

September 2018

HARRISBURG COMMERCIAL

# real estate REPORT

## Is Control An Illusion For Employers When It Comes To The Cost Of Employee Benefits?

By Brian Cardin, PT, C.Ped.



### The Problem

Good employees are invaluable to any employer. Knowing this value, employers strive to provide a work environment and appropriate compensation that recognizes each employee's value to their company. Attracting and retaining the best and brightest workers has challenges and costs. Payroll costs, while being the top expense for business, are expected and are essentially controllable. The same cannot be said for Employee Benefits, the other half of employee compensation, which is the second leading expense in today's corporate world. Small and large business owners alike are struggling to find ways to provide health and wellness benefits to meet

employee's needs, to remain compliant with government regulations and to not over-burden their bottom line. At the same time, the cost of insurance premiums, utilization of healthcare and cost of healthcare provided continue to rise. Yet, the American workforce is not getting healthier.

### The Reality

The U.S. Department of Labor and Statistics reported that the average employer cost of employee compensation per hour worked in December of 2017 was \$35.87. Wages and salaries accounted for \$24.49 (68.3%), while benefits accounted for \$11.38 (31.7%). Controlling costs is an integral part of any business's success. In order to control any aspect of business, however,

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we must have a working knowledge of what goes into those costs as well as what we get for the cost (to determine its value). As a business owner or CEO of a company, understanding the costs associated with health benefits and wellness programming is difficult. Many would say that it is an impossible cost to control since insurance premiums are dictated by the insurance carrier, and in the case of self-insured corporations, the utilization of healthcare dollars is determined by employees and their healthcare providers.

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### Bill Gladstone Group of NAI CIR

Turning keys in commercial real estate for over 30 years.



# NAICIR

A publication of the Bill Gladstone Group of NAI CIR

## New Listings



7,357 SF

### NEW Commercial Sale - 326 Herman Avenue, Lemoyne

- Your chance to purchase the former West Shore Bureau of Fire station
- Over the years the firehouse has kept with some of its original charm and features but has also had renovations including additions, an upgraded AMP service, updated kitchen area and ADA restroom
- Office and retail uses would be allowed with a zoning change



6,000 SF

### NEW Industrial Sale - 3243 Pennwood Road, Harrisburg

- Conveniently located in Harrisburg with access to I-81 and I-83
- It can be purchased in conjunction with 638 (paved and fenced parking lot) and 651 Alricks Street and/or 700 Angenese Street
- 10+/- parking spaces available



29,280 SF

### NEW Industrial Sale - 700 Angenese Street, Harrisburg

- Functional warehouse property for sale along the Sixth Street industrial corridor
- Convenient access to I-81, Route 22/322 and the City
- This property can be purchased in conjunction with 638 and 651 Alricks Street and/or 3243 Pennwood Road
- A 5,500 SF temporary canvas building has been setup at this location, which can also be purchased for an additional cost



1,500 – 3,000 SF

### NEW Industrial Lease - 1261 Claremont Road, Carlisle

- Small office and warehouse space available for lease
- Warehouse has drive-in door (8' x 10') and features plenty of on-site parking
- Claremont Road is just moments from Route 11/I-81 interchange



20,000 SF

### NEW Industrial Sale - 638 & 651 Alricks Street, Harrisburg

- Freestanding warehouse along the 6th Street industrial corridor
- The building is clean, well-maintained, functional, and offers convenient access to I-81, Route 22/322 and the City
- Additional land across the street (638 Alricks Street) is also available for sale, all as one parcel including the street between them (Alricks Street, which has been vacated, paved, and fenced)
- Opportunity for additional car parking, truck parking or outside storage



750 SF

### NEW Investment Sale - 1800 Columbia Avenue, Lancaster

- Great investment opportunity directly across from Wheatland Center, which is just two miles west of Downtown Lancaster
- Property sits on a heavily traveled retail corridor and is only 3.5 miles from the Route 283 and Route 741 interchange
- Real estate only; business is not for sale
- Tenant has just signed renewal until December 2028



