

ORDINANCE NO. 1-21

AN ORDINANCE OF THE TOWNSHIP OF PINE GROVE, WARREN COUNTY, PENNSYLVANIA, ENTITLED THE PINE GROVE LERTA ORDINANCE; GRANTING REAL ESTATE TAX RELIEF FOR PROPERTIES LOCATED IN IDENTIFIED LERTA ZONES AND PROVIDING FOR REAL ESTATE TAX ABATEMENT FOR COMMERCIAL, BUSINESS AND INDUSTRIAL PROPERTIES WITHIN THE TOWNSHIP'S LERTA ZONES; IDENTIFYING THE LERTA ZONES; ESTABLISHING REQUIRED ADMINISTRATIVE PROCEDURES; PROVIDING FOR SUNSET PROVISIONS, AN EFFECTIVE DATE, SEVERABILITY AND A REPEALER.

Whereas, the Commonwealth of Pennsylvania adopted an Act known as the “Local Economic Revitalization Tax Assistance Act,” 72 P.S. § 4722, *et seq.*, as amended, authorizing local taxing authorities to exempt the increased assessed valuation of the actual cost of new construction in deteriorated areas of economically depressed communities and improvements to certain deteriorated industrial, commercial, and other business properties, not to exceed ten years; and

Whereas, the Board of Supervisors (the “Supervisors”) of the Township of Pine Grove (the “Township”) finds that the creation of certain tax exemptions authorized by the Local Economic Revitalization Tax Assistance Act (“LERTA”) within identified and specific areas of the Township (“LERTA Zone(s)”), will have a positive impact upon the development and redevelopment within the Township, and

Whereas, the Township Supervisors, after a public hearing held on January 4, 2021, for the purpose of affixing boundaries of deteriorated areas located within the Township, has determined that the LERTA Zones, as are more fully described below, are determined to be deteriorated as required by LERTA; and

Whereas, the Township Supervisors declares that it is in the best interest of the Township to adopt a Tax Abatement Ordinance providing for certain tax exemptions for the construction and/or improvements of deteriorated industrial, commercial and other business properties within the LERTA Zones.

NOW THEREFORE, IT IS HEREBY ENACTED AND ORDAINED by the Board of Supervisors of the Township of Pine Grove, Warren County, Pennsylvania, the following:

Section One. Title

This Ordinance shall be known as the “Pine Grove LERTA Ordinance”.

Section Two. Definitions

(a) “Deteriorated Property Non-Residential” means any industrial, commercial, or other business property owned by an individual, association or corporation, or

any such property which has been the subject of an order by a government agency requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances, or regulations, and which is located within a LERTA Zone.

(b) "Improvement" means repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitation of a deteriorated property, either commercial, business, or industrial so that its assessed value increases more than the amounts established within this Ordinance, and one of the following: it becomes habitable or attains higher standards of safety, health, economic use or amenity; or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an Improvement.

(c) "Non-Residential Construction" means the building or erection of any industrial, commercial, or other business structures upon land specifically prepared to receive such structures. Non-Residential Construction does not include the construction of any house, double house, or duplex, townhouse, or row house, apartment, condominium, or any building designed or used as a permanent or temporary living quarters for human habitation by an individual, a family, or families, or other persons which contain a kitchen or cooking equipment for the exclusive use of the occupant or occupants and may contain a residential garage if included as an integral part of the same building.

(d) "Real Property Tax or Taxation" means the taxes on real property levied by the Township, the Warren County School District and the County of Warren.

(e) "Township" means the Township of Pine Grove, Warren County, Pennsylvania.

Section Three. Exemption

(a) There is hereby exempted from real property taxation the increased assessed valuation of the actual cost of new Non-Residential Construction or Improvements of properties located within a LERTA Zone, the increase of which is directly attributable to:

1. Improvements to Deteriorated Property Non-Residential.
2. New Non-Residential Construction.

(b) The exemption authorized by this Section shall be in the amounts, and in accordance with, the provisions and limitations herein provided.

