HERSHEY COMMUNITY CENTER FUNDING THE COMMUNITY CENTER



ESTIMATED COST: \$32 MILLION The current funding strategy includes the mix below:

CAPITAL CAMPAIGN The capital campaign will reduce bond financing to \$27 million

BOND FINANCING Annual debt service will be approximately \$1,100,000 for 20 years



5 MILLION

THE **\$1,100,000** DEBT SERVICE MAY COME FROM:

TAX INCREASE

Taxes would need to be increased approximately .55 mils to generate \$1,100,000 per year. .55 MILLS For a home assessed at \$250,000, this would cost an additional \$137.50 PER YEAR in property taxes.

OTHER SOURCES OF FUNDS THAT WOULD **MINIMIZE THE TAX INCREASE**:

DERRY TOWNSHIP MUNICIPAL AUTHORITY



GENERATING AN ESTIMATED \$250,000-\$500,000 PER YEAR: The township will finance an additional \$15M digester and all of the new income generated by trucked in waste to the new digester would be the Township's. This debt would be "self-liquidating" and would not affect the Township's borrowing capacity.

\$250K

THIS PLAN **WOULD NOT IMPACT SEWER RATES** FOR RESIDENTS, BUSINESSES OR OTHERS WHO CURRENTLY USE DTMA SERVICES.

REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP)-(TBD)

REDUCTION IN OPERATING COSTS



UP TO \$10 MILLION:

Any state grant award will reduce bond financing. \$10 million has been applied for in RACP funds. **An award in the range of \$1M-\$3M is most likely.**



ESTIMATED AT \$375,000:

The new facility is estimated to have an operating loss of approximately **\$355,000** as opposed to **\$730,000** today. This savings will only be realized if the Township is able to successfully execute its business plan.