(Featured article...Continued from page 1)

Employers often turn to employer-sponsored wellness programs in an attempt to improve employee health to reduce the utilization of high cost medical care. This is particularly popular with self-insured employers, as they assume the direct risk of paying for medical services that their insureds receive. Unfortunately, most wellness programs are successful at engaging the healthiest of workers, and lack effectiveness in engaging employees with a variety of health risks. This presents a problem, as it is well documented that the Pareto principle (80/20 rule) applies to healthcare spending and savings. Twenty percent of each employee population will account for 80% of healthcare utilization costs. If the goal of a wellness program is to help control healthcare

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expenditures, it stands to reason that engaging employees with the most health risk is the key to success. This is undoubtedly the most challenging of endeavors.

For years, well-intentioned employers have given inordinate amounts of money to wellness service providers to "improve employee health" to help create a healthier workforce. Yet, the American workforce is not getting healthier, insurance premiums continue to rise, and self-insured employer costs continue to escalate with increased healthcare spending. Some might argue that wellness programs are an ineffective expense added to employee benefits with little to no return on investment (ROI). However, there is evidence to suggest that the opposite can be true. Data-driven wellness programming can bring great value when it is focused on engaging and meeting the actual needs of each employer group. Knowledge is power. In order to restore valid decision-making power to employers, the employers must understand the needs of their specific group of employees, independent of their health insurance carrier or third-party administrator.

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#### **NEW Land Sale - Peters Mountain Rd. & River Rd., Halifax**

- Good retail site in growth corridor of Northern Dauphin County
- The 5+/- acre tract is generally level and has over 600 feet of frontage on busy Route 147/225

## **New Listings**



#### **NEW Office Lease - 112 Market Street, Harrisburg**

- Great downtown location, directly across from the Dauphin County Courthouse and accessible to all the downtown business and entertainment districts
- Suites available in all sizes, from a single office to an entire floor
- The fifth floor suite was recently renovated with expansive views of the Susquehanna River
- Parking is available in the Market Square Garage at market rates



#### **NEW Office Lease - 3780 Trindle Road, 2nd Floor, Camp Hill**

- Centrally located on Trindle Road, this building has great visibility and excellent access
- The second floor suite features three offices and reception area
- The property is very well-maintained and the furniture in the suite is available for sale or it can be removed



#### **NEW Land Sale - 1900 State Road, Duncannon**

- Level land with great frontage and visibility along Route 11/15
- Property is zoned Commercial which allows a large variety of commercial, retail and business uses





Historically, employers have relied on health insurance companies to dictate the entirety of health and wellness benefit programs from services and systems to costs. Prospective third-party payers (TPAs/health insurance companies) gather information related to the health of employees via a Health risk Assessment (HRA). While this is advertised as a “Free” service to the employer/employee, the costs associated with administering, maintaining, and reporting the information is carefully bundled into the administrative fees that the employer pays. HRAs are offered under the pretense that they garner knowledge for the employer, however, the reality is that the insurance company owns the information, and the information is analyzed specifically for the purpose of evaluating the insurer’s potential financial exposure as the payer of health insurance claims. The insurance company then dictates the cost of the benefits plan (as the comprehensive insurance provider, or as the stop-gap TPA for self-insured companies) because they have all the information to predict risk or costs. Simply stated, employers/employees pay money to give their health data to insurance carriers on a proverbial silver platter. This information is then used by insurers to justify continually increased healthcare premiums. By an employer not knowing their workforce’s valuable health information and/or by giving this valuable information away, they lose all of their negotiating power.

### The Need For Change

The time has come to empower employers with the knowledge necessary to regain control when it comes to employee health and wellness benefits. This requires an employer advocate who is not focused on selling health insurance. PORT is that advocate. PORT teaches employers how to stop being passive consumers of healthcare benefits plans by equipping them with information to understand their healthcare costs, and tools to manage and reduce healthcare costs in realistic and meaningful ways.

