

No. 16-06-RE

## A RESOLUTION

Resolution of the County of Allegheny providing for a program of temporary exemption from county real property taxes for improvements, including repairs, construction, or reconstruction, made on industrial, commercial or business property in a deteriorated area in the Township of North Fayette, County of Allegheny County, Commonwealth of Pennsylvania, pursuant to the Local Economic Revitalization Tax Assistance Act, Pa. Stat. Ann. Tit. 72 §4722 et seq.

**Whereas**, The Local Economic Revitalization Tax Assistance Act ("LERTA"), Pa. Stat. Ann. Tit. 72 §4722 et seq., authorizes local taxing authorities to exempt from real estate taxation, for specific periods, the assessed valuation of improvements to deteriorated industrial, commercial and other business property; and

**Whereas**, the Board of Supervisors ("Supervisors") of the Township of North Fayette ("Township") conducted a public hearing to determine and designate the geographic boundaries of a deteriorated area located within the Imperial Business Plan of Lots; and

**Whereas**, the Supervisors and the Board of School Directors ("School Directors") of the West Allegheny School District ("School District") have established the boundaries of the deteriorated area as more specifically set forth in Attachment "A" hereto (hereinafter the "Deteriorated Area") and adopted the temporary exemption program, and;

**Whereas**, the Township has requested the County of Allegheny to enact similar legislation; and

**Whereas**, the County Council finds that the implementation of a temporary tax exemption program in certain designated deteriorated areas would contribute to the general welfare of the community by spurring economic activity and promoting improvement in the area's housing stock and business and commercial property.

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

***Section 1. Incorporation of the Preamble***

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

## **Section 2. Definitions**

As used in this Resolution, the following words and phrases shall have the meanings set forth below:

- (a) Assessed Valuation – The value of a parcel of real property as established by the Office of Property Assessment or the Court of Common Pleas of Allegheny County pursuant to the provisions of the Second Class County Assessment Law, 72 P.S. §5452.1 or such other applicable law or ordinance, for the purpose of the assessment and levy of real property upon which a building is located.
- (b) General Business Properties – Properties which are zoned for general business use according to the Township's Official Zoning Map in effect at the time that the Construction occurs.
- (c) Construction – The construction of any of the following improvements for industrial, commercial or other business purpose:
  - 1. The erection of a building or buildings on previously unoccupied land.
  - 2. The new construction of a building, or addition to said building upon land on which a building currently exists.
  - 3. The new construction of buildings upon land where existing buildings have been demolished or razed.
- (d) County – The County of Allegheny
- (e) Deteriorated Area – Those specific geographic areas within the Township of North Fayette described in Exhibit "A" hereto, which have been determined to be physically impaired on the basis of one or more standards, including, but not limited to, the following:
  - 1. The buildings, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, have become economic or social liabilities.
  - 2. The buildings are substandard, unsanitary, unhealthy or unsafe.
  - 3. The buildings are overcrowded, poorly spaced or so lacking in light, space and air as to be unwholesome.

4. The buildings are faultily arranged, cover the land to an excessive extent, show a deleterious use of land or exhibit any combination of the above which is detrimental to health, safety or welfare.
  5. A significant percentage of buildings are more than forty (40) years of age.
  6. A substantial amount of unimproved, overgrown and unsightly vacant land exists which has remained so for a period of five (5) years or more indicating a growing or total lack of utilization of land for economically desirable purposes.
  7. The area is an "impoverished area" as certified by the Department of Community Affairs under criteria set forth in the Act of November 29, 1967, P.L. 636, No. 282, known as the "Neighborhood Assistance Act" or is a "blighted area" under criteria set forth in the Act of May 24, 1945, P.L. 991, No. 385 known as the "Urban Redevelopment Law".
- (f) Deteriorated Property – Any Industrial, General Business or Planned Non-Residential Development property owned by a Property Owner and located in a Deteriorated Area, as herein provided, or any such property which has been the subject of any order by a government agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinances or regulations.
  - (g) Exemption – The non-liability for the payment of additional real property taxes to the County resulting from increased Assessed Valuation attributable to the actual cost of Improvement(s), as defined herein, made to Deteriorated Property within a Deteriorated Area for the period of time as set forth in Article 5(a) herein.
  - (h) Improvement(s) – Repair, Construction or Reconstruction, including alterations and additions, having the effect of rehabilitating a Deteriorated Property so that 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.
  - (i) Industrial Properties – Properties which are zoned industrially according to the Township's Official Zoning Map in effect at the time that the Construction occurs.
  - (j) Local Taxing Authority – The County or the Township or the School District.
  - (k) Office – The Office of Property Assessment of Allegheny County, Pennsylvania or such successor entity responsible by law or by ordinance for determining the validity of a valuation of real estate for the assessment and levy of real estate taxes in Allegheny County.

