

DOVER TOWNSHIP
INDUSTRIAL COMMERCIAL DEVELOPMENT COMMITTEE
MINUTES
April 27th, 2022

The Dover Township Industrial Commercial Development Committee (I/CDC) Meeting for March 23rd, 2022, began at 4:05 PM by Industrial/Commercial Development Chairman Brian Caden. Committee members present were Tyler Lerman, Kathy Herman, and A. Sarago. Ashley Spangler, Jr., Kim Hogeman C. Benton and Ashley Spangler, Sr. were absent with prior notice. Also, in attendance were C. Snyder, Borough Council Member; Stephen Parthree, Township Supervisor; John Popovich, Representative Seth Grove's Chief of Staff, Laurel Oswalt, Township Manager, and John McLucas, Township Zoning Officer. There was one member of the public present.

K. Herman was running late to the meeting. Shanna Terroso of RAYAC was moved up on the agenda to give her presentation until such time as K. Herman arrived and the business meeting items could be addressed.

Shanna Terroso introduced herself as the CEO of the Realtors Associations of York and Adams County (RAYAC). A copy of the full presentation is attached to these minutes for reference. RAYAC has approximately 1300 members which include realtors, appraisers, and property management companies. All members are held to the RAYAC Code of Ethics.

Ms. Terroso shared some of the activities and trends of the current housing market. In 2021, 7,346 homes were sold. This is the highest number ever recorded in one single year. 2022 is ahead by 1% over 2021 as of the end of the quarter. For Dover Township, 2021 was not the highest year. 2017 was slightly higher (395 in 2021/409 in 2017).

A. Sarago questioned whether these numbers include new construction.

Ms. Terroso answered if the new construction was listed through a realtor, it does include those homes.

S. Parthree commented that homes sold by owner are then not included in these numbers.

Ms. Terroso agreed with that comment. However, this does not happen often and although the seller is not represented, often the buyer is and then the data is captured in these statistics.

Ms. Terroso continued with her presentation commenting that York County has achieved the Average Highest Median Home Sale Price at \$225,000 in 2021. This is an 11% increase over the previous year and over a two-year timeframe, the percentage is up 25%. Dover Township's Average Median Home Sale Price as of this point in 2022 is at its highest at \$245,250. Over the ten-year term, the Average Home Sale Price has risen over \$100,000 and over the two-year term the Average Median Home Sale Price in Dover Township has risen 27%. The reasons for these price increases are merely due to supply and demand issues. Current supply is at .8%. A

balanced supply is considered to be 4 to 6%. The current market is such that houses are seeing multiple offers in a few days, often higher than listing price, without home inspections, etc. For comparison, in March of 2019, there were 1276 homes/lots available, but in March of 2021 there were only 487. In York County today, we have 259 homes available for resale. There are currently only two available in Dover Township. This lack of supply is the driver of the rising costs. Homes are lasting on the market 6 days. A balanced market is considered 60 days on the market.

Ms. Terroso stated one of the main reasons that supply is not where it needs to be is that new home construction has not kept pace with where it needs to be. She noted that 2,672 new homes were constructed in 2005, by comparison to 1,111 in 2020. Through 2007-2009 a major decline in the market occurred. There are 4 "L's" that impact the residential home market: Land, Lumber, Labor, and Legislation. There is only so much Land available for development. Right now, the cost of Lumber alone is driving new home construction costs up on average \$36,000 per home. There has been a shortage of people going into the trades and of course right now Labor is a problem throughout most industries. Lastly, a developer will spend approximately 2 years taking a development through the local government process of approval.

Dover Township peaked in 2006 with 252 New Residential Permits issued in comparison to 2020 where there were only 126 New Residential Permits issued.

T. Lerman asked whether they keep track of rental property data.

Ms. Terroso stated that they do not. They have a few property management companies that are members, but their rental rates are higher, which skews the numbers. There are a lot of private residential properties that just are unknowns to RAYAC.

Ms. Terroso continued by discussing interest rates. She noted that in 1985 interest rates on new homes being constructed could be as high as 15%. For millennials, this is the first time they have seen interest rates above 5%. We are approaching a point where existing homeowners might be unlikely to put their home on the market and then purchase another property with a higher interest rate. This could tighten the availability of homes even further.

Ms. Terroso spoke about the trends in where home buyers want to locate. Pre-Pandemic, the trend was to locate in cities and towns so they can walk to various amenities. After the Pandemic, the trend has become about larger homes with extra space to work from home. These individuals still want walkability in their communities.

At 4:25 PM, K. Herman arrived.

Ms. Terroso commented on the demographics of first-time home buyers. They are unmarried, single females or single males. Most buyers are skipping babies. The death rate and birth rate are all but equal. This may lead to further workforce issues. 85% of people are also making their decisions based on their pets' needs.

Ms. Terroso stated that being a homeowner is important to our community because a homeowner's net worth is 40 times greater than a renter. She then reviewed homeownership by race on a national and county basis. Ms. Terroso gave the committee a demographic report for Dover Township which she felt would be helpful to identify trends for the Dover Community.

Ms. Terroso discussed trends commercially. Because of the increase in E-commerce, the need for warehousing has risen. Industrial space availability in York County is at 2.8%. Retail space is up. Office space is steady and is vacant at a rate of 5%. This a trend that could change as businesses decide to let employees remain at home to work.

A. Sarago questioned tax abatement programs involving the warehouses along 83.

Ms. Terroso stated that this sounded like a LERTA (Local Economic Revitalization Tax Assistance) Program situation. This is where the business can benefit from decreased taxes for the improvements on the land. Essentially the increased property taxes grow by 10% per year over a ten-year period. All local taxing authorities need to make the decision on participating in this type of program (Local, County and School District).

C. Snyder asked if Ms. Terroso thought the housing market would crash.

Ms. Terroso stated that what drove the housing market to crash in the mid-2000's was a predatory lending environment and an over-abundance of available housing. Today, we do not have enough housing and the lending situation has improved. We are unlikely to continue to see double digit increases to the home value percentages, but we should continue to see increases. Some buyers are deciding to wait to buy because of the current market. They will come back to the table to buy if the market slows.