This begins with a Behavioral Economic study aimed at understanding the company’s current status with respect to claims, employee engagement and the effectiveness of existing programming. Unlike insurance-company sponsored HRAs, PORT’s proprietary process focuses on identifying employee’s understanding of the status of their health, their readiness to change, and their confidence level in their ability to make that change. This information is used to analyze the financial impacts of individual’s health and lifestyle choices on the group. Combining this information with the data gathered in other aspects of the behavioral economic study allows PORT to produce unique feedback and recommendations that are specific to each employer and their employee groups. All information/data is owned by the employer. This equips the employer with knowledge about their group; and knowledge is power.

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## Commercial Listings



5,918 SF

### Lease - 415 Market Street, Harrisburg

- First floor space available in the Harrisburg Transportation Center in Downtown Harrisburg
- Within walking distance to all the downtown restaurants, amenities, and Riverfront Park



34,450 SF

### Sublease - 4856 Carlisle Pike, Mechanicsburg

- Attractive, updated showroom space with a warehouse area and a large open area located on the second floor
- Located in the Hampden Center in Mechanicsburg
- Warehouse area has two 10' x 10' overhead doors



30,080 SF

### Sale/Lease - 5610 Derry Street, Harrisburg

- Move-in ready, aggressively priced flex retail and office space with a warehousing component (as an accessory use) along a heavily traveled section of Derry Street
- Located near major retailers such as Home Depot, Sheetz, and McDonalds
- This one-story building features a large, open showroom and multiple warehouse areas with 21'- 25' (18'6" clear) ceiling heights



# Seeking New Articles



The Bill Gladstone Group of NAI CIR is looking to fill editorial content in our quarterly magazine and monthly newsletter publications.

## What Are We Looking For?

Industry related articles that our readership of over 4,500 business decision makers and industry leaders would benefit from reading in print and online through social media. Articles are typically 1,200 – 1,500 words and include an author bio, headshot, and mentioning of your company.

**Topics Can Include:** Finance, development, law, architecture, technology, engineering, environmental, wellness, current trends, security, business operations, and much more.

## Need Assistance With A Topic?

We can suggest one that would be a good fit for your expertise.

**Contact:** Leah Wentz (717) 761-5070, ext. 116 or lwentz@naicir.com.

Please forward this information to any colleagues you feel could be a good fit for our publications as well. We look forward to hearing from you!



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# Office Listings



## Sale/Lease - 1001 S. Market Street, Mechanicsburg

- Two-story professional medical office available
- Recently renovated with high quality finishes and an efficient floorplan
- Desirable location in Southpoint Office Center at the intersection of Market Street and Shepherdstown Road and near Cumberland Parkway exit of Route 15



## Sale/Lease - 130 State Street, Harrisburg

- 955 SF available for lease along the State Street corridor leading to the steps of the Capitol Complex
- The entire 3,060 SF building is also available for sale
- Ideal for lobbyist, attorney or other professional who visit the City frequently and could benefit from having a local office
- A nearby parking lot for 6-7 parking spaces is included in the sale (call us for details)



## Sale - 1309 Bridge Street, New Cumberland

- Property is comprised of a 12,925+/- SF, two-story brick office building on a 0.65+/- acre parcel with abundant parking
- Currently, there are five (5) tenants in the building with month-to-month leases
- The property has been well cared for over the years by the original Owner



Population health management requires a clear understanding of what the population needs, what the population wants, and how to get them engaged. For example, an employer may have 25% of their population identified as smokers, and only 1% of that group ready to focus on smoking cessation. This organization may be better served to support opportunities to engage their population on their current perspective on smoking (and the associated health risks) vs. rolling out a costly smoking cessation program. PORT has over ten years of experience in delivering evidence-based population health programs. In that time, it has become clear that having appropriate knowledge about the employee population holds the greatest value.

