

**RESOLUTION NO. 2013-126**

**A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, FORMALLY REQUESTING ALL COLLEGES AND UNIVERSITIES LOCATED IN RADNOR TOWNSHIP WHICH RECEIVE PUBLIC SERVICES FROM RADNOR TOWNSHIP TO VOLUNTARILY CONTRIBUTE ON AN ANNUAL BASIS TOWARD THE COST OF PUBLIC SERVICES.**

*WHEREAS*, Radnor Township provides police, fire, emergency medical, snow removal, road repair and other services to the university community on an annual basis; and

*WHEREAS*, universities and colleges located in Radnor Township are exempt from real estate taxes and, therefore, do not directly contribute to the cost of any Radnor Township services; and

*WHEREAS*, Radnor Township has prepared an analysis of the cost of services in relation to the lost real estate taxes due to the total real estate tax exemption of the universities and colleges.

*NOW, THEREFORE*, be it hereby *RESOLVED* that the Radnor Township Board of Commissioners does formally request that the colleges and universities (Villanova, Cabrini and Eastern) voluntarily contribute to the cost of public services provided by Radnor Township in order to lessen the burden on the existing and future taxpayers and residents of the township, in accordance with the calculation attached hereto and incorporated herein as *Exhibit "A"*.

*SO RESOLVED* this 14<sup>th</sup> day of October, 2013.

RADNOR TOWNSHIP


By:



Name: Elaine P. Schaefer

Title: President

ATTEST:

  
Robert A. Zienkowski, Secretary

**Radnor Township, PA**  
 Volunteer Contribution for Services Program (VCSP)  
 Proposed Program Worksheet



	Year	Villanova	Cabrim	Eastern	Annual Total
Exempt RE Tax (2012) <sup>1</sup>		\$ 684,952	\$ 148,164	\$ 80,950	\$ 914,066
Proposed Annual VCSP		\$ 685,000	\$ 148,000	\$ 81,000	\$ 914,000

**Option 1: VCSP Annual Payment with Phase In Plan**

Year 1: 33% of 2012 Total	8/1/2013	226,050	48,840	26,730	\$ 301,620
Year 2: 66% of 2012 Total	8/1/2014	452,100	97,680	53,460	\$ 603,240
Year 3: 100% of 2012 Total	8/1/2015	685,000	148,000	81,000	\$ 914,000
Year 4: 100% + Growth Factor <sup>2</sup>	8/1/2016	705,550	152,440	83,430	\$ 941,420
Year 5: 100% + Growth Factor <sup>2</sup>	8/1/2017	726,717	157,013	85,933	\$ 969,663
Year 6: 100% + Growth Factor <sup>2</sup>	8/1/2018	748,518	161,724	88,511	\$ 998,752
Year 7: 100% + Growth Factor <sup>2</sup>	8/1/2019	770,974	166,575	91,166	\$ 1,028,715
Year 8: 100% + Growth Factor <sup>2</sup>	8/1/2020	794,103	171,573	93,901	\$ 1,059,577
Year 9: 100% + Growth Factor <sup>2</sup>	8/1/2021	817,926	176,720	96,718	\$ 1,091,364
Year 10: 100% + Growth Factor <sup>2</sup>	8/1/2022	842,464	182,021	99,620	\$ 1,124,105
Five Year Subtotal		\$ 6,769,400	\$ 1,462,586	\$ 800,469	\$ 9,032,455

**Option 2: VCSP Lump Sum Payment Plan**

10 Year Lump Sum Gross Obligation <sup>3</sup>	6,850,000	1,480,000	810,000	\$ 9,140,000
Proposed Discount	25.00%	25.00%	25.00%	
Resulting VCSP Lump Sum Payment (11/1/2012)	\$ 5,137,500	\$ 1,110,000	\$ 607,500	\$ 6,855,000
Percentage of Lump Sum to Option 1 total	75.89%	75.89%	75.89%	75.89%
Resulting Lump Sum Discount	24.11%	24.11%	24.11%	24.11%

**Option 3: VCSP Offset / Credit**

The annual payment or lump sum amount could be offset or reduced through various cooperative ventures which include, but are not limited to:

- Maintenance of the I-476 / Rt. 30 Interchange with regard to beautification, landscaping, and grooming of green
- Maintenance of Unkefer Park (Rt. 30 at County Line Road)

**Footnotes:**

1. The 2012 Exempt RE Tax is based on the County's 2012 Assessed values and the Township's 2012 millage rate (excludes School and County portion)

2. Beginning in 2015 and for each subsequent year, annual payments would be calculated using the Department of Labor's seasonally adjusted CPI for the Philadelphia region as reported on the BLS website.

2015	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2016	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2017	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2018	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2019	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2020	3.00%	Based on seasonally adjusted CPI for Philadelphia at
2021	3.00%	Based on seasonally adjusted CPI for Philadelphia at

3. The 10 year lump sum gross obligation eliminates the phase-in discounts and eliminates the annual obligation growth rates that begin in year 4 (2015). The resulting calculation is the 2012 VCSP x 10 years = gross lump sum (before any discount is applied)