



Is F & M worth only half as much as the Convention Center Project?

Lancaster Mayor Rick Gray announced last week that Franklin and Marshall College was paying the City \$116,545, equal to one-third of what it otherwise would pay if the real estate were not tax exempt (after taking into consideration certain service the college provides.)

According to County records, the total tax assessment for the campus and all of the other taxable and non-taxable real estate owned by Franklin and Marshall College amounts to only \$63,824,800.

According to the State Board of Real Estate Tax Equalization, an Assessment of \$63,824,800 in 2007 equals \$86,718,478 in Market Value.

If \$86,718,478 truly represents the market value of all of F & M's holdings, campus plus

numerous satellite buildings, then the approximately \$180 million Convention Center Project is worth twice as much. **Can the convention center project really be worth twice as much as all of F & M's real estate holdings? Not likely.**

A drive around campus by an experience real estate developer and investor, *NewsLanc's* publisher, suggested at least \$120 million in market value, even after taking age into consideration. (It could be much more.) If the many off campus real estate holdings were included, the figure would likely be close to \$130 million.

Therefore, to indeed contribute 33% in lieu of taxes, F & M owes the City an additional \$80,600 annually!

LETTER: \$13 million rail yard relocation now \$46 million

Excerpts from TRRAAC spokesperson:

"Monday night a bunch of Manheim Township residents and members of TRRAAC spoke to the commissioners. Mike Yoder of the *Intelligencer Journal* was present and spoke to us afterwards, but no article has been published yet to my knowledge.

"We wrote to Manheim Township on January 26 asking them to step up and pay attention to storm water issues associated with the excavation of the dump. There was no response from the township.

"The first part of the excavation is in the

floodplain. East Hempfield never was notified. There was no review by Manheim Township engineers.

"A Right to Know request to PENNDot revealed interesting documents... That application contains a copy of the letter of intent between F & M and Norfolk Southern.

"Originally this was a \$13 million project and the proposal was to cap the landfill. Now it is \$46 million and to excavate the landfill (so Lancaster County Waste Disposal can charge \$3.5 million in tipping fees to relocate the waste from its old dump to Frey farm."

\$15,000 LCCCA assignment evolves into \$1.1 million plum

*Excerpts from third in a series
by James D. Sneddon*

Virtually unknown to the public, in the summer of 2004, Penn Square Partners recommended to the Lancaster County Convention Center Authority that each agree to spend \$15,000 to bring in a couple of high-powered, out-of-state consultants...

For Penn Square Partners it was an inexpensive investment. For the Authority, however, that \$15,000 would eventually drain more than \$1.1 million of tax dollars to another consultant over a 22-month period.

David Hixson, the Authority Executive Director, told the board at the time: *"The thought process was to bring business advisors on board to help us to strengthen the mutual operations between the two partners and also some of the processes that we have associated with our partnership."...*

Herman Bulls and Alan Tantleff of Jones Lang LaSalle and Doug Smith from Kaufman & Canoles traveled to Lancaster from Sept. 01 to 04... They were to conduct interviews and then prepare a report... Then on Saturday, Oct. 25, again according to expense receipts, they returned to deliver that report. It isn't clear to whom it was presented. .. **Bulls**, however, upped the Jones Lang LaSalle fee to \$20,000 which was paid with no public questions asked...

In June, 2005, the board approves a contract with **Bulls** [own company] that brings **Maurice Walker** on board at \$300 an hour... Over an 18-year period **Walker** worked in the areas of development, technology, operations, investment asset management, compliance and business development/retention...

The contract, as with most the Authority approved, was open ended. It had a 36-month time frame, but no cap on how much would be billed.

At the Convention Center Authority office **Walker's** duties outlined in the original contract expanded before he started. And, they kept expanding. He took on the chief role for the project...

As with other consultants there appears to be little checking of his bills. **Walker** is paid for whatever he submits.

On one day Walker listed 17.75 hours worked from his office. He noted that he created budget drafts and distributed them to board members. Almost 18 hours worked is a lot for anyone on a single day. This day, however, was New Year's Eve. Dec. 31, 2005...

He bills twice for Sept. 21, 2005. The identical billing is listed consecutively... That 14-hour double billing cost the Authority \$4,200.

Travel was included in the contract to be paid, but again, there were no stipulations or parameters. So for each four-hour round-trip from Bowie, Maryland to Lancaster and back again, **Walker** was paid \$1,200.

These few examples are enough to ask why more questions were not asked by someone at the Authority during **Walker's** 22 months of consulting.

Finally, some \$1,124,642 later, in April 2007, it all ended for **Bulls** Advisory Group when Interstate was given the reigns.

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