Once an employer has this knowledge, they can begin to make a difference. Data driven, measurable programs can follow. Mechanisms to strategically monitor and evaluate the efficacy of programs can be implemented to insure ongoing value for the employer and the engaged employees. It is long-past time for employers to have an advocate working for them in this arena. PORT is excited to lead the way. We want to replace frustration with a sense of control. The goal is to develop employers and employees engaged with a sense of clarity and understanding. To get there, change is in order. In the words of Henry Ford, "If you do what you've always done you'll get what you've always gotten." It is time to do away with illusions, in favor of restoring control for the stakeholders that are the foundation of our societies.■

*References available upon request.*

#### About the Author:



Brian Cardin, PT, C.Ped. is the President at Cardin & Miller Physical Therapy, PC, and co-owner of The Carlisle UMedGym & Appalachian Running Company. He serves as a Health and Wellness Consultant for PORT. PORT consists of a team of interdisciplinary experts comprised of Healthcare Providers, Technology Developers, Security Experts, Product Innovators and Policymakers. Founded in New England, PORT has worked with some of the largest healthcare stakeholders in the Northeast to counsel and advise them on best practice strategies for population health. You can reach him at [bcardin@cardinmillerpt.com](mailto:bcardin@cardinmillerpt.com) or (717) 329-9301.



500 - 5,074 SF

#### Lease - 1801 Oberlin Road, Middletown

- Charming three-story stone structure with professional office tenants
- Convenient access to both Harrisburg and Lancaster
- Easy access to Harrisburg International Airport

## Office Listings



524 - 10,918 SF

#### Lease - 301 Chestnut Street, Harrisburg

- Located at Pennsylvania Place, this is a one-of-a-kind development for the Harrisburg market that includes over 288,000 SF of premier Class A office, commercial and residential space in the City's thriving downtown district
- The building offers an ultimate level of visibility, functionality and sophistication
- On-site parking, workout facility, a swimming pool and high-end finishes embody the urban luxury of this high-rise mixed-use building



3,000 - 4,403 SF

#### Lease - 24 Northeast Drive, Hershey

- Functional, single-story office building in prominent Hershey location
- Perimeter window line can be expanded to suite tenant's specs
- 35+/- Parking spaces in-common with all tenants in building, and over 100 parking spaces available



2,113 - 5,113 SF

#### Sale - 5006 - 5010 E. Trindle Road, Mechanicsburg

- Five condominium units available for sale (2,113 - 5,113 SF)
- Excellent location in newly developed area in Hampden Township
- Can be sold individually for owner/user or together as an investment



5,445 SF

#### Lease - 400 Bent Creek Boulevard, Suite 150, Mechanicsburg

- Professional office space located within the Pennsylvania School Boards Association's building
- The building and suite have been well-maintained and updated since being constructed in 2005
- Over 200 lined parking spaces available in-common

## Featured Land



### Sale - 503 Jonestown Road, Jonestown, Lebanon County

- 7.91 Acres of commercial land located at a signalized intersection of Route 72 and Jonestown Road
- Quick access to Route 22 and 322, and I-78
- Zoning is commercial which permits banks, convenience stores, hotels and more

## Industrial Listing



### Sale/Lease - 20 Woodcraft Drive, Mount Holly Springs

- Industrial building located just off of Route 34 with easy access to Route 15, I-81 and the PA Turnpike
- The property has varying ceiling heights and offers several drive-in doors and a dock door
- Building sits on 1.28+/- acres and is zoned Industrial

