

No. 36-03-RE

Bill No. 1239-03

## A RESOLUTION

A Resolution of the County of Allegheny, Commonwealth of Pennsylvania, repealing Resolution No. 26-03-RE enacted by County Council at Council Agenda Number 1154-03 and enacting a new Resolution satisfying requirements of the Commonwealth of Pennsylvania by providing for a contingent exemption from Allegheny County-levied real estate and sales/use taxes for a specific area in the County of Allegheny designated as a Keystone Opportunity Subzone in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and to prevent physical and infrastructure deterioration within areas of the City of Pittsburgh

**WHEREAS**, the Pennsylvania Keystone Opportunity Zone and Keystone Opportunity Expansion Act, as amended by Act 217 of 2002, hereinafter referred to as "the Act", authorizes local governments, including counties, to apply to the Commonwealth of Pennsylvania's Department of Community and Economic Development, hereinafter referred to as "DCED," for designation of certain areas within their respective political boundaries as a Keystone Opportunity Subzone and, as a precondition of such application, to enact an Ordinance or Resolution which provides within the designated and approved Keystone Opportunity Subzone exemptions, deductions, abatements, or credits from all local taxes identified in the Act, which Ordinance or Resolution will be contingent only upon DCED's approval of the application; and,

**WHEREAS**, the County of Allegheny recognizes the need to encourage investment within a certain area spanning the City of Pittsburgh, identified more specifically in the attached hereto marked Exhibit "A", hereinafter referred to as the "Proposed Keystone Opportunity Subzone," which has experienced economic distress characterized by high unemployment, low investment of new capital, blighting conditions and underutilized, obsolete or abandoned industrial, commercial and residential structures; and,

**WHEREAS**, the County Council of the County of Allegheny finds that the enactment of such a contingent tax exemption under the Act will result in improving both the economic, physical and social conditions within the Proposed Keystone Opportunity Subzone by stimulating existing businesses employment, creating new employment and diminishing blighted conditions; and,

**WHEREAS**, it is expected that increased private and public sector investment will reverse the disinvestment and conditions of blight within the Proposed Keystone Opportunity Subzone within the seven (7) years of exemption as conditionally provided herein; and,

**WHEREAS**, the County is desirous of participating in the Keystone Opportunity Zone Act Program and intends to file an application with DCED seeking approval of the Proposed Keystone Opportunity Subzone; and

**WHEREAS**, the previous Resolution enacted by County Council and signed by the Chief Executive concerning a Proposed Keystone Opportunity Subzone in the City of Pittsburgh, Resolution No. 26-03-RE enacted at Council Agenda Number 1154-03 and signed on May 28, 2003, must be repealed because it inadvertently failed to include an exemption from paying the County's one percent (1%) Sales and Use Tax.

*The Council of the County of Allegheny hereby enacts as follows:*

**SECTION I. INCORPORATION OF PREAMBLE.**

The provisions set forth in the preamble to this Resolution are incorporated by reference in their entirety herein.

**SECTION II. AUTHORIZATION TO ENACT KEYSTONE OPPORTUNITY SUBZONE**

The Council of the County of Allegheny hereby enacts pursuant to the authority granted by the Keystone Opportunity Zone Act, and the Intergovernmental Cooperation Act, Pa. Cons. Stat. Ann. Tit.53, §2301 et seq., as follows:

1. **BOUNDARY OF PROPOSED KEYSTONE OPPORTUNITY SUBZONE**

The Council of Allegheny County does hereby find that the specific geographic area spanning the City of Pittsburgh bounded and described in Exhibit "A" attached hereto, which area is referred to herein as the Proposed Keystone Opportunity Subzone, constitutes a deteriorated property under the Act.

2. **EXEMPTION OF COUNTY LEVIED TAXES**

- A. All real property located within the Proposed Keystone Opportunity Subzone is hereby exempted from the payment of Allegheny County real property taxes subject to provisions and limitations hereinafter set forth in this Ordinance.
- B. All persons and corporations operating businesses located in the Proposed Keystone Opportunity Subzone which purchase "tangible personal property or services" or "the use of tangible personal property or services," as those terms are defined in Article II of the Tax Reform Code of 1991, 72 P.S. 7201 et seq., for use or consumption only with the Proposed Keystone Opportunity Subzone, except for such limitations set forth in the Act, shall be exempted from paying the County's one percent (1%) Sales and Use Tax as levied by the County pursuant to authority granted under Section 6152-B of the Second Class County Code.