- (l) Planned Non-Residential Development Properties – Properties within the Planned Non-Residential Development Overlay District according to the Township's Official Zoning Map in effect at the time that the Construction occurs.
- (m) Principle Use – Primary or predominant use of any lot or structure according to the Township's Official Zoning Ordinance.
- (n) Project – The Improvement of a Deteriorated Property carried out during a single continuous period of time according to a common plan.
- (o) Property Owner – Any natural person, partnership, unincorporated association, limited liability company or corporation, nonprofit or otherwise. Whenever used in any provision of this Resolution, the word Property Owner as applied to partnerships shall mean and include all members thereof or as applied to corporations shall mean and include all officials or officers thereof. The term "property owner" used in this Resolution is synonymous with "taxpayer".
- (p) Reconstruction – The rebuilding or renovation of a building or buildings previously erected for the purpose of changing the economic use or amenity of such structure or to obtain higher standards of safety or health.
- (q) School District – The West Allegheny School District.
- (r) Tax Delinquency – All County taxes, charges, fees, rents or claims due and unpaid by the owner of the Deteriorated Property or with respect to the Deteriorated Property as of the time of the application for an Exemption or at any time thereafter during the term of the Exemption. The term includes all penalties, additions, interest, attorney fees and costs due on such delinquent taxes, charges, rents or claims.
- (s) Tax Year – The twelve (12) month period from January 1 to December 31 annually.
- (t) Township – Township of North Fayette
- (s) Treasurer – The Treasurer of the County of Allegheny.

### ***Section 3. Deteriorated Area***

The areas designated by the Township and School District set forth in Attachment "A" located within the Township constitute the Deteriorated Area.

### ***Section 4. Exemption***

- (a) Any Property Owner, who does not have a Tax Delinquency on any property located within the County, undertaking a Project which is qualified as a Construction or Reconstruction or Improvement(s) project may apply for and receive from the County an Exemption from County

real property taxes due to the increased or additional Assessed Valuation attributable to Construction or Reconstruction or Improvement(s), in the amounts and in accordance with the provisions and limitations set forth in this Resolution. The Exemption from County real estate taxes shall be specifically limited to the additional Assessed Valuation attributable to the actual costs of the Construction or Reconstruction or Improvement(s) to the Property within the Deteriorated Area. Appeals from the amount of increased Assessed Valuation attributable to the actual costs of Construction, Reconstruction or Improvement(s) of the property within the Deteriorated Areas may be taken by the taxpayer or any local taxing authority as provided by the Second Class County Assessment Law, 72 P.S. §5452.1 et seq. or other applicable law or ordinance.

- (b) No Exemption from taxation is granted other than as set forth in subsection (a) above.
- (c) Any property with a Tax Delinquency is not eligible for the relief set forth in this Resolution.

#### ***Section 5.   Exemption Schedule***

Any Property Owner, whose property is located within the Deteriorated Area set forth in Attachment "A" and who makes Construction, Reconstruction or Improvement(s) to such property, may apply for and receive from the County an Exemption from County real property taxes due to the increased or additional tax assessment attributable to the Construction, Reconstruction or Improvement(s) made, in the amounts and in accordance with the provisions and limitations set forth in this Resolution.

The Exemption from County real estate taxes granted for Construction, Reconstruction or Improvement(s) to property within the Deteriorated Area described in Attachment "A" shall be in accordance with the following conditions and schedule:

- (a) The Exemption shall be limited to a period of three (3) years and shall apply to any building permitted for Construction, Reconstruction or Improvement(s) at any time during the ten (10) year period.
- (b) The Exemption shall be one hundred percent (100%) of the County's real estate taxation upon the Assessed Valuation attributable to the Construction, Reconstruction or Improvement(s) in each of the first three (3) years. In the fourth (4<sup>th</sup>) year and all succeeding years, the Exemption shall end and the entire property (land and building) shall be fully taxable.
- (c) The Exemption for General Business Properties and Planned Non-Residential Development Properties shall be limited to the following Principle Use: Office (Business and Professional), Office (Medical), Pilot Manufacturing, Research and Development, Warehouse, and Wholesale Business.
- (d) There is no Exemption granted on the Assessed Valuation attributable to land.

- (e) There is no Exemption granted if the Construction, Reconstruction or Improvement(s) are not completed by the end of the third calendar year following the year the initial building permit was issued.
- (f) There is no Exemption granted, and any existing Exemption shall be permanently revoked, if there exists any tax delinquency with respect to the property or any other property owned in the County by the Property Owner.

