage Owners Association through the Columbia Economic Development Corporation in the same manner as the Turkey Hill Experience transaction. This can be a fast transaction creating the needed capitol for projects and when combined with grant funding already awarded can jump start further economic development, business retention and recreational opportunities for residents and visitors. The amount the Cottage Owners Association has offered Safe Harbor for the property can be used to complete projects as noted above such as:

Construct a building at River Park complete with restrooms and deck. DCNR has indicated \$165,000 could be realized for such a project provided Columbia Borough can provide a match. This would allow for the construction of a \$320,000 building. There is a possibility of additional funding to complete the entire building as planned but Columbia Borough would have to make the initial investment.

Purchase the fourteen acres between the bridges from Norfolk Southern. Columbia Borough has made and offer to Norfolk Southern. If the offer is refused and Columbia Borough cannot invest the monies needed to purchase, we will lose a \$30,000 grant from DCNR that is to be used for the purchase and funding from Lancaster County Urban Enhancement Fund to be used for the planning phase.



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\$100,000 may be needed for this transaction to be completed. This may be a once in a lifetime opportunity to purchase these lands and complete the footprint of River Park.

Complete the Downtown Beautification Project. The completion of this project has been cited by both residents and business alike as an important part in the economic development and revitalization of Columbia Borough. The project is also listed, as are the others, in the Economic Development Strategic Plan. The lights have been purchased with a grant from Senator Brubaker but cannot be installed properly without the other parts of the project such as new conduit, curb and sidewalk reconstruction and tree planting. Completion of this project may cost \$150,000.

By my calculations, that leaves roughly \$200,000 to purchase, demolish the building across the Alley from the Market House and adjacent to the new Market House Parking lot and expand the lot. Additionally, the borough could offer the front portion of the lot to an entity to construct mixed use business/residence properties on the South Third Street portion of the lot. This would offset some of the cost, allow for more economic development in other areas, increase the tax base, eliminate curb cuts, increase business and residential opportunities and fill the void in the streetscape. This is the right thing to do.

I believe if you sharpen your pencils a bit with these suggestions, you may even have enough money left to retire the latest borrowing taken on by Council.

Please give these thoughts and scenarios some serious thought. This may be a once in a lifetime opportunity to create the Columbia Borough we all would like to live in and have new business and residents invest in. We can create that sense of place, that place we proudly call home if we do the right thing.

Sincerely,

Leo S. Lutz, Mayor  
Borough of Columbia