3. **EXEMPTION TERM: EXEMPTION SCHEDULE**

- A. The tax exemptions granted under this Resolution shall be for a period of seven (7) years commencing January 1, 2004, and ending on December 31, 2010.
- B. The tax exemption for County real estate taxes granted under this Resolution shall be one hundred percent (100%) of the County's real property taxation on the assessed valuation of the real property located within the proposed Keystone Opportunity Zone.

4. **INCORPORATION OF PREVISIONS OF THE ACT**

This Resolution shall be subject to and shall be interpreted in accordance with the provisions of the Keystone Opportunity Zone Act.

5. **TRANSFERABILITY**

The exemption from real property taxation authorized by this Resolution shall be upon the property exempted and shall not terminate upon the sale, exchange or other alienation of such property unless otherwise provided.

6. **EFFECTIVE DATE**

Upon approval by DCED of the County's application with respect to the Proposed Keystone Opportunity Subzone, this Resolution shall enter into full force and effect on January 1, 2004.

**SECTION III. SEVERABILITY**

The provisions of this Resolution shall be severable except for the provisions concerning exemptions set forth in Sections II and III hereof. If any other provisions of this Resolution shall be held to be illegal, invalid or unconstitutional by final decision of the court of competent jurisdiction, the remaining provisions of the Resolution shall remain in full force and effect.

**SECTION IV. REPEALER**

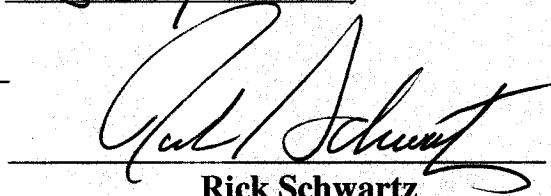
Resolution No. 26-03-RE enacted by County Council at Council Agenda Number 1154-03 and signed by the Chief Executive on May 28, 2003 is specifically repealed. Any Ordinance or Resolution or part of any Ordinance or Resolution conflicting with the provisions of this Resolution is rescinded insofar as the conflict exists.

**SECTION 5.** *If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.*

**SECTION 6.** *Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.*

Enacted in Council, this 8<sup>th</sup> day of July, 2003

Council Agenda No. 1239-03



**Rick Schwartz**  
President of Council

Attest: John Mascio  
**John Mascio**  
Chief Clerk of Council

Approved as to form: Charles P. McCullough  
**Charles P. McCullough**  
County Solicitor

Chief Executive Office July 15, 2003

Approved: James C. Roddey  
**James C. Roddey**  
Chief Executive

Attest: Victoria Spence  
**Victoria Spence**  
Executive's Secretary

Attachment "A"  
Enhanced Area

Allentown-Beltzhoover – 18<sup>th</sup> Ward

306	Beltzhoover Ave	14-E-64
304	Beltzhoover Ave	14-E-65
300	Beltzhoover Ave	14-E-66
604	Industry St.	14-E-201
217	Beltzhoover Ave	14-E-204
	Climax St.	14-E-233
	Beltzhoover Ave	14-E-234
	Beltzhoover Ave	14-E-235
305	Beltzhoover Ave	14-E-236

Central Northside - 22<sup>nd</sup> and 25<sup>th</sup> Wards

1513	Federal St	23-F-373
1511	Federal St	23-F-374
1503	Federal St	23-F-377
1501	Federal St	23-F-378
9	Jacksonia St.	23-F-379
7	Jacksonia St.	23-F-379A
1417	Federal St	23-G-1
		23-G-2
1413	Federal St	23-G-3
1411	Federal St	23-G-4
1405	Federal St	23-G-7
1403	Federal St	23-G-8
8	Sampsonia Ave	23-G-9
1330	Federal St	23-G-11
1332	Federal St	23-G-12
1408	Federal St	23-G-18
1410	Federal St	23-G-19
1412	Federal St	23-G-20
1414	Federal St	23-G-21
1416	Federal St	23-G-22
1418	Federal St	23-G-23
	Reddour St.	23-K-383
	Pump Way	23-K-384
	Butterfield Way	23-K-385
	Mc Nary Way	23-K-386
	Reddour St.	23-K-387