J. McLucas asked about data on home sales for York County from 2005-2008.

Ms. Terroso indicated prior to 2020, 2005 was the height of homes sales in the county.

L. Oswalt questioned the types of homes that the market needs.

Ms. Terroso stated that larger lots with larger homes have been the trend after the Pandemic.

L. Oswalt commented that there has to be a market for people looking to downsize into communities with smaller homes and amenities as well.

Ms. Terroso stated that is correct, but this is limited by zoning regulations. There are municipalities that have looked at mixed use developments which would allow both commercial and residential components.

J. McLucas commented Dover Township is looking at this type of ordinance now.

Ms. Terroso stated Gaithersburg, Maryland is an example of these types of development.

A. Sarago asked about reassessment in York County.

Ms. Terroso commented that a reassessment does not cause everyone's taxes to be increased.

L. Oswalt stated that municipalities are required to adjust their millage rate to receive no more than a 10% increase in a reassessment year. This lessens the impact on the taxpayers.

Ms. Terroso added that for new home construction, York County has to set the assessment to what it would have been set at during the last reassessment, in order to avoid new construction being taxed unfairly.

J. McLucas inquired as to whether there were any municipalities that were members of RAYAC.

Ms. Terroso answered no municipalities have taken advantage of their public service membership. There is a cost of \$250 per year.

B. Caden called the meeting to order at 4:55 PM.

APPROVAL OF MEETING MINUTES FOR MARCH 23RD, 2022

Motion by T. Lerman and seconded by A. Sarago to approve the March 23rd, 2022, Industrial Commercial Development Committee meeting minutes as presented. **Passed** with 4 ayes.

PUBLIC COMMENT

No public in attendance.

ACTION ITEMS DISCUSSION:

Business Association –

B. Caden reported the next DABA Meeting would be held at Dover Valley Restaurant on May 12th at 7:30 AM. The Breakfast will not be buffet style, but everyone will receive the same food instead of placing individual orders.

The speaker will Kalisha Scales, now Colbert, from the Bob Hoffman YMCA.

A. Sarago mentioned there has been two new memberships in the last few months: State Farm and CB Construction Services.

C. Snyder asked about current membership.

B. Caden remarked there were 14 members prior to adding the ones mentioned herein. He added that Beacon Law is a member again. Their membership had lapsed between 2020 and 2022, due a change in the point of contact at the firm.

A. Sarago questioned J. McLucas about the Facebook page status.

J. McLucas commented that he will work on this item.

B. Caden stated Michelle Kreiger with State Farm will be assisting with management of this page for the group.

A. Sarago mentioned that David Gonzalez of YCEA was in contract with him regarding DABA being introduced to Enel. They are interested in being engaged more with community organizations.

It was felt that this matter should not be pursued at this time due to the pending hearing.

Comprehensive Plan Action Items

Priority Parcels-Top Three Properties for Signs:

J. McLucas reported he is getting final pricing from the sign company to have the signs made.

Additional Priority Parcels to be added to the website:

There were no new parcels suggested.

Guest Speaker-Shanna Terroso of RAYAC

General consensus of the group was that presentation was excellent and they would like to have this presentation provided annually.

Development Updates

A. Sarago questioned whether there has been any activity at the Lidl property.

J. McLucas answered in the negative. Only some recent clean up activity has been pursued.

J. McLucas commented there was nothing definite to discuss commercially at this time.

C. Snyder inquired about the physical therapy office location which was mentioned at the previous meeting.

J. McLucas stated Drayer Physical Therapy will be located on the vacant lot beside Members 1st on Palomino Road Extended. There is room for another use, but there is no tenant at this time.

C. Snyder questioned the “Under Contract” sign immediately a crossed the road from Giant.

L. Oswalt stated there is something under PENNDOT Scoping review for that location. Until they receive their permissions from PENNDOT, we cannot discuss the project. It would be retail in nature.

B. Caden mentioned Greer's Garage Burgers is now open for business. He also asked about the Starbuck's Project.

A. Sarago stated that the project is out for bids again.

J. McLucas stated there has been some challenges with the project. It has changed to add outdoor seating, then it was changed again to remove it. He is supposed to be seeing some new plans in the near future.

S. Parthree asked about the location of this project.

L. Oswalt replied at the old People's Bank location.

C. Snyder questioned whether PENNDOT was still an issue since this property has access onto Township roads.

J. McLucas remarked anytime you have a change of use that has a higher traffic count associated with it, then PENNDOT needs to review the access onto the state road.

K. Herman was told that the reason the Route 74 Bridge was widened was to increase lanes on Route 74.

No one was aware of such an endeavor being underway.

J. McLucas commented that the life span of a bridge can be 50 years or greater; therefore, planning for that possibility seems to make sense.

L. Oswalt stated that would involve a great deal of land property acquisition, if it were to be undertaken as a project.

With no further business, the meeting was adjourned at 5:19 PM by Chairman B. Caden.