Section Four. Exemption Limitations

(a) The date of Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction shall be the date of issuance of the building permit, improvement record, or other required notification of construction.

(b) In all cases the exemption from taxes shall be limited to that portion of the additional assessment attributable to the actual cost of the Improvement to Deteriorated Property

Non-Residential or new Non-Residential Construction, as the case may be, and for which a separate assessment has been made by the County Board of Assessment Appeals and for which an exemption has been separately requested. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to making an Improvement of Deteriorated Property Non-Residential, or new Non-Residential Construction on, the property. No tax exemption shall be granted if the property, as completed, does not comply with the minimum standards of the applicable regulations and codes as adopted by the Pennsylvania Uniform Construction Code Act, 35 P.S. §§ 7210.101 et seq., as amended.

(c) In any case, after the effective date of this Ordinance, where Deteriorated Property Non-Residential is damaged, destroyed or demolished, by any cause or for any reason, and the assessed valuation of the property affected has been reduced as a result of said damage, destruction or demolition, the exemption from real property taxation authorized by this Ordinance shall be limited to that portion of new assessment attributable to the actual cost of Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction that is in excess of the original assessment that existed prior to damage, destruction or demolition of the property.

Section Five. Exemption Schedule

(a) The Real Property Tax exemption for Improvements to Deteriorated Property Non-Residential located within a LERTA Zone, as more fully described in section six of this Ordinance shall be in accordance with the following schedule:

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 st year	100%
2 nd year	100%
3 rd year	100%
4 th year	100%
5 th year	100%

After the fifth year the exemption shall terminate.

(b) The Real Property Tax exemption for new Non-Residential Construction, located within a LERTA Zone, as more fully described in section six of this Ordinance shall be in accordance with the following schedule:

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 st year	100%
2 nd year	100%
3 rd year	100%
4 th year	100%
5 th year	100%

After the fifth year the exemption shall terminate.

Section Six. Deteriorated Area Boundary Descriptions; Identification of LERTA Zones

The areas wherein Real Property Tax abatement is available Improvement to Deteriorated Property Non-Residential and for new Non-Residential Construction shall be known as LERTA Zones, and shall consist of the following areas within the Township:

Zone #1 Designated parcels on the north side of Liberty Street between Market Street and South Main Street.

Parcel # WN-002-737000 Parcel # WN-281-496700

Zone #2 Designated parcels on the east and west side of North Main between Liberty Street and East Street.

Parcel # WN-281-493500 Parcel # WN-281-493100 Parcel # WN-281-493330
Parcel # WN-281-469400 Parcel # WN-281-463900 Parcel # WN-281-571930
Parcel # WN-281-548900 Parcel # WN-281-548900

Zone #3 Designated parcels on the north and south side of Akeley Road and Cable Hollow Road and the west side of Cidermill Hill Road.

Parcel # WN-251-979000 Parcel # WN-251-958400 Parcel # WN-002-527300
Parcel # WN-251-955600 Parcel # WN-251-964700 Parcel # WN-002-528820
Parcel # WN-251-982300

Zone #4 Designated parcels on the east and west side of Market Street between Briarwood Lane and Akeley Road.

Parcel # WN-002-493300 Parcel # WN-002-469300
Parcel # WN-002-466900 Parcel # WN-002-493330

Zone #4 Designated parcel on the north side of Priest Hollow Road between Cidermill Hill Road and Big Four Road.

Parcel # WN-281-946000

Section Seven. Sunset Provisions.

The provisions of this Ordinance shall expire on _____ unless extended by ordinance duly adopted. Any applicant for tax abatement must have a building permit to be eligible for tax abatement treatment hereunder, with that permit having been issued on, or before, 11:59 PM on the date indicated above.