Perrysville Avenue and Charles Street – 26<sup>th</sup> Ward

2548	Perrysville	46-B-80
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2542	Perrysville	46-B-82
2539	Perrysville	46-B-113
2531	Perrysville	46-B-114
2533	Perrysville	46-B-115
2535	Perrysville	46-B-116
2537	Perrysville	46-B-117
2539	Perrysville	46-B-118
2601	Perrysville	46-B-119
2603	Perrysville	46-B-121
	Perrysville	46-B-123

Garfield – 10<sup>th</sup> and 11<sup>th</sup> Wards

305	N. Evaline St	50-L-177
5162	Dearborn St	50-L-286
150	Millvale Ave	50-K-188
	Dearborn St	50-K-198
5203	Broad St	50-L-164
5205	Broad St	50-L-163
140	N. Winebiddle St.	50-K-154-01
138	N. Winebiddle St.	50-K-154-02
136	N. Winebiddle St.	50-K-154-03
134	N. Winebiddle St.	50-K-154-04
132	N. Winebiddle St.	50-K-154-05
130	N. Winebiddle St.	50-K-154-06
	Fairmont Avenue	83-N-333
5485	Penn Avenue	83-N-340

East Liberty – 7<sup>th</sup> Ward

	Houston Street	84-C-55
	Penn Avenue	84-C-57
	Houston Street	84-G-14
	Houston Street	84-G-14-01
6032	Stevenson Place	84-G-26
	Houston Street	84-G-27
	Houston Street	84-G-27-01
	Highland Ave S	84-F-183
	Highland Ave S	84-F-156
	Ellsworth Ave	84-F-150
	Ellsworth Ave	84-F-141

Hazelwood – 15<sup>th</sup> Ward

	Hazelwood Ave	56-C-334
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Hill District – 3<sup>rd</sup> Ward

1829	Rose St.	11-A-130
1827	Rose St.	11-A-131
1825	Rose St.	11-A-132
1823	Rose St.	11-A-132-a
1821	Rose St.	11-A-132-b
	Heldman Street	11-A-135
	Kearney Way	11-A-154
	Kearney Way	11-A-156

Homewood – 13<sup>th</sup> Ward

	Finance Street	174-N-319
7239	Finance Street	175-A-49
7237	Finance Street	175-A-50
7600	Susquehanna Street	175-B-262
7602	Susquehanna Street	175-B-263
7604	Susquehanna Street	175-B-264
	Braddock Ave North	175-B-274
	Susquehanna Street	175-B-281
7626	Susquehanna Street	175-B-283
	Susquehanna Street	175-B-284
7630	Susquehanna Street	175-B-285
	Brushton Ave.	175-B-288
	Brushton Ave.	175-C-128
7618	Finance Street	175-F-254
	Finance Street	175-F-256
	Finance Street	175-F-260
	Baxter Street	174-L-269

Larimer – 12<sup>th</sup> Ward

554	Larimer	124-J-350
558	Larimer	124-J-355
600	Larimer	124-K-68
109	Shetland	124-K-66
602	Larimer	124-K-69
604	Larimer	124-K-71
	Larimer	124-K-72
610	Larimer	124-K-73
608	Regis Way	124-K-65
612	Larimer	124-K-74
614	Larimer	124-K-75
	Larimer	124-K-75-01
616	Larimer	124-K-76
618	Larimer	124-K-77
6300	Joseph	124-K-78
6302	Joseph	124-K-78-a
6304	Joseph	124-K-78-b