**Section 6. Procedure for Obtaining Exemption**

- (a) At the time that a Property Owner secures a building permit for construction use, the Property Owner desiring the temporary real estate tax Exemption pursuant to this Resolution shall file a request in writing for Exemption on a form proscribed by the Township (hereinafter the "Exemption Request"). The Property Owner shall file the form with the Township, and a copy shall be delivered to the Allegheny County Office of Property Assessment ("Office").
- (b) The Property Owner must provide and certify on the Exemption Request the following information:
  - 1. Name and address of Property Owner.
  - 2. Lot and block number of the property.
  - 3. The initial Assessed Valuation of the property.
  - 4. The current year County taxes on the property.
  - 5. The date the building permit was issued for the Construction, Reconstruction or Improvement(s).
  - 6. The summary of the plan of construction, plan of improvement(s) or reconstruction.
  - 7. The anticipated date of completion.
  - 8. The actual costs of Construction, Reconstruction or the actual costs of Improvement(s).
  - 9. A statement indicating that there is not a Tax Delinquency on the property.
  - 10. Such other information as may be necessary to process such application for Exemption.
  - 11. Planned use of the property or properties and certification that said use will be in compliance with the provisions and limitations set forth in this Resolution.
- (c) The Exemption Request shall be filed by the Property Owner with the Office no later than ninety (90) days of the date after when the building permit is issued. Failure to submit such Exemption Request within this time period shall give the County the right to deny any Exemption claimed pursuant to this Resolution for the initial tax year after completion of the Construction, Reconstruction or Improvement(s), thereby limiting the length of the schedule of taxes exempted to less than the three (3) year period established under this Resolution.

- (d) When the Construction, Reconstruction or Improvement(s) has been completed, the Property Owner shall notify the Office in writing. Such notice must occur within ninety (90) days of completion. Failure to submit such Exemption Request within this time period shall give the County the right to deny any Exemption claimed pursuant to this Resolution for the initial tax year after completion of the Construction, Reconstruction or Improvement(s), thereby limiting the length of the schedule of taxes exempted to less than the three (3) year period established under this Resolution. The notice of completion shall include the following information:
1. Name and address of Property Owner.
  2. Lot and block number of the property for which the Exemption is sought.
  3. The date that the Construction, Reconstruction or Improvement(s) was completed.
  4. Any modification to the plan of Construction or Reconstruction or Improvement(s) as previously submitted.
  5. The final, adjusted actual costs of Construction, Reconstruction or Improvement(s).
  6. Certification that the use of the property or properties is or will be in compliance with the provisions and limitations set forth in this Resolution.
- (e) The Office shall, after notice in writing and with prior physical inspection, assess the property to determine the valuation attributable to the Construction, Reconstruction or Improvement(s) eligible for Exemption under this Resolution.
- (f) The Office shall provide to the County and the Property Owner the following information in writing:
1. The Assessed Valuation of the property prior to Construction, Reconstruction or Improvement(s).
  2. The increase in Assessed Valuation attributed to the Construction, Reconstruction or Improvement(s).
  3. The amount of Assessed Valuation increase eligible for Exemption.
- The Treasurer or collector of real estate taxes for the County shall then exonerate that Assessed Valuation increase and refund the amount of taxes attributable to the Exemption in accordance with the Exemption schedule. The Treasurer, however, shall not exonerate taxes if there exists any Tax Delinquency with respect to the property for which the Exemption is sought or any property in the County owned by the Property Owner.
- (g) Appeals from the valuation and the amount eligible for Exemption may be taken by the Property owner or any local taxing authority as provided by the Second Class County Assessment Law, 72 P.S. §5452.1 et seq. or other applicable law or ordinance.

**Section 7. Transferability**

The Exemption from taxes 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.

**Section 8. Intergovernmental Cooperation Agreement**

If required, the proper officials of the County are hereby authorized to enter into an intergovernmental cooperation agreement pursuant to the Intergovernmental Cooperation Act, Pa. Cons. Stat. Ann. Tit. 53, §2301, et seq., with the Township and the School District to implement the Exemption from County real property taxation established under this Resolution. The intergovernmental cooperation agreement shall be subject to review and approval as to form by the County Solicitor.

**Section 9. Rules and Regulations**

The County Manager and the Office are authorized to adopt rules and regulations, if necessary, to implement this Resolution.

**Section 10. Term**

This Resolution shall enter into effect immediately following its adoption. The provisions of this Resolution shall apply to all applications filed from and after the effective date hereof and shall remain in effect for a period of ten (10) years or unless otherwise terminated by the County in accordance with applicable law. The cost of Improvement(s) 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 of this Resolution, if any, shall not apply to requests initiated prior to its adoption.

