

**DERRY TOWNSHIP  
INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY  
600 CLEARWATER ROAD, HERSHEY, PENNSYLVANIA 17033  
MEETING MINUTES  
December 16, 2010**

**CALL TO ORDER**

Chairman James Ingalzo called the December 16, 2010 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:

Todd Pagliarulo, Vice Chairman  
James Ingalzo, Chairman  
Chris Abruzzo  
Domenick Argento

Also Present:

James N. Negley, Manager, Treasurer, Assistant Secretary  
Paula J. McDermott, Post & Schell  
Marie C. Sirkot, Administrative Assistant  
Ardith Yahner, Stenographer

Public Present:

Charles W. Emerick, Asst. Director of Community Development/Derry Township  
David H. Hogg, Springwood Hospitality, LLC  
Mary Holovack, Diana Reed & Associates  
Meeta Patel, Jay Marti Inc.  
Raj Patel, Jay Marti Inc.

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

**PUBLIC COMMENT**

No public comment at this time.

## **APPROVAL OF MINUTES**

Vice Chairman Pagliarulo made a motion to approve the ICDA minutes from the October 21, 2010 meeting. Mr. Chris Abruzzo seconded the motion. Mr. Domenick Argento was absent from the October meeting and abstained from the vote. *Motion carried, 3-0-1*

## **UPDATE ON OLD MUNICIPAL PROPERTY**

Mr. Bill Gladstone reported that things are progressing on target and thanked Jim Negley and Chuck Emerick for their help. He had one issue to discuss with the Board as well as a possible solution. This issue involves a “land swap” with Raj Patel. Mr. Emerick was invited to explain this to the Board.

Mr. Emerick gave the Board members a handout. Raj Patel’s property that is contemplated as part of the swap is 40’ wide by 140’ deep and was part of the deed when Mr. Patel purchased the Red Carpet Inn. Mr. Patel wants to build a two-unit home on Hockersville Rd. across from his Inn. The manager of the Super 8 Mr. Patel plans to build would use this home. The property Mr. Patel now owns is not wide enough for a two-unit home. The width that is there is also a sight distance issue for this property. Mr. Patel’s property also severs three lots that the ICDA owns. Mr. Emerick proposed allowing Mr. Patel have the furthest piece of the ICDA land that is 50’ wide. This would allow Mr. Patel to build his home (with some variance). The rest of the properties to the corner of W. Areba would belong to the ICDA. This would solve Mr. Hogg’s problem of being 10 parking spaces short for the new hotel. It would seem to be a win/win situation for everyone. Mr. Patel, however, wants an approval from the Zoning Board for his variances before he will sign over his property in a swap. Waiting for the Zoning Hearing Board to meet will cause a time extension on the ICDA’s property and a delay for Mr. Hogg’s project.

Mr. Gladstone explained that Mr. Hogg would like to open his new hotel in March of 2012 and have all necessary approvals from Derry Township by the end of July 2011. Waiting for a Zoning Hearing would delay this time frame and his target opening date.

Mr. Gladstone asked Mr. Patel to come forward and address the Board. Mr. Patel advised that he applied for a Super 8 motel last year and was given permission to go ahead with the project. However, PennDOT will not give him site distance approval for the driveway. He spoke to Chuck Emerick who proposed the possibility of swapping parcels of land with the ICDA. Mr. Patel is hoping to put a three unit building on the property. This would include room for the manager and possibly housekeeping people as well. This would require one variance from the Zoning Board and maybe a density issue as well. Mr. Patel agreed this would be a win/win situation for everyone as the ICDA will have three properties together and he will have a larger piece of land with access to a driveway for his property.

Chairman Inganzo agreed that this scenario seems amenable for everyone and asked if there were any questions.

Mr. Abruzzo agreed that the relief Mr. Patel needs from the Zoning Hearing Board is reasonable, but the ICDA cannot guarantee that it will be approved. Mr. Patel answered that he will only do the swap contingent on getting the variance approvals he needs from the Zoning Hearing Board.

Mr. Argento questioned solicitor, Ms. McDermott, about the two dates in the contract (January 31, 2011 and February 15, 2011) and whether the contract indicates that the swap would take place unless the variances are passed. Ms. McDermott answered that it does not.

Chairman Ingalzo then asked for clarification from Mr. Patel regarding this land swap. Mr. Patel verified again that he would not go through with the swap without a guarantee from the Zoning Hearing Board that his variances would be allowed. Chairman Ingalzo stated this was not the understanding he had before the start of the meeting. He asked Mr. Emerick how long the process of going through the Zoning Board would take. Mr. Emerick advised that the application would need to be in next Wednesday, the hearing would be on the nineteenth and the decision would be made at the February meeting which is on the third Wednesday (February 16), unless a special meeting would be called. Once the decision is granted there is a 30-day appeal period.