700 Larimer  
6305 Joseph St.  
704 Larimer

124-K-79  
124-K-79-a  
124-K-80



Uptown - 3<sup>rd</sup> Ward

	Fifth Ave	11-F-91
	Fifth Ave	11-E-127
1915	Fifth Ave	11-E-125
1913	Fifth Ave	11-E-123
1911	Fifth Ave	11-E-121
1907	Colwell St.	11-E-119
1907	Fifth Ave	11-E-117
	Colwell St.	11-E-111
1833	Fifth Ave	11-E-109
1831	Fifth Ave	11-E-107
1829	Fifth Ave	11-E-105
1827	Fifth Ave	11-E-103
1824	Fifth Ave	11-E-101
1817	Fifth Ave	11-E-93
1813	Fifth Ave	11-E-89
1807	Fifth Ave	11-E-85
	Fifth Ave	11-E-82
1801	Fifth Ave	11-E-81
112	Dinwiddie	11-E-80
114	Dinwiddie	11-E-79
116	Dinwiddie	11-E-77
118	Dinwiddie	11-E-76
120	Dinwiddie	11-E-75
113	Dinwiddie	11-E-70
115	Dinwiddie	11-E-71
	Dinwiddie	11-E-72
	Dinwiddie	11-E-73
1724	Colwell St.	11-E-69
	Colwell St.	11-E-68
1720	Colwell St.	11-E-67
1718	Colwell St.	11-E-66
1716	Colwell St.	11-E-65
1729	Our Way	11-E-65a
1714	Colwell St.	11-E-64
1712	Colwell St.	11-E-63
1710	Colwell St.	11-E-62
	Colwell St.	11-E-61
1720	Our Way	11-E-60
1706	Colwell St.	11-E-60a
1704	Colwell St.	11-E-59
1702	Colwell St.	11-E-58
1700	Colwell St.	11-E-57
1654	Colwell St.	11-E-56
1652	Colwell St.	11-E-55
1650	Colwell St.	11-E-54
1646	Colwell St.	11-E-52

1648	Colwell St.	11-E-52a
	Colwell St.	11-E-51
1642	Colwell St.	11-E-50
1640	Colwell St.	11-E-49
1636	Colwell St.	11-E-46
	Colwell St.	11-E-45
1628	Colwell St.	2-H-150
	Our Way	2-H-151
	Colwell St.	2-H-149
1622	Colwell St	2-H-147
1615	Colwell St	2-H-328
	Covington St	2-H-330-01
	Colwell St	2-H-330-02
1631	Colwell St	11-E-375
	Colwell St	11-E-364
85	Miller St	11-E-304
	Colwell St	11-E-301
1711	Colwell St	11-E-300
1701	Colwell St	11-E-300a
1709	Colwell St	11-E-300b
1713	Colwell St	11-E-299
1717	Colwell St	11-E-298
1715	Colwell St	11-E-298a
1721	Colwell St	11-E-297
1719	Colwell St	11-E-297-a
1721	Kearney Way	11-E-297-b
201	Dinwiddie	11-E-296
	Dinwiddie	11-E-295
	Dinwiddie	11-E-294
	Dinwiddie	11-E-293

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**COUNTY COUNCIL**

**MEMORANDUM**

**OFFICE OF THE COUNTY MANAGER**

TO: John Mascio  
Chief Clerk

FROM: Robert B. Webb *RBW*  
County Manager

DATE: July 2, 2003

RE: Requesting County Council Approval

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Due to the time sensitive nature of this Resolution, the County Manager would like to request a waiver of the second reading.

Attached is a Resolution of the County of Allegheny, Commonwealth of Pennsylvania, repealing Resolution No. 26-03-RE enacted by County Council at Council Agenda Number 1154-03 and enacting a new Resolution satisfying requirements of the Commonwealth of Pennsylvania by providing for a contingent exemption from Allegheny County-levied real estate and sales/use taxes for a specific area in the County of Allegheny designated as a Keystone Opportunity Subzone in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and to prevent physical and infrastructure deterioration within areas of the City of Pittsburgh. This request is submitted by the Department of Economic Development.

Please put on the next agenda for County Council approval.

Thank you.

The Keystone Opportunity Zone (KOZ) initiative was designed to revive economically-distressed urban and rural communities throughout the Commonwealth with the powerful market-based incentive of tax abatement. The KOZ initiative fosters both private business and residential reinvestment in these designated areas to regain the economic stability of these communities. The parcel-specific KOZs were designated in 1999 by the PA Department of Community and Economic Development and the PA Department of Revenue. The City of Pittsburgh did not begin participating in this initiative until 2000 when the Keystone Opportunity Expansion Zone (KOEZ) was created. The program has successfully attracted development to economically distressed neighborhoods throughout the City. The attached resolution takes advantage of the opportunity just recently offered by the Commonwealth to add additional parcels to the existing KOEZ, a KOEZ Enhancement of an Existing Sub-Zone. Passage of this resolution will designate several parcels within the City of Pittsburgh, the vast majority of which are tax delinquent, publicly-owned, and/or severely blighted, to become eligible for state and local tax abatements until 2010.