Section Eight. Miscellaneous Provisions

(a) The exemption from Real Property Taxes granted under this Ordinance shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

(b) The exemption from Real Property Taxes hereunder shall be forfeited by the applicant and/or subsequent owner of the real estate for failure to pay nonexempt real estate taxes by their due date, i.e. the last date upon which taxes may be paid without penalty. Upon receipt of notice of nonpayment of nonexempt real estate taxes, the Township Secretary shall direct the County Assessment Officer to discontinue the exemption provided for hereunder.

(c) If an eligible property is granted tax exemption pursuant to this Ordinance, the Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction shall not, during the exemption period, be considered as a factor in assessing other properties.

Section Nine. Procedure for Obtaining Exemption

(a) Any person desiring tax exemption pursuant to this Ordinance should apply to the Township at the time that a building permit is secured for construction of the Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction, as the case may be, or at the time of the commencement of construction if no building permit or other notification of Improvement or new construction is required. The application must be in writing upon forms specified by the Township setting forth the following information:

1. The date the Building Permit was issued for said Improvement or new construction;
2. The location of the property to be Improved or Constructed.
3. The type of Improvement or Construction (commercial, mixed use, business);
4. The summary of the plan of Improvement or new Non-Residential Construction;
5. The estimated cost of the Improvement or new Non-Residential Construction;
6. Whether the property has been condemned by any governmental body for non-compliance with laws or Ordinances.
7. Verification that the property is located with a LERTA Zone and has received a proper Zoning permit,
8. Such additional information as the Township may require.

(b) There shall be on the application form for a building permit, the following notice:

“Notice to Taxpayer.” By Ordinance No. 1-21, you may be entitled to an abatement of tax on your contemplated Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction by reassessment if the property is in an identified LERTA Zone. An application for exemption may be secured from the Pine Grove Township Secretary and must be filed at the time the building permit is secured.”

(c) On the application form for a building permit, a description of the LERTA Zones.

(d) A copy of the exemption request shall be forwarded to the County Board of Assessment Appeals by the Township Secretary. The Board shall determine whether the property is qualified for exemption, upon completion of the Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction, and notification from the Township’s designated Building Code Official that the Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction complies with all applicable Building Codes, assess separately the Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction and calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance and notify the taxpayer and the local taxing authorities of the reassessment and amounts of the assessment eligible for exemption.

(e) The cost of Improvement to Deteriorated Property Non-Residential or new Non-Residential Construction Properties to be exempted and the schedule of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to their adoption.

Section Ten. Excluded Properties

This Ordinance and the exemptions granted herein, shall not be available to properties which are, according to the Township Supervisors, non-conforming uses.

Section Eleven. Effective Date

The effective date of section thirteen of this Ordinance shall be 5 days after adoption by the Township Supervisors. The effective date of the remainder of the Ordinance shall be 5 days from the date of final passage of related Ordinances or Resolutions by the Warren County School District and the County of Warren.

Section Twelve. Severability

The provisions of this Ordinance are severable. If any sentence clause, section, or part of this Ordinance is for any reason found to be unconstitutional, illegal, or invalid, such unconstitutionality, illegality, or invalidity shall not affect or impair any of the remaining

provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Township Council that this Ordinance would have been adopted had such unconstitutional, illegal, or invalid sentence, clause, section or part thereof not been included herein.

Section Thirteen. Repealer

All ordinances or parts thereof conflicting herewith, including, but not limited to that ordinance of the Township of Pine Grove adopted on August 14, 2019, Ordinance No. 8-14-19, known as the "Township of Pine Grove Tax Relief and Redevelopment Act," are hereby repealed.

ORDAINED and ENACTED this 4 day of JANUARY, 2021.

ATTEST:

TOWNSHIP OF PINE GROVE

Julie Parmenter
Secretary

Guido J. Tarnowski
Supervisor

[Signature]
Supervisor

[Signature]
Supervisor

I hereby certify that the above is a true copy of the Township of Pine Grove Ordinance No. 1-21 adopted by the Board of Supervisors of the Township of Pine Grove on JANUARY 4, 2021, and advertised in the Warren Times Observer on 12-24-20, 2021.

Julie Parmenter
Julie Parmenter, Township Secretary