

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 Borough of Millvale, County of Allegheny County, Commonwealth of Pennsylvania, pursuant to the Local Economic Revitalization Assistance Act (LERTA), Pa. Stat. Ann. Tit 72 §4722 et seq.

WHEREAS, The Local Economic Revitalization 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 Planning Commission of the Borough of Millvale ("Borough") Borough Council ("the Council") conducted a public hearing to determine the geographic boundaries of deteriorated area; and

WHEREAS, the Borough Council ("Council") of the Borough and the Board of Directors ("Directors") of the Shaler Area 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 Borough of Millvale 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.

Be it resolved by the Council of Allegheny County as follows:

Section 1. Incorporation of Preamble

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

Section 2. Deteriorated Area

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

Section 3. 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 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, 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 to the Property within the deteriorated area. Appeals from the amount of increased assessed valuation attributable to the actual costs of construction or reconstruction 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. The exemption from County real estate taxes shall be specifically limited to the additional assessed valuation attributable to the actual costs of improvements to property within the Deteriorated Area, up to a maximum of \$500,000, except as otherwise set forth herein.

(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 4. Exemption Schedule

The exemption from County real estate taxes granted for construction, reconstruction or improvements to property within the Deteriorated Area described in Section 3 shall be in accordance with the following conditions and schedule:

(a) The tax abatement will be for a maximum of \$500,000 of assessment attributable to the actual costs of improvements or construction, unless the Deteriorated Area is located within Pennsylvania Act 47 (financially distressed) municipalities and/or Pennsylvania Enterprise Zones, in which case the tax abatement will be for a maximum of \$750,000 of assessment attributable to the cost of improvements or construction.

(b) The County real estate taxes shall be exempted according to the following schedule: year one, one hundred percent (100%); year two, eighty percent (80%); year three, sixty percent (60%); year four, forty percent (40%); year five, twenty percent (20%). In the sixth (6th) year and all succeeding years, the exemption shall end and the entire property (land and structure) shall be fully taxable.

(c) There is no exemption granted on the assessed valuation attributable to land.

(d) There is no exemption granted if the improvements are not completed by the end of the third calendar year following the year the initial building permit was issued.

(e) 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 5. 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 County. The property owner shall file the form with the Allegheny County Board of Property Assessment ("Board").

(b) The Property Owner must certify on the form provided the following information:

1. Name and address of property owner.
2. Lot and block number of the property to continue the construction.
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 improvements or construction.
6. The summary of the plan of construction, plan of improvement or reconstruction.
7. The anticipated date of completion.
8. The actual costs of construction, reconstruction or the actual costs of improvement.
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 temporary exemption.

(c) The exemption request shall be filed by the Property Owner with the Board 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 may permit the County to deny any exemption claimed pursuant to this Resolution for the initial tax year after completion of the construction or improvement, thereby limiting the length of the schedule of taxes exempted to less than the five (5) year period established under this Resolution.

(d) When the construction, reconstruction or improvement has been completed, the Property Owner shall notify the Board in writing. Such notice must occur within thirty (30) days of completion. Failure to submit such exemption request within this time period may permit the County to deny any exemption claimed pursuant to this Resolution for the initial tax year after completion of the construction or improvement, thereby limiting the length of the schedule of taxes exempted to less than the five (5) 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 was completed.
4. Any modification to the plan of construction or reconstruction as previously submitted.
5. The final, adjusted actual costs of construction, reconstruction or improvement.

(e) The Board shall, after notice in writing and with prior physical inspection, assess the property to determine the valuation attributable to the construction or improvement eligible for tax exemption under this Resolution.

(f) The Board shall provide to the County and the Property Owner with the following information in writing:

1. The assessed valuation of the property prior to construction or improvement.
2. The increase in assessed valuation attributed to the construction or improvement.
3. The amount of assessed valuation increase eligible for tax 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 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.

Section 6. 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 7. 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 Borough 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 8. Rules and Regulations

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

Section 9. 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 until such time as the right to obtain the aforesaid exemptions created hereby are terminated by the County. The cost of improvements 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 10. Severability

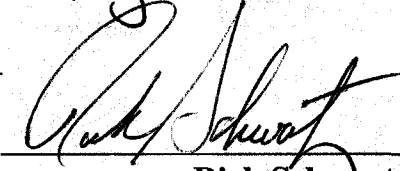
If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.

SECTION 11. Repealer

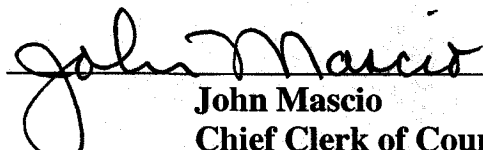
Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.

Enacted in Council, this 26th day of August, 2003


Council Agenda No. 1257-03



Rick Schwartz
President of Council

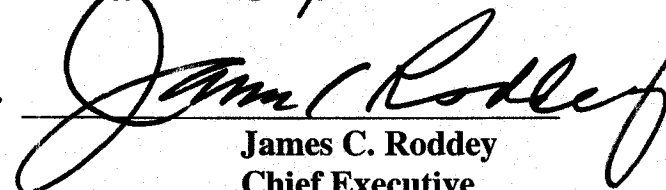
Attest: 

John Mascio
Chief Clerk of Council

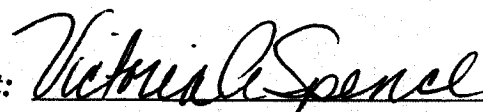
Approved as to form: 

Charles P. McCullough
County Solicitor

Chief Executive Office September 2, 2003

Approved: 

James C. Roddey
Chief Executive

Attest: 

Victoria Spence
Executive's Secretary

ATTACHMENT "A"

