

**AMITY TOWNSHIP
BERKS COUNTY, PENNSYLVANIA
ORDINANCE NO. 2023-334**

AN ORDINANCE OF AMITY TOWNSHIP, BERKS COUNTY, PENNSYLVANIA APPROVING A TAX INCREMENT FINANCING PLAN AS AUTHORIZED BY THE PENNSYLVANIA TAX INCREMENT FINANCING ACT, ACT 113 OF 1990, IN COOPERATION WITH THE COUNTY OF BERKS, PENNSYLVANIA, AND THE DANIEL BOONE AREA SCHOOL DISTRICT; ESTABLISHING THE BOUNDARIES OF AND CREATING A TAX INCREMENT DISTRICT; PROVIDING A DISTRICT NAME; CONTAINING FINDINGS REGARDING THE TAX INCREMENT DISTRICT AND THE PUBLIC PURPOSES OF THE PROJECT; APPROVING A PROJECT PLAN FOR IMPLEMENTATION OF PROJECT ACTIVITY WITHIN THE TAX INCREMENT DISTRICT; AUTHORIZING THE CREATION OF A TAX INCREMENT FUND AND PROVIDING THAT THE REVENUES RECEIVED IN SUCH FUND SHALL BE HELD IN TRUST FOR THE PROJECT; APPLYING TAX INCREMENT REVENUES; DESIGNATING TRUST FOR THE PROJECT; APPLYING TAX INCREMENT REVENUES; DESIGNATING THE BERKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AS THE COORDINATING BODY TO ARRANGE FOR PROJECT PLANNING, FINANCING AND IMPLEMENTATION; REQUESTING OFFICERS OF THE COUNTY OF BERKS AND THE DANIEL BOONE AREA SCHOOL DISTRICT TO UNDERTAKE ALL STEPS NECESSARY TO IMPLEMENT THE PROJECT PLAN; ESTABLISHING PROCEDURES FOR COLLECTION OF TAX INCREMENT REVENUES; AUTHORIZING A COOPERATION AGREEMENT TO PROVIDE FINANCIAL SECURITY FOR PAYMENT OF PROJECT COSTS; PROVIDING FOR AMENDMENT, SEVERABILITY, REPEALER, AND EFFECTIVE DATE OF THE TERMS OF THE ORDINANCE.

WHEREAS, the Pennsylvania Tax Increment Financing Act, Act 113 of 1990, as amended (the "TIF Act"), grants powers to industrial and commercial development authorities and redevelopment authorities to address conditions of blight and inadequate planning and development of urban communities and provides an additional and alternative means to finance public facilities and residential, commercial and industrial development and revitalization for the public benefit and good; and

WHEREAS, the Berks County Industrial Development Authority (the "Authority") has heretofore prepared a Tax Increment Financing Plan referred to as the Amity Township Water/Sewer Tax Increment Financing District dated October 31, 2023 (the "Plan"), which has been formally presented to the County of Berks, Pennsylvania (the "County"), the Daniel Boone Area School District, Berks County, Pennsylvania (the "School District") and Amity Township, Berks County, Pennsylvania (the "Township") for review and approval and is attached hereto and identified as Exhibit A; and

WHEREAS, the Authority intends to incur indebtedness in an amount not to exceed Five Million Dollars (\$5,000,000.00) (the "TIF Debt") to finance a portion of the costs of

a project consisting of the design, construction, acquisition and installation of a water main extension and sanitary sewer line extension in Amity Township, as more fully provided in the Plan (the “Project”); and

WHEREAS, pursuant to the Plan, the School District and the County will allocate a portion of the incremental *ad valorem* tax revenues, determined with reference to the tax increment base, resulting from the increase in the total market value of real property values in the tax increment district as a result of the completion of the Project (the “Tax Increment”) to the Authority to pay the principal of and interest on the TIF Debt; and

WHEREAS, pursuant to Section 6930.5(a)(7) of the TIF Act, the governing body of a municipality that levies property taxes within the boundaries of a proposed tax increment district is required by ordinance or resolution to either agree to participate or opt not to participate, in whole or in part, in the tax increment district; and

WHEREAS, the County and the School District have each approved the Plan and have agreed to participate in the Plan pursuant to Ordinance duly enacted by the Board of Commissioners of the County on October 19, 2023 and pursuant to a Resolution duly adopted by the Board of School Directors of the School District on October 23, 2023, respectively, and have provided copies of such Ordinance and Resolution to the Township; and