Respectfully submitted by: Laurel G. Oswalt

Laurel A. Oswalt, Township Manager



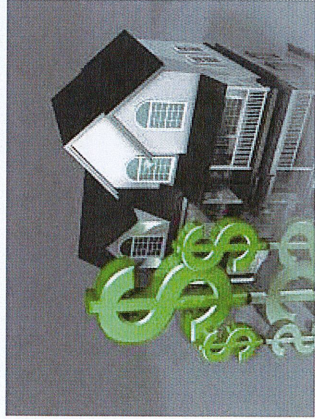
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*York County
Real Estate Market Update*



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7,346 Homes Sold in 2021 for a
total dollar volume of
over \$1.8 billion





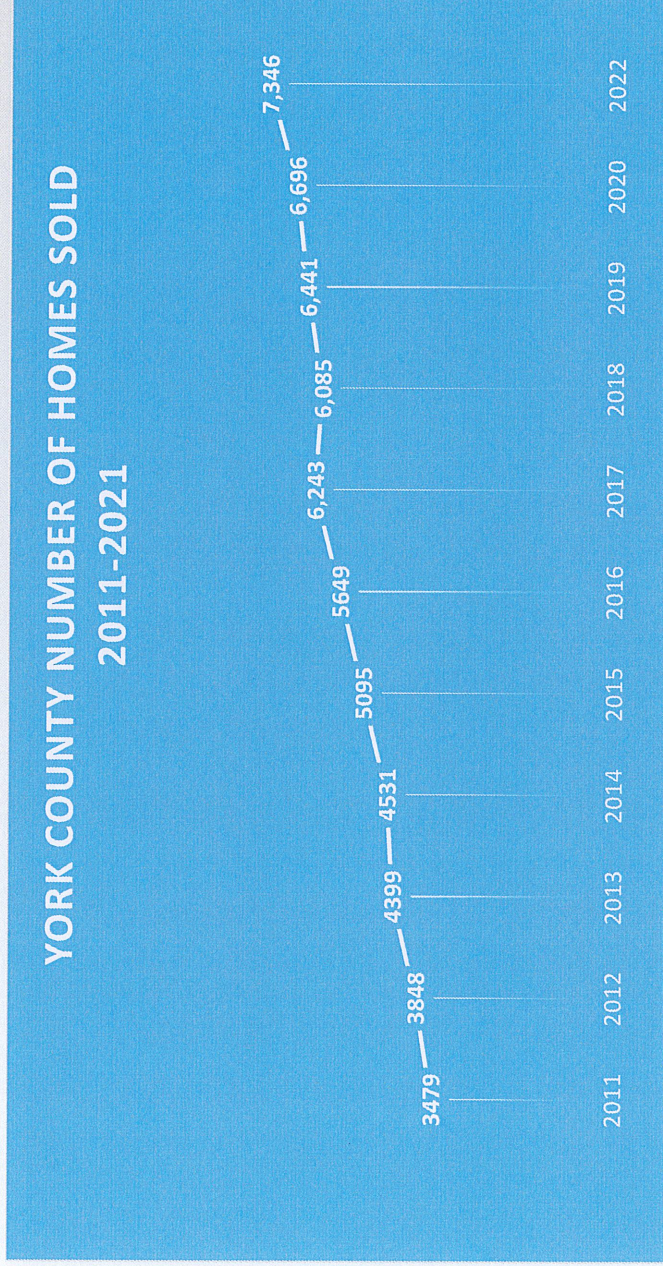
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For every home that is sold
on average it generates
an economic impact of
\$63,194



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2021 Highest Number of Home Sales in York County History

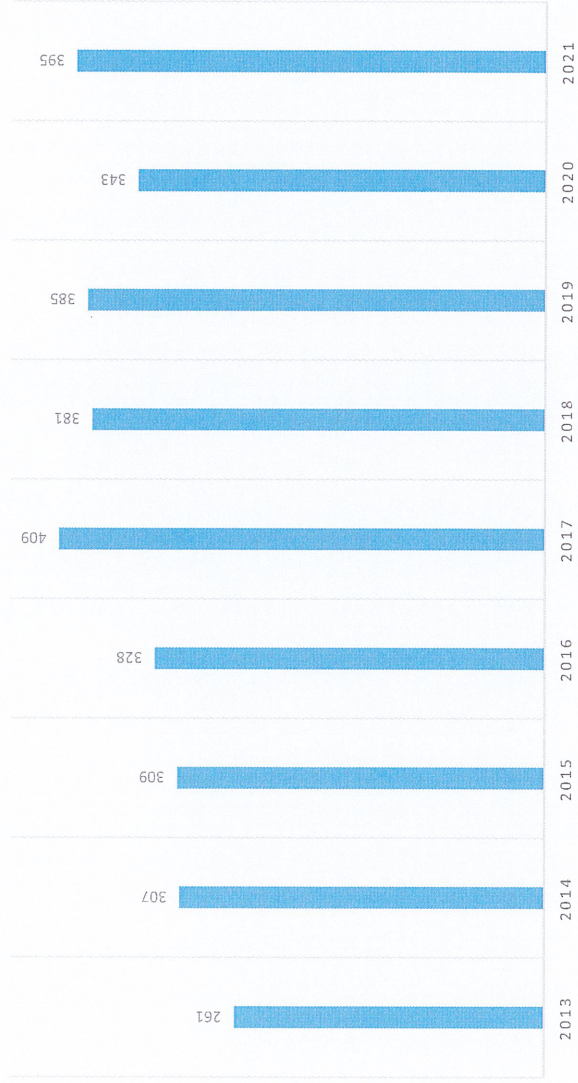




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Number of Home Sales for Dover Township

