

**DERRY TOWNSHIP
INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY
600 CLEARWATER ROAD, HERSHEY, PENNSYLVANIA 17033
MEETING MINUTES
August 21, 2014**

CALL TO ORDER

Chairman Foley called the August 21, 2014 meeting of the Derry Township Industrial & Commercial Development Authority to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

All present stood for the Pledge of Allegiance.

ROLL CALL

Members Present:

Chris Abruzzo
James Ingalzo
Justin Engle
John Foley

Members Absent:

Domenick Argento

Also Present:

James Negley, Township Manager, Assistant Treasurer, Assistant Secretary
Barbara Zemlock, DT ICDA Solicitor
Marie Sirkot, Administrative Assistant
Ardith Yahner, Stenographer

Public Present:

Chuck Emerick, Director of Community Development
Greg Koussis, Capital Construction Management, LLC
Diana Reed, Diana M. Reed & Associates
David Twaddell, Rhoads & Sinon, LLP
Lou Verdelli, RBC
Matt Weir, Board of Supervisors

Chairman Foley advised that it is the policy of the Authority to tape all public meetings for the purpose of providing accurate minutes.

APPROVAL OF MINUTES

Mr. Engle moved to approve the meeting minutes of July 17, 2014. Mr. Ingalzo seconded the motion. *Motion carried, 3-0-1, with Mr. Abruzzo abstaining.*

PUBLIC COMMENT

There was no public comment.

UPDATE ON EXTENSION OF LETTER OF CREDIT

Mr. Verdelli referenced his update at the July 17, 2014 ICDA meeting, and told the Board that everything is in place for the Series A and Series B bond renewals. The final authorization and signatures are to be provided at tonight's meeting and then M&T Bank will be notified September 15. The renewal will take place on or about November 15, 2014. Mr. Verdelli also pointed out two additional pages contained in the Giant Center Financing Update from last month. Page five includes the costs for the letter of credit renewals; including last year's and this year's costs for the time spent analyzing the best restructuring options. Page six includes the PILOT payment history through 2013 and the cost of the 2014 payment with payment date to be determined. The percentages are included: 60% School, 30% County and 10% Township. Everything else is in order at this time.

Chairman Foley asked about the fees charged. Mr. Verdelli explained that it gets requisitioned from the hotel tax funds - Series A through the ICDA account and Series B is paid by RAMCO. Chairman Foley asked if it comes from existing funds in the ICDA account. Diana Reed said no, it comes from trust funds.

CONSIDERATION OF RESOLUTION APPROVING THE EIGHTH AMENDMENT TO REIMBURSEMENT, CREDIT AND SECURITY AGREEMENT

Mr. Twaddell advised that the new resolution simply extends the letter of credit for another year and there are no changes in respect to the letter of credit. The actual renewal date is in November, but nothing will change between now and then.

Mr. Engle moved to approve Resolution No. 2014-02. Mr. Abruzzo seconded the motion. *Motion carried, 4-0.*

UPDATE ON FIRE COMPANY PROJECT

Mr. Koussis gave the Board an update on the fire company project. The schematic design is complete and drawings were given to the Zoning Hearing Board August 20 for review at the September 17 meeting. The contractor has presented an updated project cost estimate and is within \$15,000 of where it is needed. Also, we have design alternates for flexibility. Mechanical and electrical engineers have been engaged and started design work. Fundraising has been ongoing, and Mr. Brace and his committee have met with a number of the major potential donors. A financing/funding coordination meeting was held yesterday with Mr. Verdelli to plan the timeline for financing of the project. Team meetings are continuing on a bi-weekly basis.

In the next 30 days, the Cooperation Agreement between HVFC and the ICDA will be finalized. The design development stage of the project will continue and the contractor will finalize a list of alternates to be included in the bid documents. The structural engineer will begin work on the structural design and geotechnical engineering will be reviewed with respect to foundation design. The civil engineer will continue to work on the Land Development Plan. A meeting is scheduled on August 29 to review the RACP Application with a representative of the Budget Office. In addition, fundraising efforts will continue.

Mr. Abruzzo thanked Mr. Koussis for his hard work as Project Manager. Mr. Engle concurred and added that the meetings he has attended have been very positive.

ANY OTHER BUSINESS TO COME BEFORE THE BOARD

Chairman Foley advised the Board (for the purpose of records) that the ICDA is initiating an action for a TIF that encompasses the core of the downtown. He asked Mr. Engle to elaborate. Mr. Engle explained that there has been informal discussion about the possibility of tax incremental financing for the downtown district. In order to pursue this, perhaps the ICDA could be the Authority to move forward in collecting proposals to get to the next step. The process will require any of the taxing bodies' approval. Also, there has to be a collaborative effort between the school district and the county to enable this to happen. Chairman Foley reported that informal contact has been made with both of those taxing bodies and both are open to discussion. This information has been shared with the Downtown Hershey Association, the Board of Supervisors, and now the ICDA Board. If there is no objection from this Board, we will start exploring our options and looking for consultants that can help us put this all together. There were no objections from any Board members.

ADJOURNMENT

Mr. Ingalzo made a motion to adjourn the meeting. Mr. Abruzzo seconded the motion. *Motion carried, 4-0.* Meeting adjourned at 6:30 p.m.

Respectfully submitted by:

James N. Negley, Manager
Assistant Treasurer/Assistant Secretary