WHEREAS, a public hearing has been duly advertised and held on November 1, 2023 pursuant to requirements of the TIF Act at which time interested parties were afforded a reasonable opportunity to express their views on the concept of a tax increment financing, on the proposed creation of a tax increment financing district and its proposed boundaries, on the proposed adoption of a project plan for a tax increment financing district and the benefits to the Township; and

WHEREAS, all conditions precedent to the creation of a Tax Increment Financing District as required by the TIF Act have been satisfied and the Township has determined that it is in the best interests of the health, safety and welfare of the citizens of the County and the Township, in particular, to undertake the implementation of the Plan and establish the Tax Increment Financing District.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF AMITY TOWNSHIP, BERKS COUNTY, PENNSYLVANIA AS FOLLOWS:

SECTION 1. DEFINITIONS

As used in this Ordinance, in addition to the terms defined in the preamble hereto, the following words and phrases shall have the meanings set forth below:

a. “Cooperation Agreement” – The Cooperation Agreement for the Amity Township Water/Sewer Increment Financing District by and among the County, the School District, the Township and the Authority.

b. “District” – The tax increment district created pursuant to the Ordinance in accordance with the provisions of the TIF Act.

c. “Finance Officer” – The legally authorized agent for each of the Taxing Districts responsible by law for receipt and disbursement of the revenues for the Taxing Districts.

d. “Project Costs” – Such costs include any and all eligible costs undertaken within or for the benefit of the District in accordance with the express language defining Project Costs as contained in the TIF Act.

e. “Taxing Districts” – Shall mean, collectively, the County, the Township, and the School District.

f. “Tax Increment” or “Tax Increment Revenues” – Tax Increment or Tax Increment Revenues shall have the meaning ascribed to the term “Tax Increment” in the TIF Act.

g. “Tax Increment Fund” – The fund maintained by the Authority into which are paid all Tax Increments and into which are deposited all other revenues related to the District and the Plan and from which money is disbursed to pay Project Costs related to the District.

SECTION 2. BOUNDARIES OF THE DISTRICT

The District created pursuant to this Ordinance shall contain those units of property assessed for real property tax purposes as described in Exhibit “A” attached hereto.

SECTION 3. CREATION AND TERM OF DISTRICT

The District is hereby created as of January 1, 2024. The District shall continue in existence for a period not to exceed the earlier of (i) ten (10) years, beginning on the date of creation and closing on the financing of the tax increment district in 2024 or (ii) the final maturity of the TIF debt. Provided that, in the TIF Act, the District may not be dissolved as long as any tax increment bonds or notes for the District remain outstanding. The Township hereby determines that the requisite time provided for under Section 5(a)(6) of the TIF Act subsequent to the public hearing has passed as of the date of enactment of this Ordinance.

SECTION 4. NAME OF DISTRICT

The District shall be identified as the Amity Township Water/Sewer Tax Increment Financing District for all Plan and identification purposes.

SECTION 5. LEGISLATIVE FINDINGS

The Township hereby determines, in accordance with the powers conferred by the TIF Act, based upon extensive studies and examination of the conditions currently existing within the District, that:

- a. The District is a contiguous geographic area within an area undergoing redevelopment.
- b. The improvements contemplated by the Plan are likely to enhance significantly the value of all real property in the District.
- c. The aggregate value of equalized taxable property of the District, plus all existing tax increment districts, does not exceed 10% of the total value of equalized taxable property within the Township.
- d. The area comprising the District as a whole has not been subject to adequate growth and development through investment by private enterprise and would not reasonably be anticipated to be adequately developed without the adoption of the Plan.
- e. No individuals, families or small businesses will be displaced in the District.
- f. The Plan conforms to the Township's Comprehensive Plan.
- g. The Plan will afford maximum opportunity, consistent with sound needs of the Taxing Districts as a whole, for the rehabilitation or redevelopment of the District by private enterprise.
- h. The District is a blighted area containing characteristics of blight as described in the Urban Redevelopment Law and the Project to be undertaken is necessary to eliminate such conditions of blight.

SECTION 6. APPROVAL OF PLAN AND PROJECT FINANCING

The Board of Supervisors of this Township hereby approves the Plan for the District prepared by the Authority and authorizes the Authority to borrow an amount not to exceed Five Million Dollars (\$5,000,000.00) to finance Project Costs and to undertake any and all methods of financing of Project Costs available pursuant to the TIF Act.