NUMBER OF HOMES SOLD
DOVER TOWNSHIP

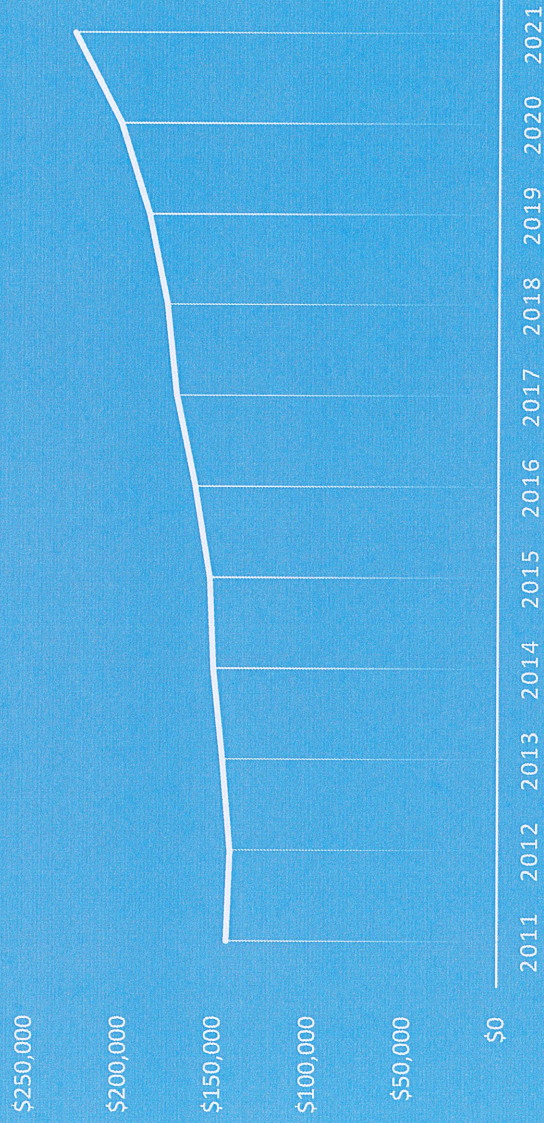




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York County 2021 Highest Median Home Sale Price at \$225,000

YORK COUNTY MEDIAN HOME SALE PRICE
2011-2021

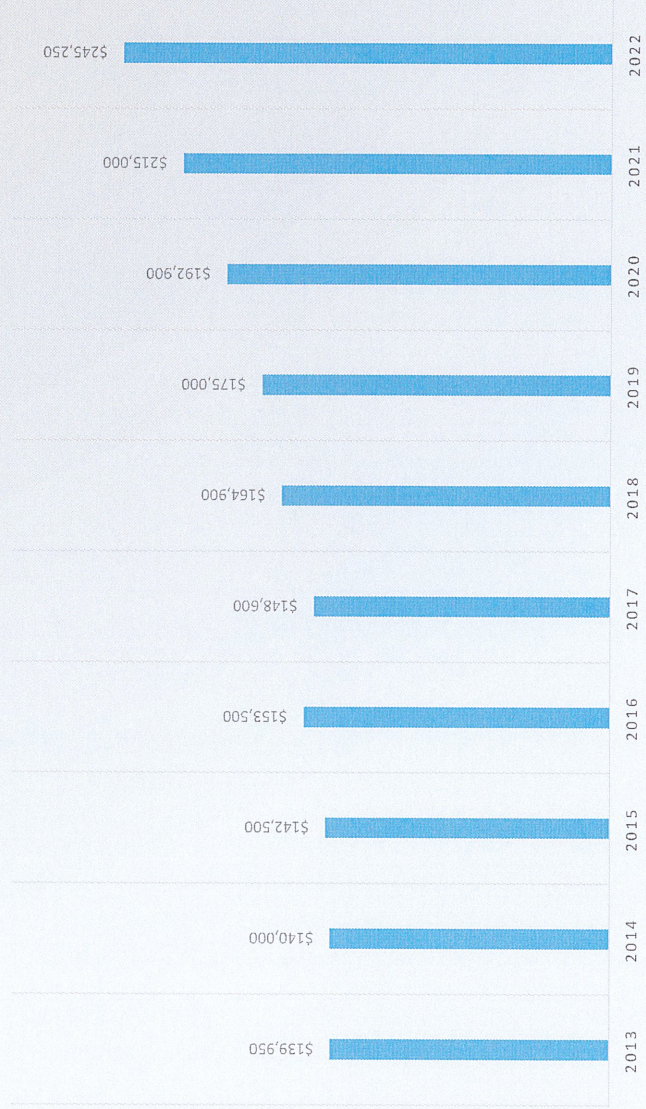




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Dover Township Median Home Sale Price

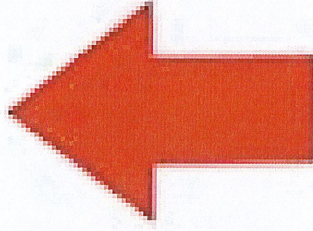
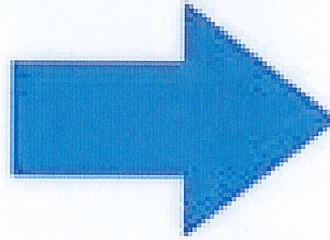
MEDIAN SOLD PRICE DOVER TOWNSHIP