Mr. Abruzzo asked what benefit would the ICDA receive by going through with this land swap. Mr. Emerick stated that having three contiguous properties would be the only advantage. Mr. Abruzzo stated that the sight distance would not matter either, if traffic entered the property from Mill Street or Areba to access additional parking.

Mr. Gladstone stated that Mr. Patel would be getting ten more feet of frontage on his lot and 2,000 square ft. additional property by doing the swap even if he did not get the zoning variance. However, Mr. Hogg and his engineers are prepared to attend the Zoning Hearing Board meeting and explain that this lot is to be for overflow parking only and will probably never need to be used (except to meet code). The sight line problem will not matter for their use of the property. Mr. Gladstone asked Mr. Hogg to report on where he is with this project.

Mr. Hogg advised the Board that he is ready to submit his franchise application as soon as he has the final decision on the lot that he will be working with. He stated that he has had problems meeting the parking ordinance, which is one of the strictest he has ever seen. The four-story building has been changed to five stories, and is only ten parking spaces short of meeting code. The contiguous lots would be helpful. There would be an added benefit of an unobstructed view of the hotel from Hockersville Road. As soon as this issue is resolved, Mr. Hogg advised he could move quickly into land development.

Chairman Ingalzo asked Mr. Hogg what impact it would have on his plans if waiting for the zoning decisions were involved. Mr. Hogg explained that moving the date out to January 31, 2011 does not hurt them much, but 60-75 days would. He could ask for a decision from the Zoning Hearing Board the night of the meeting.

Mr. Emerick advised that the Zoning Hearing Board hears the cases and decides usually at that meeting and can let him know their decision, although it will not be in writing until the following meeting. There is a possibility of a signed decision by January 31. Also, the 50' lot already has access. Therefore, a PennDOT approval or traffic study would not be required. If Mr. Hogg and

Mr. Patel attended the January meeting and presented their cases, there is a good chance that a decision would be made by January 31.

Mr. Gladstone reiterated that Mr. Patel wins by doing the swap regardless of the decision of the Zoning Board since he will end up with more land in Derry Township. If he agrees to the swap tonight, both parties can proceed with their plans. If he waits, Mr. Hogg may then get the variance to proceed with the parcel that the ICDA already owns.

Chairman Ingalzo addressed Mr. Patel and asked if he understood that by delaying the land swap agreement tonight, he might lose the chance to get the parcel he wants. Mr. Patel explained that he is not comfortable going through with the swap before meeting with the Zoning Hearing Board. Chairman Ingalzo thanked Mr. Patel for coming. He advised that the Board will proceed by granting the extension of due diligence to Springwood so they can continue with their project.

Mr. Gladstone advised the Board that in order for Mr. Patel to file for a variance with the Zoning Hearing Board, the ICDA must give him a letter stating approval for him to move forward with his plans to develop his property.

At 6:55 p.m. Chairman Ingalzo announced the Board would adjourn to go into Executive Session for advice of counsel.

The Board reconvened at 7:00 p.m. Chairman Ingalzo announced the Board will not move forward with the land swap. Springwood can move forward with their plans to go to the Zoning Hearing Board for their variance. If Mr. Patel would like to reconsider, the Board will hear him at a later date.

### **CONSIDERATION OF AND ACTION ON AMENDMENT FOR EXTENSION OF DUE DILIGENCE PERIOD**

Chairman Ingalzo asked for a motion to approve the document extending the due diligence period for Central PA Equities 13 LLC, Mr. Hogg, Manager. Vice Chairman Pagliarulo made a motion to approve and Mr. Argento seconded the motion.

*Motioned carried, 4-0.*

### **CHAIRMAN'S REPORT**

Chairman Ingalzo reported that he and Mr. Abruzzo met last week with Dave Stough of the Hershey Fire Department to discuss their continuing plan to find a place for a new building, develop the property and get some help in the process. The ICDA has offered to help them in any way possible and invited them to attend ICDA meetings to provide updates on their progress and advise of any way the ICDA can be of assistance. Chairman Ingalzo asked Vice Chairman Pagliarulo if he had anything to add.

Vice Chairman Pagliarulo advised the Board that the Fire Department has applied for an RACP Grant and has received some initial positive information. Chairman Ingalzo added that the lines

of communication will be open and the ICDA will do whatever is possible to help them secure funding for a new facility.

**ANY OTHER BUSINESS TO COME BEFORE THE BOARD**

Chairman Ingalzo wished fellow Board members a very Merry Christmas and prosperous New Year.

**PUBLIC COMMENT**

No public comment.

**ADJOURNMENT**

Vice Chairman Pagliarulo made a motion to adjourn the meeting and Mr. Abruzzo seconded the motion. *Motion carried, 4-0.*

Meeting was adjourned at 7:05 p.m.

Respectfully submitted by:

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James N. Negley, Manager/Treasurer/Assistant Secretary