

HOPEWELL TOWNSHIP

RESOLUTION NO. 2009-18

A RESOLUTION EXTENDING THE TERM OF WAIVERS, ABATEMENTS, AND EXEMPTIONS OF REAL PROPERTY, EARNED INCOME TAX, NET PROFITS, MERCANTILE, AND BUSINESS PRIVILEGE TAXES WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA, DESIGNATED AS A KEYSTONE OPPORTUNITY EXPANSION ZONE, IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, AND RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF BEAVER COUNTY COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.

WHEREAS, the Township of Hopewell, Beaver County, Pennsylvania, recognizes the need to encourage investment in a defined geographical area of the Township of Hopewell, Beaver County, Pennsylvania, currently identified as Beaver County Tax Parcel Nos. 65-174-0300.00Z-01-2, 65-174-0300.01Z-01-2, 65-174-0301.00Z-01-2, 65-174-0202-00Z-01-2, 65-174-0302.02Z-01-2, 65-174-0302.03Z-01-2, 65-174-0302.04Z-01-2, 65-174-3002.05Z-01-2, and 65-174-0302.06Z-01-2, as described on Exhibit "A" and shown on Exhibit "B" attached hereto, incorporated by reference herein (the "**Subject KOEZ Property**"), that is experiencing distress characterized by one or more of the following: high unemployment, low investment of new capital, blighted conditions, underutilized, obsolete or abandoned industrial commercial and residential structures, deteriorated tax base; and

WHEREAS, the Pennsylvania Keystone Opportunity Zone Act, being Act 63 of 2005, as amended by Act 79 of 2008 (the "**Act**"), authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development ("**DCED**") for an extension of the term of the applicable benefits within the respective unoccupied portions of the previously approved Keystone Opportunity Expansion Zone ("**KOEZ**") located in the Township

of Hopewell, Beaver County, Pennsylvania, granting exemptions, deductions, abatements or credits from all local taxes identified in the Act; and

WHEREAS, an approval of extending the term of the benefits provided in the Act will result in improving both the economic, physical, and social conditions within the Subject KOEZ Property by stimulating existing businesses employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight within the Subject KOEZ Property by the termination date of the extended term of the KOEZ.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Hopewell Township, Beaver County:

1. Effective as of June 22, 2009, the term of the KOEZ is hereby extended for a period of seven (7) years from the expiration date of the KOEZ which is December 31, 2013. This seven (7) year extension of the term of the KOEZ is expressly contingent upon DCED's approval of the proposed extended term of the KOEZ. In the event that DCED does not approve the proposed extended term, then such seven (7) year extension shall be null and void.
2. Upon DCED's approval, all current local KOEZ benefits of unoccupied parcels will terminate on December 31, 2013 and will not continue until such time that an unoccupied parcel becomes developed or occupied as that term is defined by DCED.

3. The following provisions shall apply during the extended term of the KOEZ once the Subject KOEZ Property is occupied:

A. Real Property Tax on the Subject KOEZ Property is 100% exempt, in accordance with the provisions and limitations hereinafter set forth, within the boundaries of the Subject KOEZ Property, for the proposed extended term of the KOEZ in accordance with the Act, such exemption shall terminate on December 31, 2020.

B. Earned Income and Net Profits Taxes; Business Privilege and Mercantile Taxes. The Township of Hopewell also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident for the proposed extended term of the KOEZ attributable to business activity conducted within the KOEZ through and terminating on December 31, 2020.

4. In accordance with 73 P.S. §820.301c(e), the proposed extended term of the KOEZ shall expire no later than seven (7) years following the expiration date of the KOEZ, which shall be December 31, 2020.

5. In the event that the owners of the Subject KOEZ Property, or its grantees, successors, and/or assigns commences any business or operations related to the conduct of gaming as that term is defined in 4 Pa. C.S.A. §1103 in the Subject KOEZ Property, then the aforementioned exemptions shall terminate.

6. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Resolution by reference.

7. This Resolution shall be effective upon execution, conditioned upon the approval of the application by DCED, with respect to the extended term of the KOEZ.

RESOLVED AND ENACTED by the Board of Commissioners of the Hopewell Township, Beaver County, Pennsylvania, this 22nd day of June, 2009.

BOARD OF COMMISSIONERS OF HOPEWELL
TOWNSHIP

ATTEST:



Gerald S. Orsini, Manager
G.

