

No. 36-03-OR

Bill No. 1222-03

AN ORDINANCE

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, repealing Ordinance No. 23-03-OR enacted by County Council at Council Agenda Number 1148-03-OR and enacting a new Ordinance 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 Borough of Glassport

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 Borough of Glassport, 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 legislation enacted by County Council and signed by the Chief Executive concerning a Proposed Keystone Opportunity Subzone in the Borough of Glassport, Ordinance No. 23-03-OR enacted at Council Agenda Number 1148-03-OR 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 Ordinance 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 Borough of Glassport 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 Ordinance 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 Ordinance 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 Ordinance 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 Ordinance 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 Ordinance shall enter into full force and effect on January 1, 2004.

SECTION III. SEVERABILITY

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

SECTION IV. REPEALER

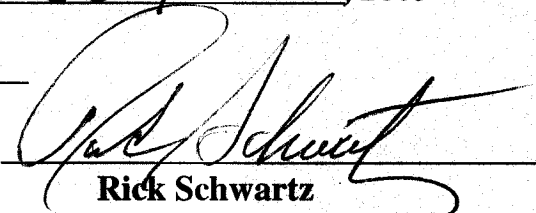
Ordinance No. 23-03-OR enacted by County Council at Council Agenda Number 1148-03-OR and signed by the Chief Executive on May 28, 2003 is specifically repealed. Any Ordinance or Resolution or part of any Ordinance or Resolution conflicting with the provisions of this Ordinance is rescinded insofar as the conflict exists.

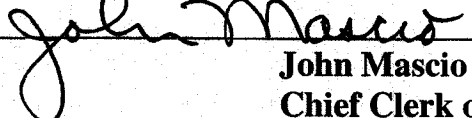
SECTION 5. *If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.*

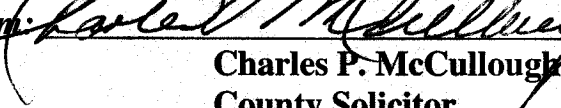
SECTION 6. *Any Resolution or Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance.*

Enacted in Council, this 1st day of July, 2003

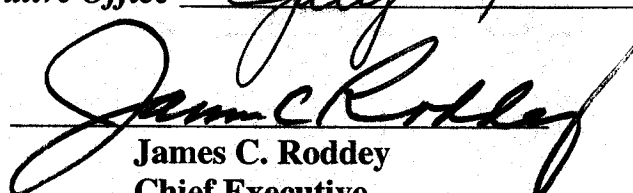
Council Agenda No. 1222-03

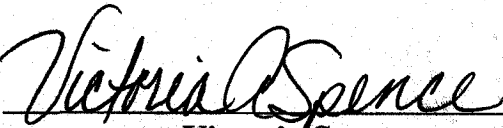

Rick Schwartz
President of Council

Attest: 
John Mascio
Chief Clerk of Council

Approved as to form: 
Charles P. McCullough
County Solicitor

Chief Executive Office July 7, 2003

Approved: 
James C. Roddey
Chief Executive

Attest: 
Victoria Spence
Executive's Secretary

RECEIVED

JUN 26 2002

MEMORANDUM

COUNTY COUNCIL

OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: Robert B. Webb *RBW*
County Manager

DATE: June 25, 2003

RE: Requesting County Council Approval

Attached is an Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, repealing Ordinance No. 23-03-OR enacted by County Council at Council Agenda Number 1148-03-OR and enacting a new Ordinance 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 Borough of Glassport. This request is submitted by the Department of Economic Development.

Please put on the next agenda for County Council approval.

Thank you.

SUMMARY OF ORDINANCE (Glassport)

This ordinance repeals Ordinance No. 23-03-OR enacted by County Council at Council Agenda Number 1148-03-OR

The ordinance presented to County Council by the Department of Economic Development requests an exemption from Allegheny County-levied real estate taxes and sales/use taxes from January 1, 2003 to December 31, 2010 through the Pennsylvania Keystone Opportunity Zone Program. An ordinance has been drafted and approved by Glassport Borough to participate in the program

The Southwestern Pennsylvania Commission is compiling all the materials from the surrounding counties and sending it as one application.

The site in Glassport Borough, South Allegheny School District, Allegheny County is going to be purchased by Recycled Resources, Inc. The KOZ will be approximately 42 acres. The company will use the site for tire reclamation with the initial product being mulch. This project will employ over 60 people in the first phase and at full build out employ over 230 people. Lot & Block number: 467-K-42/55

If there are any further questions please contact Tristan Hays at 412-350-1048.