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Supply

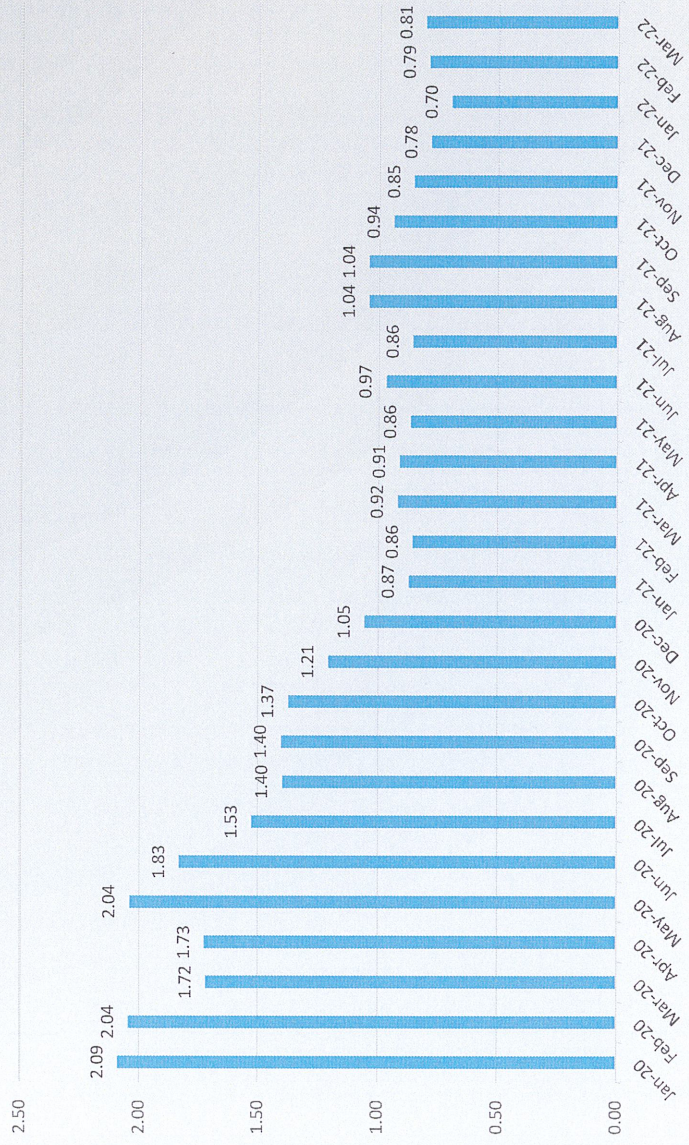


Demand



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York County Months Supply of Inventory





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York County Active Listings





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Homes selling at fast pace

York County
Median Days on Market





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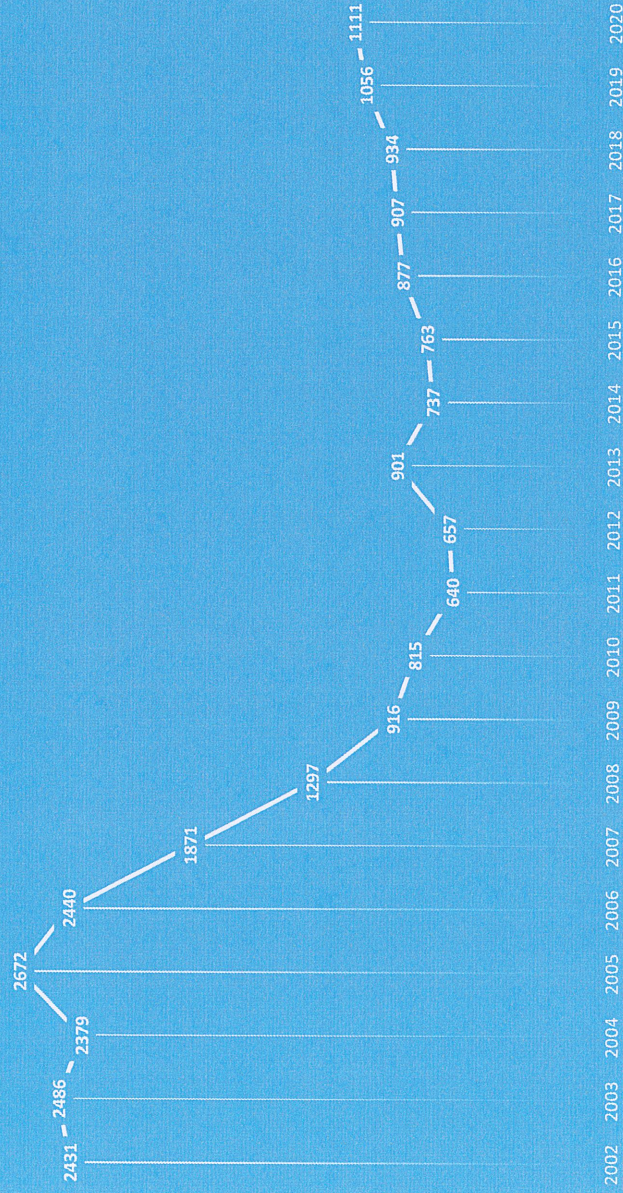
New Construction Impacts





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YORK COUNTY: NEW RESIDENTIAL CONSTRUCTION PERMITS BY NUMBER OF DWELLING UNITS

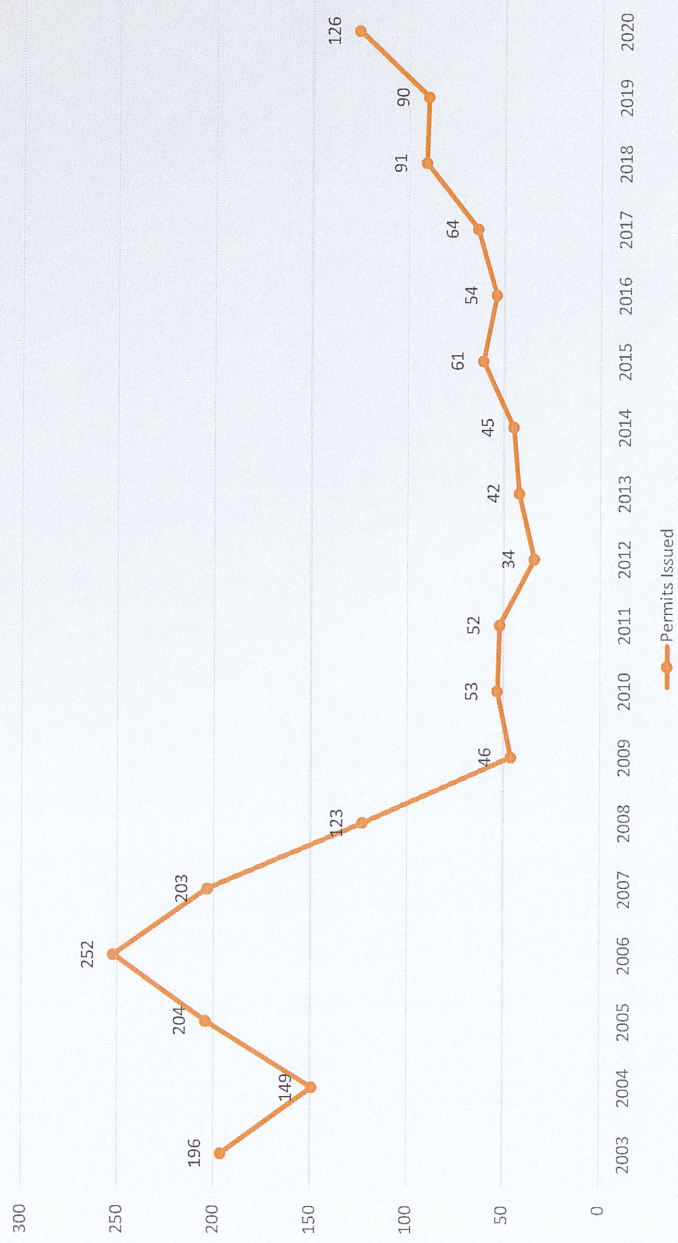


Source: York
County Planning
Commission



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New Residential Permits Issued in Dover Township



