

**TOWNSHIP OF DERRY
BOARD OF SUPERVISORS**

**PUBLIC MEETING
Tuesday, February 10, 2015
600 Clearwater Road, Hershey, Pennsylvania 17033**

CALL TO ORDER

The February 10, 2015 Public Meeting of the Township of Derry Board of Supervisors was called to order at 6:00 p.m. by John W. Foley, Chairman.

ROLL CALL

Supervisors Present:

Sandy A. Ballard
Justin C. Engle, Secretary
John W. Foley, Chairman
Marc A. Moyer, Vice-Chairman
Matthew A. Weir

Also Present:

Jill E. Henry, Assistant Township Manager
James N. Negley, Township Manager/Township Treasurer
Jon Yost, Solicitor

Public Present: D. Holte, Connie Verdelli, Lou Verdelli, Sr., Brian Shiflett, Anne Newman, Rich Gamble, Chris Bushman, AJ Troncelliti, Jerry Shank, Sr.

NEW BUSINESS:

The purpose of this presentation is to receive information and public comment regarding Tax Increment Financing (TIF) proposed by Derry Township Industrial and Commercial Development Authority (DTICDA).

Chris Brown, the Township's planning consultant explained that Tax Increment Financing (TIF) is an economic development financing tool that can utilize increases in property taxes, resulting from private development within a specified area to finance needed capital improvements with that area. A portion of the new taxes generated by a development project is designated by the affected taxing bodies to cover the debt service payments of a bond or note that finances the eligible improvements. In many cases, the improvements that are financed via a TIF constitute publically owned infrastructure.

The purpose of the presentation tonight is to get two representative to serves on the TIF Committee in developing a TIF plan. The plan must include a description of the project/district and a detailed economic feasibility study and assessment of the fiscal impact on the municipal tax base. When the plan is completed, the DTICDA presents the plan to the taxing bodies and request that they either opt-in or opt-out of the plan. Finally, the Township designates, by ordinance or resolution, certain geographical areas as a "TIF District."

The allocations made by the taxing bodies in support of the project do not need to be the same and the taxing bodies retain 100% of their “base” taxes. Once the TIF loan is repaid, the TIF district is dissolved and all taxes go to the respective taxing bodies. The school district, township and the county will have no liability in the event of default.

A proposed project for TIF is the redevelopment of the existing Post Office Facility and construction of two additional mixed use spaces on the same site. Potential uses of TIF Proceeds include traffic improvements estimated at \$250,000, property improvements (Chocolate Avenue signalization project) estimated at \$500,000 and additional public parking garage estimated at \$3,000,000.

Susan Ryder expressed that the TIF would be helpful in developing downtown Hershey, but didn't think that Hershey was a blighted area. Chris Brown explained that inadequate road networks, traffic issues, unutilized properties, and unsafe hazardous conditions are the criteria for an area to be blighted. It is a mechanism that enables the TIF to move forward.

Richard Gamble does not feel that we should have to offer incentives to private businesses to come to Hershey that is a place businesses want to come and he doesn't feel that taxes should be taken from the taxing bodies for the program.

TIF is needed to facilitate economic development. The DTICDA is requesting that the Township select two representative to serve on the required TIF Committee to assist the DTICDA with developing a TIF Plan to be considered at a later date.

The Supervisors will appoint two members to the committee at the February 24, 2015 meeting of the Board of Supervisors.

ADJOURNMENT

Supervisor Engle moved to adjourn the meeting at 6:35 p.m. Supervisor Ballard seconded. *The motion carried, 5-yes 0-no.*

SUBMITTED BY:

Justin C. Engle
Township Secretary

Brenda Van Deursen
Recording Secretary