RESOLUTION AUTHORIZING, UPON SPECIFIED TERMS AND CONDITIONS, CERTAIN EXEMPTIONS FROM REAL PROPERTY AND EARNED INCOME AND NET PROFITS TAXES WITHIN A DEFINED GEOGRAPHICAL AREA IN FRANKLIN COUNTY DESIGNATED AS A PROPOSED KEYSTONE OPPORTUNITY EXPANSION ZONE, IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL AND COMMERCIAL IMPROVEMENTS, AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN CERTAIN AREAS OF THE CHAMBERSBURG AREA SCHOOL DISTRICT.

WHEREAS, Chambersburg Area School District (hereinafter referred to as the “District”) recognizes the need to encourage investment in a defined geographical area of the District, as set forth in Attachment “A”, which area 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, Act 63 of 2005, as amended by Act 79 of 2008, generally known as the Pennsylvania Keystone Opportunity Zone Act (hereinafter referred to as the “Act”) authorizes public entities, including school districts, to apply to the Pennsylvania Department of Community and Economic Development (hereinafter referred to as “DCED”) for designation of an area within the school district as a Keystone Opportunity Expansion Zone (hereinafter referred to as the “Zone”) and grant exemptions from all local taxes identified in the Act; and,

WHEREAS, approval of benefits provided in the Act will result in improving the economic, physical, and social conditions within the proposed Zone by stimulating
existing business employment, creating new employment opportunities 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 herein described tracts of land by the termination date of the new Zone.

NOW, THEREFORE, BE IT RESOLVED by the Board of School Directors of the District that, effective as of January 1, 2016, contingent only upon DCED’s approval of the application for the proposed new Zone, the following provisions shall apply in the geographic area described in Attachment “A”:

1. The therein-described tracts shall be 100% exempt from ad valorem school real estate taxes in accordance with the provisions and limitations hereinafter set forth in the Act, such exemption to terminate on December 31, 2025.

2. Earned income received by a resident of the within-described tracts and/or net profits received by a qualified business located within the Zone or by a nonresident of the Zone attributable to business activity conducted within said Zone shall be exempt from school earned income and net profits tax, such exemption to terminate on December 31, 2025.

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

4. This resolution shall be effective in accordance with its terms, conditioned upon the approval of the application by DCED.

I hereby certify that the within resolution was adopted by the Board of School Directors of Chambersburg Area School District, this 17th day of June, 2015.

CHAMBERSBURG AREA SCHOOL DISTRICT

Crystal Ellgress
Secretary of its Board of School Directors