**Section 11. Severability**

*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 12. Repealer**

*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.*



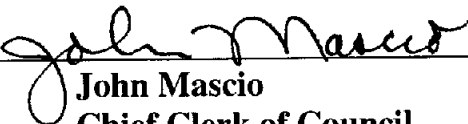
Enacted in Council, this 4<sup>th</sup> day of April, 2006

Council Agenda No. 2482-06



**Rich Fitzgerald**  
**President of Council**

Attest:

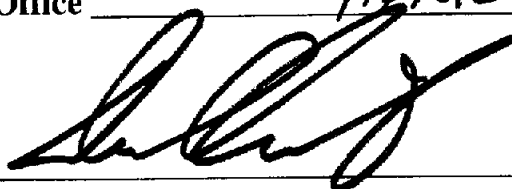


**John Mascio**  
**Chief Clerk of Council**

Chief Executive Office

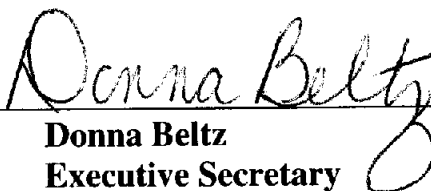
April 10, 2006

Approved:



**Dan Onorato**  
**Chief Executive**

Attest:



**Donna Beltz**  
**Executive Secretary**

SUMMARY PAGE  
IMPERIAL BUSINESS PARK LERTA RESOLUTION  
SUBMITTED FOR COUNCIL MEETING 03/21/06

The Township of North Fayette has requested that the County abate 100% of the real estate taxes based on assessment attributable to new construction, reconstruction or improvements to property within the designated area of the Imperial Business Park (IBP) for three (3) years. For this three (3) year period, only the land of the designated area will be taxable. No exemption from taxation will be granted for retail development in the designated area. The West Allegheny School District has approved participation in the abatement program, and the Township is expected to approve participation on March 28, 2006.

The Redevelopment Authority of Allegheny County requests that the Council of the County of Allegheny:

- (a) consider a resolution to participate with the Township and School District in the implementation of LERTA for the deteriorated area located within the Imperial Business Park; and
- (b) direct the appropriate public officials of the County to take such additional actions in cooperation with the Township and the School District to implement the LERTA, including without limitation, the execution and delivery of a Cooperation Agreement by and among the participants.