The Board of Supervisors of this Township hereby agrees to participate in the District. The Township shall not allocate any Township taxes to the tax increment. The School District and the County of Berks will allocate 80% (School District) and 70% (County of Berks) respectively of the property taxes owed in the early payment discount period of the tax increment (Allocation) to the Authority for the term of the TIF.

SECTION 7. DESIGNATION OF AUTHORITY AS PROJECT AUTHORITY

The Board of Supervisors of this Township hereby designates the Authority as the Authority charged with preparing, implementing, monitoring and directing the Plan and as the issuer for any bonds or notes which may be necessary to finance Project Costs for the District.

SECTION 8. CREATION OF TAX INCREMENT FUND

The Authority will establish a Tax Increment Fund account, which shall hold all Tax Increment Revenues for the District. The Board of Supervisors of this Township hereby requests that the Finance Officers of the Taxing Districts transfer all Tax Increment Revenues as specified in the TIF Plan received from the Taxing Districts to the Authority for deposit into a Tax Increment Fund to be created for such purposes by the Authority. The Treasurer of the Township is also authorized to accept or transfer to the Authority for deposit into the Tax Increment Fund any other gifts, appropriations, grants, loans or other revenues to be applied to the District for the purposes of the Plan.

SECTION 9. TAX INCREMENT REVENUES TO BE HELD IN TRUST FOR PROJECT

The required Tax Increments specified in the Plan and Cooperation Agreement collected by the Finance Officers of the Taxing Districts, from and after the date of settlement of such taxes, shall be paid to the Tax Increment Fund as stated in Section 8 above and shall be held in trust in favor of the District for purposes of the Plan.

SECTION 10. APPLICATION OF TAX INCREMENT REVENUE

The Authority is hereby authorized to apply Tax Increment Revenues to Project Costs incurred in connection with the Plan for the District in accordance with the TIF Act and to pay the principal of and interest on the TIF Debt. The Authority may undertake such expenditures, make such appropriations, reimburse parties for prior expenditures related to Project Costs, enter into such contracts and agreements with respect to the Plan and the District which, in the sole judgment of the Authority, shall further the purposes of the Plan consistent with the provisions of this Ordinance. Any Tax Increment Revenues remaining in the Tax Increment Fund after payment of all Project Costs has been made or provided for and after the principal of and interest on the TIF Debt has been paid in full shall be returned to the Taxing Districts on a pro rata basis in the proportions that the property tax millage of each taxing body bears to the enter millage levied by all Taxing Districts at the time the District was created.

SECTION 11. PROCEDURES FOR COLLECTION OF TAX INCREMENT REVENUES

The Authority is hereby directed to establish such dates for receipt of Tax Increment Revenues, provide for any necessary reserve for tax revenues, and establish provisions for collection and enforcement of payment of Tax Increment Revenues to the extent permissible under the TIF Act.

SECTION 12. AGREEMENTS FOR FINANCIAL SECURITY FOR PROJECT COSTS

The Board of Supervisors of this Township hereby authorizes the execution and delivery of the Cooperation Agreement with the Authority and the other Taxing Districts and the execution and delivery of any other documents, agreements and instruments necessary or appropriate for the implementation of the Plan and to provide any form of assurances toward payment of Project Costs as may be deemed necessary by the Authority in consultation with the Township.

SECTION 13. AMENDMENTS TO PLAN AND DISTRICT

The Authority may propose and the Township may adopt, by ordinance such amendments to the Plan as are deemed necessary and which are authorized by the TIF Act.

SECTION 14. SEVERABILITY

In the event any provision, section, sentence, clause or part of this Ordinance is determined by a court of competent jurisdiction to be invalid and unenforceable, such determination shall not affect the validity or effect of the remaining provisions hereof.

SECTION 15. REPEALER

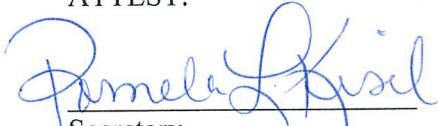
All Ordinances or parts thereof not in accordance with this Ordinance are hereby repealed insofar as they conflict herewith.

SECTION 16. EFFECTIVE DATE


This ordinance shall become effective and be in full force and effect beginning on the date hereof.

ORDAINED AND ENACTED by the Board of Supervisors of Amity Township, Berks County, Pennsylvania, this 12th day of December, 2023.

ATTEST:


Secretary

AMITY TOWNSHIP, BERKS COUNTY,
PENNSYLVANIA


Chair, Board of Supervisors