

No 23-03-OR

Bill No. 1148-03

AN ORDINANCE

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, contingently exempting real property tax, earned income tax, net profits tax, mercantile and business privilege tax within a specific geographic area in the County of Allegheny designated as an enhancement to the Upper Mon Valley Keystone Opportunity Zone in order to foster economic opportunities, stimulate industrial, commercial, residential improvements and prevent physical and infrastructure deterioration within areas of the Borough of Glassport, Allegheny County.

WHEREAS, Allegheny County, Pennsylvania recognizes the need to encourage investment in areas within a defined geographical and political boundary of Allegheny County, bounded as follows, described as set forth in Attachment "A," hereinafter the "Enhanced Area," that is experiencing distress characterized by high unemployment, low investment of new capital, blighted conditions, and underutilized, obsolete or abandoned industrial, commercial and residential structures, and deteriorated tax base; and

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 political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for designation of an area within the respective political subdivision as an enhancement to an existing Keystone Opportunity Zone and, as a precondition of such application, to enact a binding ordinance that provides within the designated and approved geographic area exemptions, deductions, abatements or credits from all local taxes identified in the Act, which ordinance will be contingent only on DCED's approval of the application; and

WHEREAS, enactment of such exemption will result in improving both the economic, physical, and social conditions within the Enhanced Area by stimulating existing businesses' employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public sector investment will reverse the disinvestment and conditions of blight within the Enhanced Area by December 31, 2010, being the exemption period for the Keystone Opportunity Zone; and

WHEREAS, Allegheny County is participating in an application to DCED via the Southwestern Pennsylvania Commission seeking approval of an enhancement to the Upper Mon Valley Keystone Opportunity Zone.

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

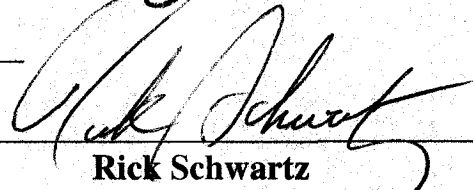
- Section 1*** Real property in the Enhanced Area is exempt from property taxes in accordance with the provisions and limitations hereinafter set forth within the boundaries of the Enhanced Area in accordance with the Act, such exemption to run from January 1, 2004 until December 31, 2010.
- Section 2*** The exemption shall be 100% of the real property taxation on the assessed evaluation of property within the Enhanced Area.
- Section 3*** Earned Income and Net Profits Taxes; The County of Allegheny also waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and /or net profits of a qualified business received by a resident or nonresident of the Enhanced Area attributable to business activity conducted with the Keystone Opportunity Zone.
- Section 4*** The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this ordinance by reference.
- Section 5*** This ordinance shall become effective January 1, 2004 until December 31, 2010, contingent and conditioned on the approval by DCED of the application with respect to the Enhanced Area of the Upper Mon Valley Keystone Opportunity Zone

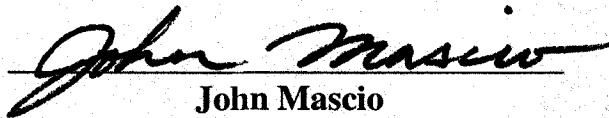
SECTION *If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.*

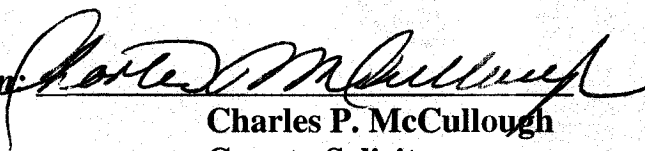
SECTION *Any Resolution or Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance.*

Enacted in Council, this 21st day of May, 2003,

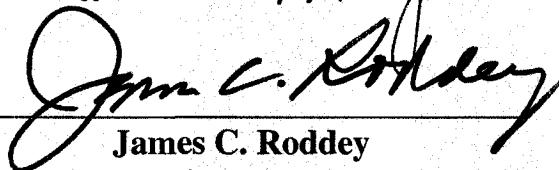
Council Agenda No. 1148-03

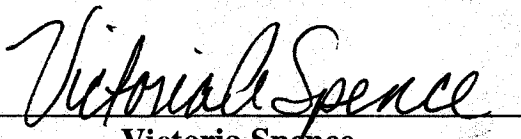

Rick Schwartz
President of Council

Attest: 
John Mascio
Chief Clerk of Council

Approved as to form: 
Charles P. McCullough
County Solicitor

Chief Executive Office May 28, 2003.

Approved: 
James C. Roddey
Chief Executive

Attest: 
Victoria Spence
Executive's Secretary

MEMORANDUM
OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: Robert B. Webb *RBW*
County Manager

DATE: May 1, 2003

RE: Requesting County Council Approval

Attached is an Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, contingently exempting real property tax, earned income tax, net profits tax, mercantile and business privilege tax within a specific geographic area in the County of Allegheny designated as an enhancement to the Upper Mon Valley Keystone Opportunity Zone in order to foster economic opportunities, stimulate industrial, commercial, residential improvements and prevent physical and infrastructure deterioration within areas of the Borough of Glassport, Allegheny County. This request is submitted by the Department of Economic Development.

Please put on the next agenda for County Council approval.

Thank you.