By: 

Chuck Piroli, President

Exhibit "A"

DESCRIPTION OF SUBJECT KOEZ PROPERTY

1. Tax Parcel No.: 65-174-0300.00Z-01-2 (20.92 acres total, 17.00 KOEZ acres)

ALL that certain piece, parcel, or lot of land lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being a part of Parcel "A" in the Bet-Tech Subdivision No. 2 dated May 16, 1994, which was duly recorded in the Office of Recorder of Deeds of Beaver County on January 5, 1995 in Plan Book Volume 27, page 87 (Instrument No. 1419050).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

2. Tax Parcel No.: 65-174-0300.01Z-01-2 (10.29 acres total, 8.40 KOEZ acres)

ALL that certain piece, parcel, or lot of land lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being a part of Parcel "A-1" in the Bet-Tech Plan of Subdivision No. 2 Revised, dated March 7, 1995, which was duly recorded in the Office of Recorder of Deeds of Beaver County on January 22, 1996 in Plan Book Volume 28, page 33 (Instrument No. 1446210).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

3. Tax Parcel No.: 65-174-0301.00Z-01-2 (46.00 acres total, 37.20 KOEZ acres)

ALL that certain piece, parcel, or lot of land lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being Parcel "B-1" in the Bet-Tech Plan of Subdivision No. 5, dated March 20, 1998, which was duly recorded in the Office of Recorder of Deeds of Beaver County on September 18, 1998 in Plan Book Volume 29, page 266 (Instrument No. 3010586).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

4. Tax Parcel No.: 65-174-0302.00Z-01-2 (23.56 acres total, 16.60 KOEZ acres)

ALL that certain piece, parcel, or lot of land lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being a part of Remaining Parcel 9-6R in the Bet-Tech Industrial Park Plan dated June 30, 2006, which was duly recorded in the Office of Recorder of Deeds of Beaver County on October 9, 2007 in Plan Book Volume 35, page 3 (Instrument No. 3309446).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

5. Tax Parcel No.: 65-174-0302.05Z-01-2 (15.02 acres total, 11.43 KOEZ acres)

ALL that certain piece, parcel, or lot of land lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being Lot No. 4 in the Bet-Tech Industrial Park Plan dated June 30, 2006, which was duly recorded in the Office of Recorder of Deeds of Beaver County on October 9, 2007 in Plan Book Volume 35, page 3 (Instrument No. 3309446).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

6. Tax Parcel No.: 65-174-0302.06Z-01-2 (0.58 acres total, 0.42 KOEZ acres)

ALL that certain piece, parcel, or lot of land, lying and being situate in the Township of Hopewell, County of Beaver, and Commonwealth of Pennsylvania, being an 0.58 acre roadway designated as Bet-Tech Drive as set forth in the Bet-Tech Industrial Park Plan dated June 30, 2006, which was duly recorded in the Office of Recorder of Deeds of Beaver County on October 9, 2007 in Plan Book Volume 35, page 3 (Instrument No. 3309446).

FOR SOURCE OF TITLE, See Deed Book Volume 1550, page 653.

2. Better's annual payment is not to be based on the assessed value of the real estate attributable to improvements that may be constructed in the Property and is to be based solely on the assessed value of the real estate attributable to the land.

3. The payments will be made by September 1 of each calendar year.

4. If the assessed value of the Property's real estate attributable to land is changed or the millage in the Township is changed, then the amount of Better's annual payment will be changed accordingly.

5. If the Property ceases to be included in a KOEZ, then the payments of Better hereunder will terminate, provided that, where necessary to insure that either a payment in lieu of taxes or a tax payment is received by the Township in each given calendar year, the full payment in lieu of taxes shall be due for any year in which the Property is included within the KOEZ on January 1 of that calendar year.

6. Better agrees that this Agreement shall be binding upon any and all transferees and grantees of any interest in all or any part of the Property and that Better shall give notice thereof to said transferees and grantees.

7. The parties warrant and represent that they have duly authorized and directed their appropriate officers to execute this Agreement on their behalf.

8. The parties agree that in the event that DCED fails to approve the Proposed KOEZ Term Extension for any reason, then this Agreement and all terms hereunder shall be null and void.


WITNESS, the due execution hereof the day and year above first written.

ATTEST:

BOARD OF COMMISSIONERS OF
HOPEWELL TOWNSHIP




Gerald S. Orsini, Manager
6.



By: Chuck Piroli, President
Date: 6/22/09

Date: _____

BETTERS REAL ESTATE HOLDINGS, L.P.


