

**AD HOC EXECUTIVE SESSION
FOR
H & K PLAN – THE PRESERVE AT HISTORIC CORNWALL VILLAGE**

Ad Hoc Executive Session meeting was held on Tuesday, November 10, 2009 at the Cornwall Borough Hall.

Committee Members: Joe Lescisko, Paul Vranesic, Rob Koehler, Stan Alekna,
Ray Fratini

Special Counsel: Josele Cleary

Alternate Borough Engineer: Steve Dellinger

Traffic Consultant: Absent

Fiscal Impact Consultant: Robert Kriebel

Public: List Attached

1. Chairman Paul Vranesic called the meeting to order at 7:00 p.m.
2. Mr. Kriebel from URDC provided the committee with a handout that compared additional revenue and expenses based on the preferred project (at 15 year Build Out) from Glackin Thomas Panzak (GTP) Study and URDC. Mr. Hetzel of GTP also provided updated information based on the agreed-upon existing Borough population number and the proposed millage increase. These numbers were then compared to committee member Stan Alekna's projection, and at the conclusion of the discussion, the committee agreed on the following projections:

Total Additional Revenue	\$1,018,476
Total Additional Expenses	- 658,162
Excess Revenue	<u>\$ 360,314</u>

* Attached is the detail on how the committee arrived at these numbers.

Mr. Callahan will provide the committee with a formal detailed chart of the above revenue and expense projections at the November 24th meeting.

Mr. Callahan agreed to pursue additional information from the existing waterpark operation(s) regarding (1) the averaged number of persons per hotel room and (2) the admission costs [per hotel guest] versus non-guests.

It was also suggested that the cost information related to the By-Right Plan be updated, in case the question comes up during the Public Hearing.

3. The proposed CMU overlay zoning amendment was authorized to be sent off to County Planning for their "unofficial" review by Borough Council on November 9th. It is possible that the committee may have County Planning's unofficial comments by the committee's November 24th meeting. P & Z's December 7th meeting will hear the public's comments on the proposed ordinance.

Tom Smith and Hanover Engineering staff will be meeting with H&K representatives on November 11th to discuss street and other design criteria to be added to the draft CMU overlay zoning amendment. The draft language will be forwarded to Josele Cleary for inclusion in the next version of the draft amendment.

4. Next Ad Hoc meeting to be held Tuesday, November 24, 2009 at 7:00 p.m. at the Cornwall Borough Hall. Questions regarding this project can be e-mailed to cwboro@comcast.net.
5. Adjourned 8:40 p.m.

Respectfully Submitted,

Joseph L. Lescisko
Secretary
www.cornwall-pa.com

cc: Ad Hoc Committee
Borough Consultants
Cornwall Borough

AD HOC COMMITTEE REPORT ON FISCAL IMPACT OF CMU DEVELOPMENT ON CORNWALL BOROUGH November 24, 2009

Cost Increase to Borough from CMU

Actual/projected current expenditures for 2009 \$1,709,991

Borough population Y.E. 2009

2007 EIT census	3,616
Adt'l residents from new homes 2007-2009	198
Total	<u>3,814</u>

$\frac{\$1,709,991}{3,814}$ result is \$448.35/ 2009 resident

CMU residents	1530 X \$448.35 = \$685,976
(1)New employees	436 X \$97 = 42, 292

Total \$728, 268

Note 1. New employees are computed as the average between GTP
URDC projections

REVENUES

EIT Revenue ~ avg. of GTP & URDC projections	\$235, 548
Property taxes at 10 mils (590 units)	330,161
Non-property taxes (GTP projection)	144, 881
Real estate transfer taxes (GTP projection)	137,474
Inter-Governmental Sources (GTP projection)	16,412
(2)Admissions tax from water park (H & K projection)	154,000
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	\$1,018,476
(3)Private road credit against costs	\$70,106

Note2: H & K to provide additional validation of revenue calculation

Note3: Calculation of credit to be verified by Borough personnel

NET PROJECTED FISCAL IMPACT OF CMU

Projected revenues		\$ 1,018,476
Projected Adt'l costs of CMU	\$728,268	
Less Private road credit	70,106	
Adjusted Adt'l costs of CMU		658,162
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Net projected fiscal impact		\$ 360,314