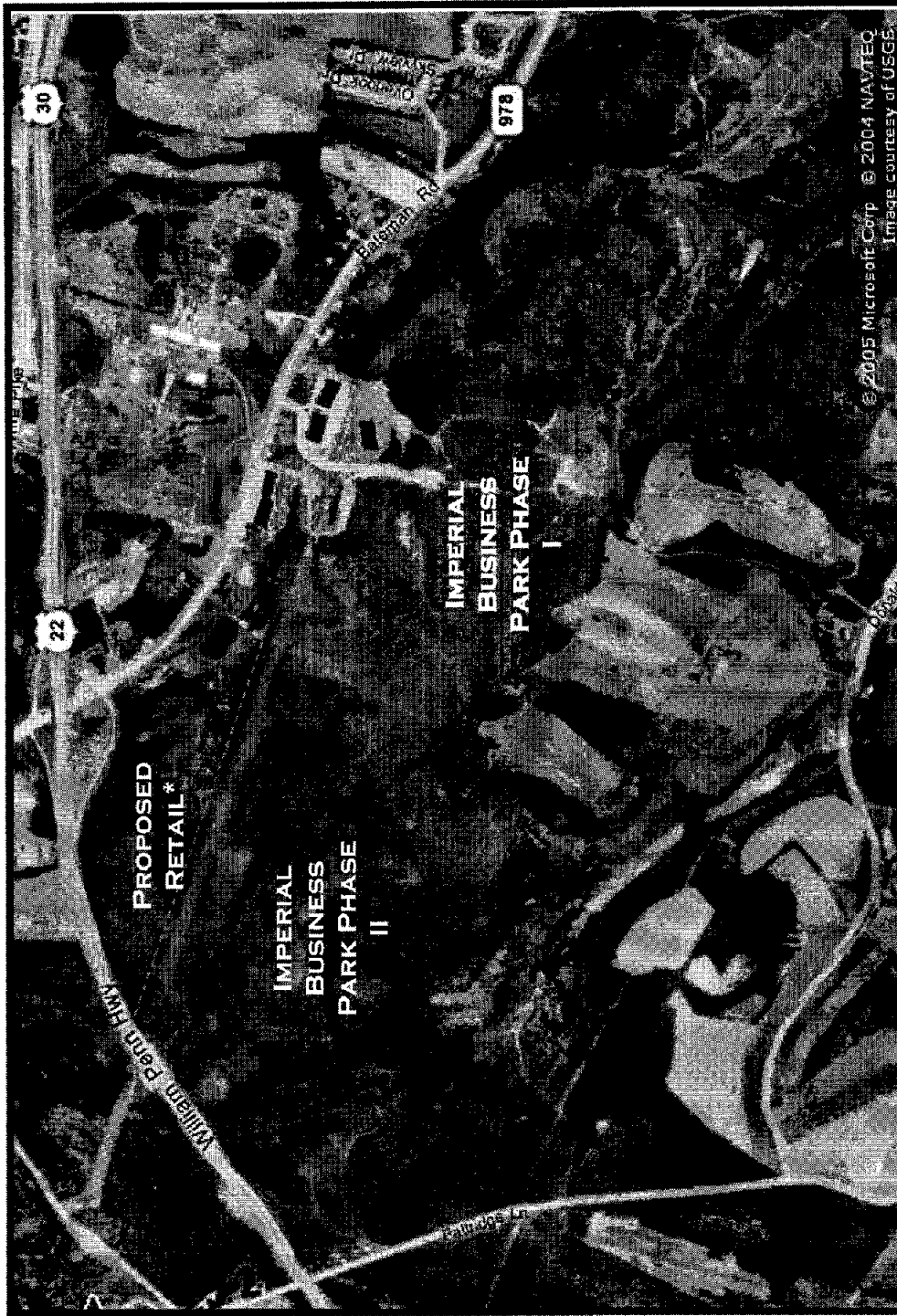
Imperial Business Park is an on-going development project providing much needed Class A Distribution and Light Industrial space in the Pittsburgh International Airport corridor. Currently, IBP consists of 87 000 SF of flex space in four buildings on 95 acres. Sitework is underway for the development of 512,000 SF of Class A Warehouse/Light Manufacturing and office space on the 84 acres not yet developed. Imperial Business Park LP has under option to purchase 200 acres adjacent to the existing park. This expansion would bring the construction of an additional 1,200,000 SF of Class A Warehouse/Flex/Light Manufacturing and up to 200,000 SF of retail space. Fully developed, IBP will create 3,000  $\pm$  light manufacturing/distribution jobs, several hundred retail jobs and a total project value of \$ 85,000,000.

## **Attachment "A"**

### **DESCRIPTION OF DETERIORATED AREA**

Approximately 310 acres identified on the accompanying map as the Imperial Business Park Phase I & II. The property is situated in the Township of North Fayette, County of Allegheny, and Commonwealth of Pennsylvania and identified as the following parcels:

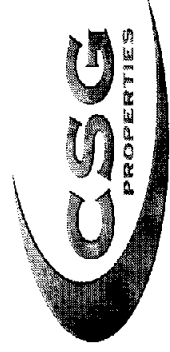
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- 9929-X-1259
- 9929-X-63
- 9929-X-364
- 9929-X-53
- 9929-X-1053
- 9929-X-1692



\*Retail buildings will not be included in LERTA program




**IMPERIAL  
BUSINESS  
PARK**



**MEMORANDUM**  
**OFFICE OF THE COUNTY MANAGER**

TO: John Mascio  
Chief Clerk

FROM: James M. Flynn, Jr.   
County Manager

DATE: March 16, 2006

RE: Proposed Resolution

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Attached is a Resolution providing for a program of temporary exemption from county real property taxes for improvements, including repairs, construction, or reconstruction, made on industrial, commercial or business property in a deteriorated area in the Township of North Fayette, County of Allegheny County, Commonwealth of Pennsylvania, pursuant to the Local Economic Revitalization Tax Assistance Act, Pa. Stat. Ann. Tit. 72 §4722 et seq.

The Allegheny County Law Department has reviewed this legislation prior to submitting it to Council.

Please place this on the next agenda for County Council approval.

Thank you.

TRANSMISSION VERIFICATION REPORT

TIME : 04/13/2007 07:25  
NAME :  
FAX :  
TEL :  
SER.# : BROF2J486590

DATE, TIME	04/13 07:22
FAX NO./NAME	814123506499
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PAGE(S)	13
RESULT	OK
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WAREHOUSE  
OUTLET**

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**814-443-3678**

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Tues. thru Fri.: 10-7

Sat.: 9-5:30

Sun. & Mon. Closed

**Free Delivery**

To John Mascio

412 350-6499