Source: York
County Planning
Commission



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Source: Bank Rate



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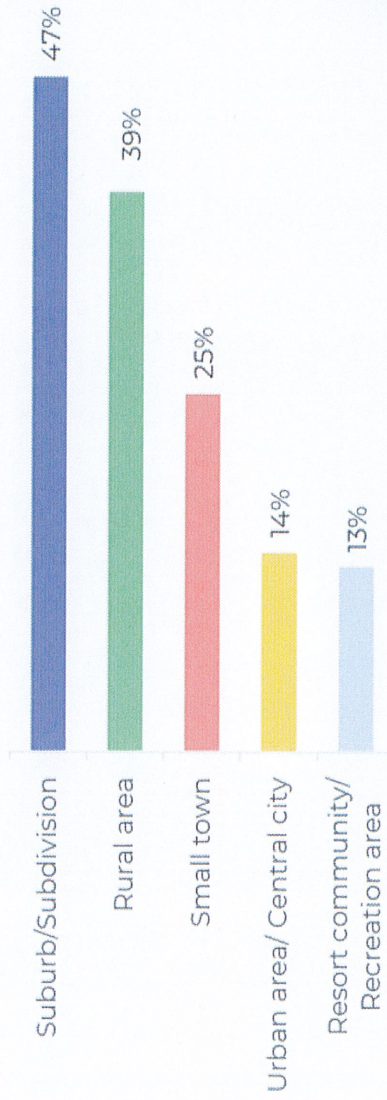
What's Trendy?





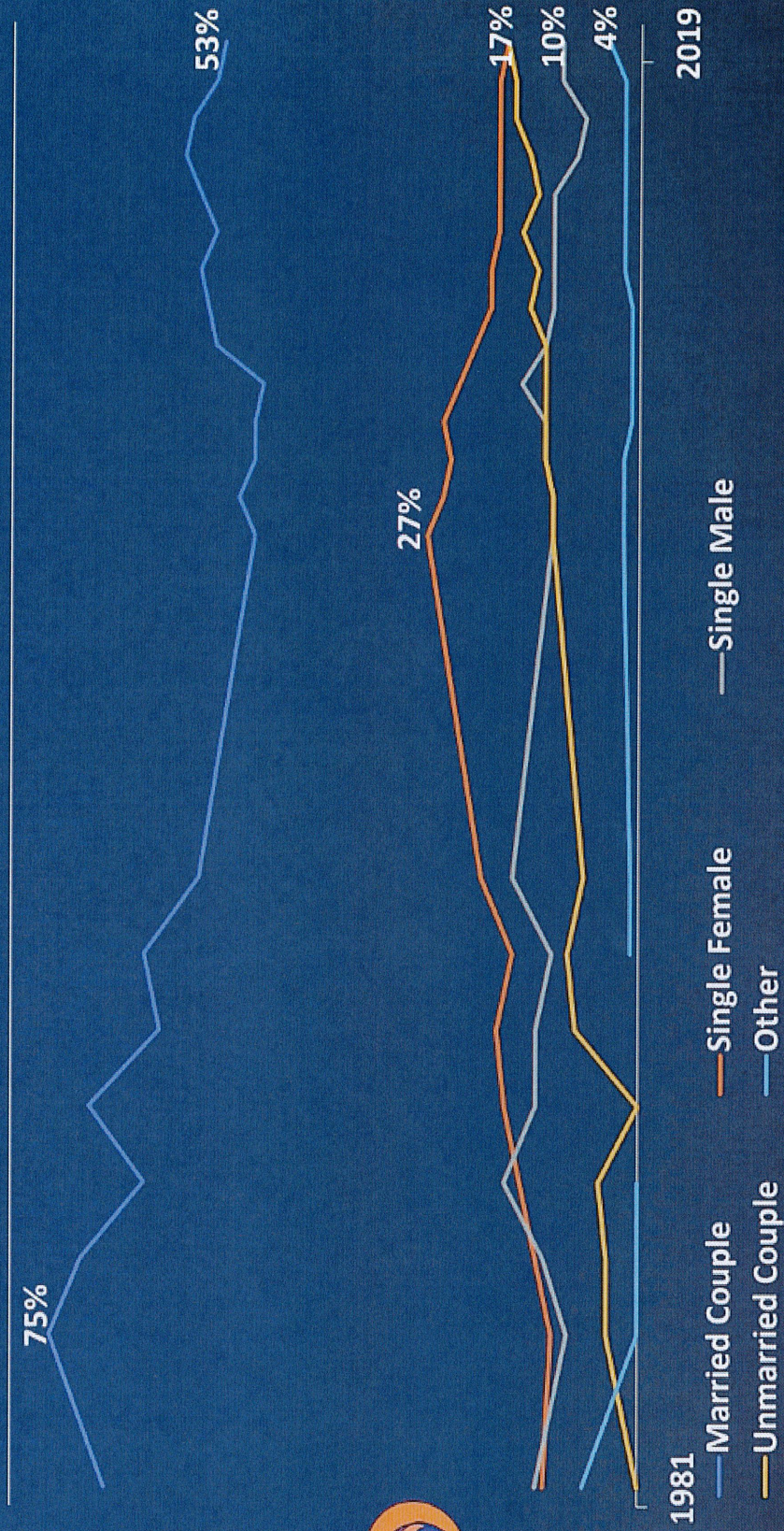
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WHICH BEST DESCRIBES THE LOCATIONS OF THE HOMES IN WHICH THESE CLIENTS ARE NOW INTERESTED IN PURCHASING? (CHECK ALL THAT APPLY)

