

THE TOBYHANNA TOWNSHIP ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR BUSINESS MEETING  
June 2, 2021

The June 2021 Regular Business Meeting of the Tobyhanna Township Economic Development Authority was held on June 2, 2021 at the Tobyhanna Township Municipal Office Building in Pocono Pines, PA.

Present are: Adam Kerrick (via phone), Brendon Carroll, Rachel Schickling, John Holahan III, Manager Robert Bartal, Harry Coleman, Esq., Daryl Morris (as of 6:11pm, virtually).

1. Brendon Carroll calls the meeting to order at 6:03 PM. A quorum is present.
2. Pledge of Allegiance is recited.
3. Roll call: Rachel Schickling- present, Adam Kerrick - present, John Holahan III - present, Brendon Carroll- present, Daryl Morris- present (as of 6:11pm, virtually)
4. Announcements: None
5. Public Comment on Agenda Items only: No public comments.
6. Consider the Minutes of May 5, 2021 Regular Meeting: John Holahan III motions to approve the minutes, Rachel Schickling seconds the motion. Vote: All in favor (Daryl Morris not present for the vote); motion carries.
7. Bill Pack
  - a. Ratify May 2021 bill pack \$3988.34: Bob Bartal notes that amount changed from original agenda; a bill came in late that we added to the Bill Pack. The original amount was \$3933.66. John Holahan III motions to approve the Bill Pack; Rachel Schickling seconds the motion. Vote: All in favor (Daryl Morris not present for the vote); motion carries.
8. Solicitor's Report – Harry Coleman reports that he has received the files from his predecessor, John Dean. He has also received the MOU from Dunne-Manning counsel, and they are working through the particulars. Finally, Harry Coleman reports that he had a very nice, informative phone call with counsel for Kalahari, Ralph Gundrum.
9. Old Business:
  - a. Stevens and Lee Update: Brendon Carroll requests that we table this discussion until Harry Coleman has more time to investigate; Bob Bartal concurs, adding that we are awaiting some additional information. John Holahan III motions to table discussion; Rachel Schickling seconds. Vote: All in favor (Daryl Morris not present for the vote); motion carries.

- b. Public Improvement Levy (PIL) discussion: Brendon Carroll offers that we start with Ralph Gundrum. Ralph Gundrum thanks the EDA, and would like to make a presentation to the EDA regarding the Kalahari Only PIL district. There would be a 1% levy to pass on to Kalahari guests, which would be applied when the sales tax is charged. Based on that, the estimated income could be well over a million a year. This agreement could be in place for years, although this idea was not universally loved by previous EDA members. Initially, PIL funds will come from Kalahari, until Pocono Springs or the like comes along. We believe that this could be quick to implement, easier for the EDA to implement, and there would not be taxes on other Township businesses. Our hope is that this is a win-win-win situation between Kalahari, the Township, and its' residents.

As for splitting the funds, the PIL does have statutory limitations and complications. Kalahari's main concern is that the money will not go to any direct competitors, in other words the money should not benefit any one company in particular. Other than that, Kalahari will agree that the spending benefits Kalahari as required by the statute. Kalahari's share must meet statutory requirements.

John Holahan III remarks that is it not "Kalahari" money, and his understanding is that the money must be used for EDA owned or leased property. Brendon Carroll questions if the statute being referred to is the Municipal Authorities Act. Harry Coleman says that is correct, and he will provide EDA members with a copy of the statute. Brendon Carroll continues that there are needs that have come up as a result of the success of Kalahari, such as emergency services, police, fire, roads, sidewalks, and lighting, that is a change from previous discussions. We could start to put this money in a reserve fund to use towards those necessary infrastructure improvements.

Ralph Gundrum mentions that there are several reasons this could fail before it reaches the starting gate, however we can focus on the structure of the proposal. John Holahan III agrees that the structure is good, but the devil is in the details. What are the commandments we need for this agreement, and what can be adjusted as we go? Ralph Gundrum adds that his thought is – is the deal acceptable? Brendon Carroll states that we are here to try and move forward with this idea and start fleshing out the details, and would like an opportunity to review the statute again. He would also like to get input from Bob McHale on infrastructure needs. John Holahan III adds that if we are moving forward, there is no need to go back and re-hash the past. This is not just for Kalahari, the EDA, or any other business here, it is for the benefit of the Township.

Ralph Gundrum then asks what do we want to accomplish before the July meeting. Should we talk to Harry Coleman to work through logistics? John Holahan III says that it seems as though this is an easy way to do this. Brendon Carroll offers that this could be a living document that we constantly review to determine what is working and what isn't,

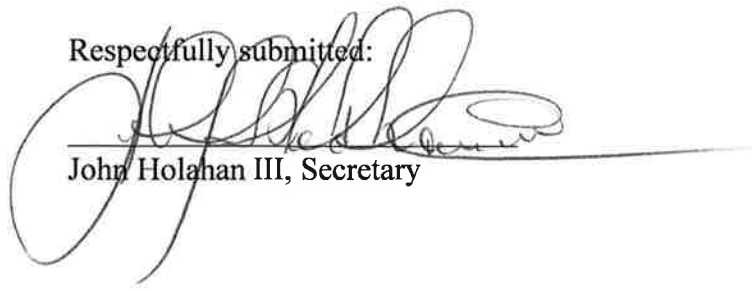
perhaps annually or more often, and adjust as we go. Harry Coleman adds that if there is an agreement conceptually, putting the paper together and the next steps might be the easier part. What you are proposing is only Kalahari, but how is money generated from the levy divided up - what goes to Kalahari and what goes to the Township? Ralph Gundrum responds that we do a split on the money and Kalahari does not care how it is spent in the Township. Brendon Carroll agrees with that, and we will be able to show how this will benefit all of us. Harry Coleman adds that the Township Fiscal Specialist might play a critical role in the overall process – how we spend the money we get and how that meets the statutory requirements.

Harry Coleman then asks for clarification on something that Ralph Gundrum had mentioned earlier about Pocono Springs having their own PIL district. Ralph Gundrum says that he can answer based on his historical knowledge. The original discussions had the PIL district being about 350 acres, which included Pocono Springs, and was then amended to exclude Kalahari. He is not sure whether that PIL district still exists or has been repealed. John Holahan III adds that you would find that in the records from John Dean. Harry Coleman then adds that the Kalahari district would be defined geographically, and Ralph Gundrum concurs.

Brendon Carroll says that the timeline and steps are reasonable. Ralph Gundrum responds that he is hearing that you would like to have the lawyers discuss particulars in July, which is great. Harry Coleman adds that we have a starting point – the EDA members will get a copy of the statute to review, and we will continue this dialog with Ralph Gundrum. Brendon Carroll then asks if the EDA members would like to have a special meeting or a work session. John Holahan III recommends that we review the statute and then discuss next steps amongst ourselves. Harry Coleman adds that EDA members can talk about anything in Executive Session, but no decisions can be made.

10. New Business: Brendon Carroll says that we have discussed listing the EDA property for sale – is there any progress? John Holahan III adds that we need to list it for sale, and it would be listed as commercial property, so would recommend commercial realty firms like Baxter or Spread Eagle Realty. But he would also recommend speaking to Chuck Leonard from the Monroe County EDA. Brendon Carroll says that he will make some phone calls and report back to the EDA.
11. Public Comment – non-agenda items only: No comments.
12. Adjournment: Motion to adjourn meeting by Brendon Carroll; John Holahan III seconds. Meeting adjourned at 6:52pm.

Respectfully submitted:



John Holahan III, Secretary