## Land Listings

Location	Acres	Zoning	Type
300 S. Sporting Hill Road, Mechanicsburg, Cumberland County	1.19	Apartment Office Limited (AOL)	Sale
370 W. Main Street, Leola, Lancaster County	1.3 - 2.8	General Commercial	Sale/Lease
Allentown Boulevard and N. Hershey Road, Harrisburg, Dauphin County	1.35 (1 lot)	Business Enterprise District	Sale
Bent Creek Boulevard, Lot 2, Mechanicsburg, Cumberland County	2.02	Community Commercial	Lease
7700 Derry Street, Harrisburg, Dauphin County	2.12 (lot 4)	Commercial District General	Sale
<b>Price Reduced</b> - I-81 and W. Trindle Road, Carlisle, Cumberland County	2.18 (2 parcels)	Commercial Highway	Sale
East Cumberland Street (Route 422), Lebanon, Lebanon County	2.2	Commercial	Sale
8001 Grayson Road, Harrisburg, Dauphin County	2.25	Commercial	Lease
7700 Derry Street, Harrisburg, Dauphin County	2.3 (lot 8)	Commercial District General	Lease
2600 Delta Road, Brogue, York County	2.5	General Commercial	Sale/Lease
St. Johns Road, Camp Hill, Cumberland County	3.05	General Commercial District	Sale
<b>NEW</b> - Peters Mountain Road & River Road, Halifax, Dauphin County	5.1	None	Sale
700 S. Baltimore Street, Dillsburg, York County	5.23 - 57.5	Agricultural - Conservation (AC)	Sale
Eisenhower Boulevard, Harrisburg, Dauphin County	5.39	Commercial General	Sale
W. Suncrest Drive and Spring Road, Carlisle, Cumberland County	6.72 (5 parcels)	Commercial/Light Industrial	Sale
1706 Good Hope Road, Enola, Cumberland County	6.78	Office Park	Sale
<b>Pending</b> - Lancer Street Extended, Harrisburg, Dauphin County	7.52	Medium Density Residential (R-2)	Sale
503 Jonestown Road, Jonestown, Lebanon County	7.91	Commercial	Sale
Route 441 and Orchard Drive, Harrisburg, Dauphin County	8.34	Single Family Residential District	Sale
<b>Price Reduced</b> - 730 Limekiln Road, New Cumberland, York County	8.64	Commercial Business	Sale
<b>NEW</b> - 1900 State Road, Duncannon, Perry County	9.46	Commercial	Sale
Carlisle Pike (Route 11) Waterford Square, Mechanicsburg, Cumberland County	9.6 (11 lots)	Community Commercial (C2)	Sale
Eisenhower Blvd & Highspire Road, Harrisburg, Dauphin County	10	Commercial District General	Sale
Route 75 & William Penn Highway, Mifflintown, Juniata County	11	Industrial Commercial	Sale/Lease
Gettysburg Pike & Spring Lane Road, Dillsburg NWC and SWC, York County	14.68 & 14.92	Commercial	Sale
<b>Price Reduced</b> - Allentown Boulevard, Harrisburg, Dauphin County	17+	Commercial Highway (CH)	Sale
3050 Heidlersburg Road, York Springs, York County	18.16	Highway Commercial	Sale/Lease
349 Pleasant View Road, New Cumberland, York County	45.48	Commercial Business	Sale
Linglestown Road, Harrisburg, Dauphin County	61.55	Agricultural Residential	Sale

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## Check Out Our Recent Deals

Visit [www.billgladstone.com](http://www.billgladstone.com) to view listings not included in this issue.



### **SOLD - 60 S. River Road, Halifax**

**The former 5,022 SF Jehovah's Witness facility** located at 60 S. River Road in Halifax has been sold to RockSTART, a quality Christian Early Learning Center accommodating 60 children. The Bill Gladstone Group of NAI CIR facilitated the transaction.



### **SOLD - 5006 E. Trindle Road, Suite 100, Mechanicsburg**

**JGPB Realty, LLC** purchased a 2,180 SF condominium located in Hampden Township. The Bill Gladstone Group of NAI CIR handled the transaction.



### **LEASED - 1779 W. Trindle Road, Suite 100 B&C, Carlisle**

**Classic Drycleaners & Laundromats** has leased 3,400 SF of commercial space located in South Middleton Township to use as a location for their CRDN operation (fire and water damage restoration.) The Bill Gladstone Group of NAI CIR handled the transaction.