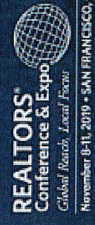


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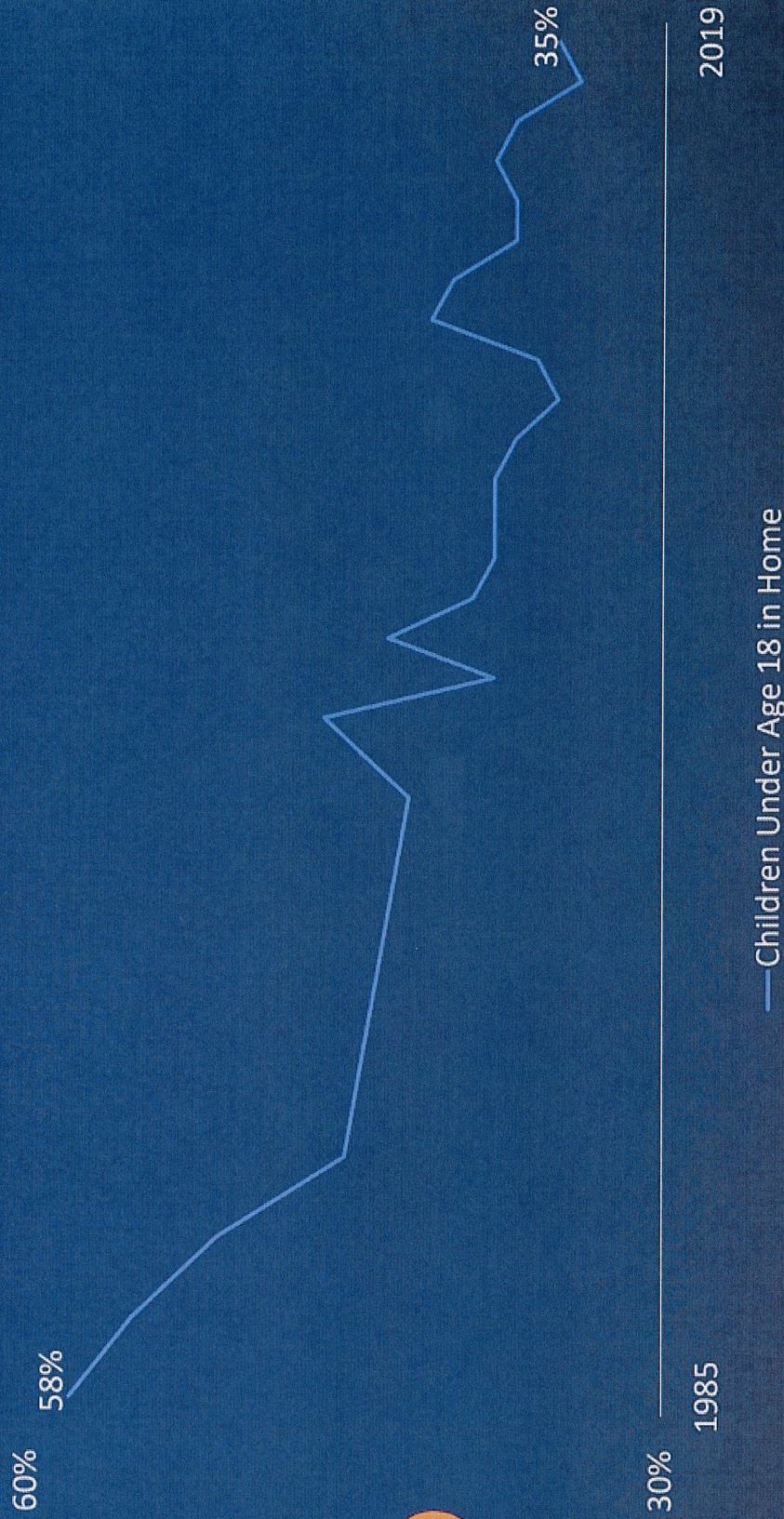
First-time Buyers: Skipping the Ring



Source: NAR Profile of Home Buyers and Sellers



All Buyers Skipping the Baby



Source: NAR Profile of Home Buyers and Sellers

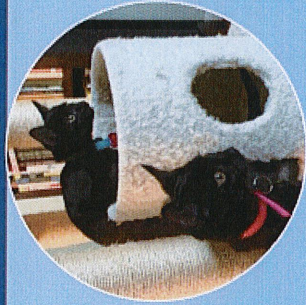


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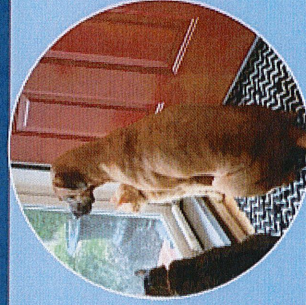
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2019