By:
C.J. Betters Enterprises, Incorporated,
General Partner
Charles J. Betters, President

**HOPEWELL TOWNSHIP
PAYMENTS AGREEMENT**

THIS AGREEMENT is made as of the 22nd day of June, 2009, by and between

HOPEWELL TOWNSHIP, a Township organized and operating within the Commonwealth of Pennsylvania, ("**Township**"),

AND

BET-TECH INTERNATIONAL, INC., a Pennsylvania business corporation having its principal office in the Township of Center, County of Beaver and Commonwealth of Pennsylvania ("**Bet-Tech**").

WHEREAS, Bet-Tech owns vacant, unimproved real property, consisting of 91.05 acres located in the Township of Hopewell, County of Beaver and Commonwealth of Pennsylvania, currently identified at Beaver County Tax Parcel Numbers: 65-174-0300.00Z-01-2, 65-174-0300.01Z-01-2, 65-174-0301.00Z-01-2, 65-174-0202-00Z-01-2, 65-174-3002.05Z-01-2, and 65-174-0302.06Z-01-2, the description of which is set forth on Exhibit "A" and shown on Exhibits "B" attached hereto and incorporated by reference herein (the "**Property**"); and

WHEREAS, the Property is included in a Keystone Opportunity Expansion Zone ("**KOEZ**") which was approved by the Township in Resolutions adopted by the Board of Commissioners of the Township on May 13, 2003, May 10, 2004 and December 22, 2008; and

WHEREAS, under §301.3 of the Pennsylvania Keystone Opportunity Zone Act, being Act 63 of 2005, as amended by Act 79 of 2008, (the "**Act**"), a political subdivision may apply for an extension of

the term of a KOEZ for a period of seven (7) years from the expiration date, provided that property contained within the KOEZ is deteriorated, underutilized and unoccupied; and

WHEREAS, the Township adopted a Resolution dated June 22, 2009, as authorized by the Act, whereby it extended the term of the tax exemptions for a period of seven (7) years (the “**Proposed KOEZ Term Extension**”) pursuant to specific terms and conditions of the Act; and

WHEREAS, the Property, which consists of 91.05 acres, all of which is deteriorated, underutilized and unoccupied property, is to be included in the Proposed KOEZ Term Extension; and

WHEREAS, the Township and Bet-Tech are dedicated to the economic development of Beaver County; and

WHEREAS, the Proposed KOEZ Term Extension will represent a substantial financial contribution to the Township; and

WHEREAS, Bet-Tech recognizes the importance of the Township to economic development in the region and thereby agrees to make payments in lieu of taxes described herein, as allowed by §310 of the Act.

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. If the Department of Community and Economic Development (“**DCED**”) approves the Proposed KOEZ Term Extension for the Property, Bet-Tech will make annual payments in lieu of taxes to the Township equal to the amount of real property taxes based on the assessed value of the real estate attributable to all of the land included in the Proposed KOEZ Term Extension multiplied by the then current millage rate of the Township beginning January 1, 2014 and continuing until December 31, 2020, or longer, if the Property continues to be exempt from real estate taxation due to inclusion in the KOEZ.

2. Bet-Tech's annual payment is not to be based on the assessed value of the real estate attributable to improvements that may be constructed in the Property and is to be based solely on the assessed value of the real estate attributable to the land.

3. The payments will be made by September 1 of each calendar year.

4. If the assessed value of the Property's real estate attributable to land is changed or the millage in the Township is changed, then the amount of Bet-Tech's annual payment will be changed accordingly.

5. If the Property ceases to be included in a KOEZ, then the payments of Bet-Tech hereunder will terminate, provided that, where necessary to insure that either a payment in lieu of taxes or a tax payment is received by the Township in each given calendar year, the full payment in lieu of taxes shall be due for any year in which the Property is included within the KOEZ on January 1 of that calendar year.

6. Bet-Tech agrees that this Agreement shall be binding upon any and all transferees and grantees of any interest in all or any part of the Property and that Bet-Tech shall give notice thereof to said transferees and grantees.

7. The parties warrant and represent that they have duly authorized and directed their appropriate officers to execute this Agreement on their behalf.

8. The parties agree that in the event that DCED fails to approve the Proposed KOEZ Term Extension for any reason, then this Agreement and all terms hereunder shall be null and void.

WITNESS, the due execution hereof the day and year above first written.


ATTEST:

BOARD OF COMMISSIONERS OF
HOPEWELL TOWNSHIP



Gerald S. Orsini, Manager

G.



By: Chuck Piroli, President

Date: 6/22/09

BET-TECH INTERNATIONAL, INC.



By: _____
Bet-Tech International, Inc.
Charles J. Betters, President

Date: _____