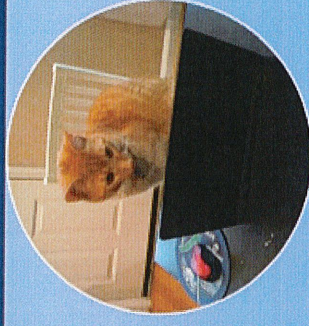
Fur Babies Driving Decisions



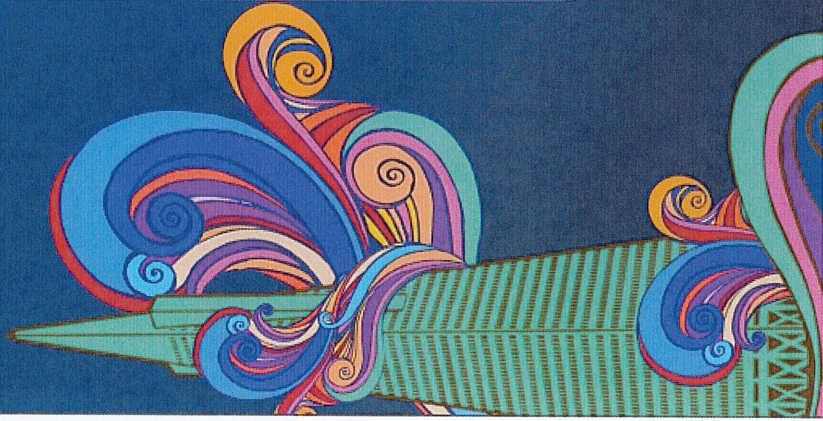
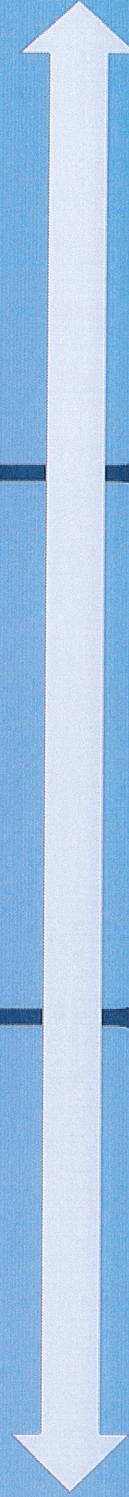
For Who: unmarried couples & single females



Where Important: rural & urban areas



What: decide to buy & neighborhood choice



Source: NAR Profile of Home Buyers and Sellers



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Why is Homeownership Important?

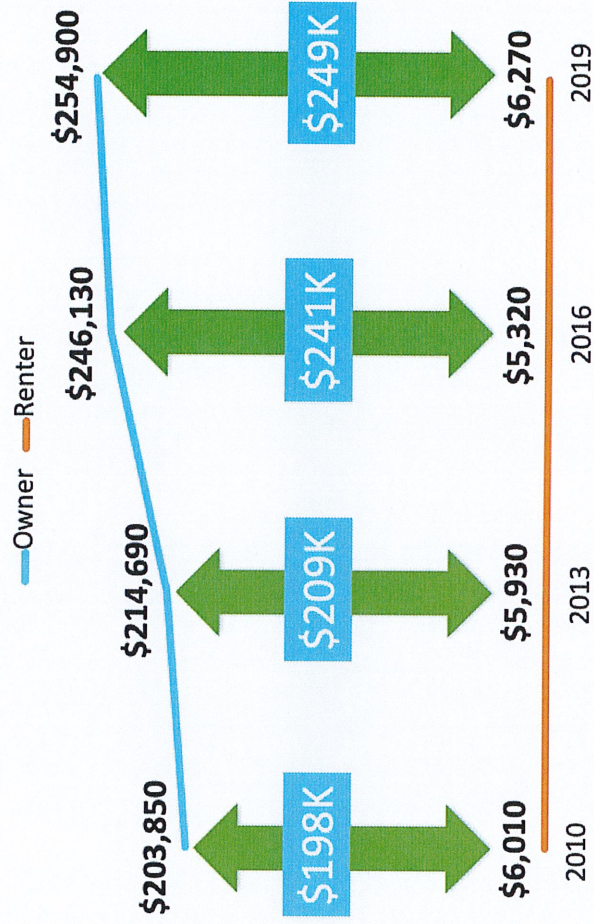


A Home
Owner's Net
Worth is 40x
Greater than a
Renter



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Increasing Gap in Family Wealth



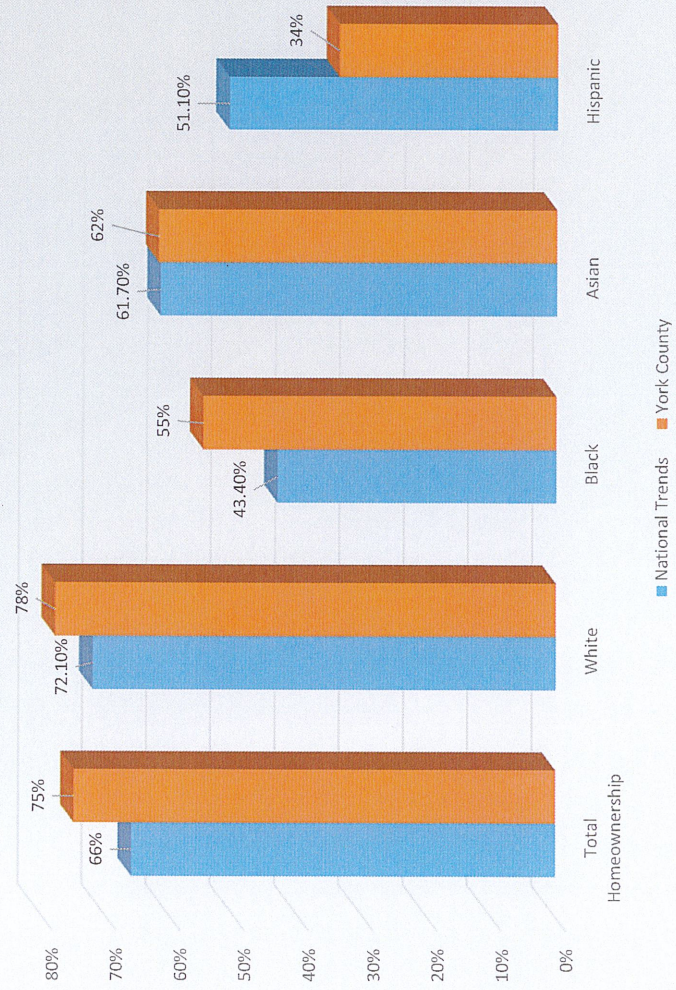
KEEPING CURRENT MATTERS

Federal Reserve



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Homeownership Rate by Race





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For Home Sale Statistics:

www.RAYAC.com/statistics