BOROUGH OF MILLVALE - DETERIORATE AREA
BOUNDARY DESCRIPTION

BEGINNING at the point of intersection of Borough of Millvale / Shaler Township Municipal Boundary Line with the United States Harbor Line of the Allegheny River; thence proceeding in a westerly direction along the United States Harbor Line to its point of intersection with the Borough of Millvale / City of Pittsburgh Municipal Boundary Line, thence proceeding in a northerly direction along said Municipal Boundary to its point of intersection with the northern right-of-way line of Route 28, thence proceeding in a westerly direction along said northern right-of-way line to its point of intersection eastern right-of way line extended of Grant Avenue, thence proceeding in a northerly direction along said eastern right-of-way line extended and right-of-line to its point of intersection with the southern right-of-line of School Street; thence proceeding in an easterly direction along said southern right-of-line to its point of intersection with the eastern right-of-way line extended of Lyon Street; thence proceeding in a northerly direction along the eastern right-of-way line extended and right-of-way line to its point of intersection with the southern right-of-way of Sheridan Street; thence proceeding in a westerly direction along said southern right-of-way line to its point of intersection with western right-of-way line of Farragut Street; thence proceeding in a northerly direction along said western right-of-way line of said street to its point of intersection with the northern right-of-way line of Butler Street; thence proceeding in an easterly direction along said northern right of way line to its point of intersection with the western property line of Block and Lot 79-C-180; thence proceeding in a northerly direction along said property line to its point of intersection with the southern right-of-way line of Black Street; thence proceeding in a westerly direction along said southern right-of way line to its point of intersection with the eastern property line extended of Lot 79-C-19; thence proceeding in a northerly direction along said eastern property line extended and continuing along said eastern property line to its point of intersection with the southern right-of-way line of Sedgwick Street; thence proceeding in an easterly direction along said southern right-of-way line to its point of intersection with the western property line extended of Block and Lot 79-C-46; thence proceeding in a northerly direction along said eastern property line and continuing along the western property line of Block and Lot 79-B-100 to its point of intersection with the southern right-of-way line of Fornoff Street; thence proceeding in an easterly direction to its point of intersection with the western property line of Block and Lot 79-B-103 and continuing along the western property line of Block and Lot 79-B-144 to its point of intersection with the southern right-of-way line of North Avenue; thence proceeding in a westerly direction along said southern right-of-way line to its point of intersection with the western property line extended of Block and Lot 79-B-150; thence proceeding in a northerly direction along said western property line extended and continuing along said western property line and western property line extended to its point of intersection with the northern right-of-way line of Howard Street; thence proceeding in an easterly direction along said northern right-of-way line to its point of intersection with the western property line of Block and Lot 79-B-154; thence proceeding in a northerly direction and then easterly direction and easterly direction extended of said western property line to its point of intersection with the northern right-of-way line of an unnamed street at the rear of the properties of Block 79-B, Lots 41, 43, 44, 45, 48, 49, 50, 51, 52, 53, 54, 55, 56 & 57; thence proceeding in an easterly direction along said northern right of way line to its point of intersection with the western right-of-way line of Lincoln Avenue; thence proceeding in a northerly direction along said western right-of-line to its point of intersection with northern right-of-way line of Sample Street; then proceeding in an easterly direction along said northern right-of-way line to its point of intersection with the eastern right-of-way line of Fremont Street;

thence proceeding in a southerly direction along said eastern right-of-way line to its point of intersection with the northern right-of-way line of North Avenue; thence proceeding in an easterly direction along said northern right-of-way line to its point of intersection with the western property line extended of Block and Lot 118-R-148; thence proceeding along said western property line extended and western property line and continuing along the western property line of Block and Lot 118-R-210 to its point of intersection with the northern right-of-way line of Evergreen Road; thence proceeding in a westerly direction and then continuing in a southerly direction along said right-of-way line to its point of intersection with the southern right of way line of Butler Street; thence proceeding in a westerly direction along said southern right-of-way line to its point of intersection with the eastern right-of-way line of Lincoln Avenue; thence proceeding in a southerly direction along said eastern right-of-way line to its point of intersection of the northern right-of-way line of Sherman Street; thence proceeding in an easterly direction along said northern right-of-way line to its point of intersection with the western right-of-way line of Mead Street; thence proceeding along said western right-of-way line to its point of intersection with the northern right-of-way line of Bennett Street; thence proceeding in an easterly direction along said northern right-of-way line to its point of intersection with the Millvale Borough / Shaler Township Municipal Boundary Line; thence proceeding in a southerly direction along said municipal boundary line to its point of intersection with the United State Harbor Line of the Allegheny River, the place of BEGINNING.

RECEIVED

AUG 13 2003

MEMORANDUM

COUNTY COUNCIL

OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: Robert B. Webb *pmw*
County Manager

DATE: August 13, 2003

RE: Requesting County Council Approval

Attached is a 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 Borough of Millvale, County of Allegheny County, Commonwealth of Pennsylvania, pursuant to the Local Economic Revitalization Assistance Act (Act No. 42), Pa. Stat. Ann. Tit 72 §4722 et seq. This request is submitted by the Department of Economic Development.

Please put on the next agenda for County Council approval.

Thank you.

Millvale Borough – Request for County Participation in Tax Abatements

- Millvale has requested that we participate with the Borough and School District in the implementation of both a commercial/industrial abatement through the use of LERTA and a residential abatement through Act 42 of the State.
- Both taxing bodies have approved participation in the use of these abatement programs.
- The proposed redevelopment activities within the designated area include improvements to the central business district and the rehabilitation of the Lippert Saw Company building into moderate income residential units. Millvale is anticipating residential redevelopment and new residential development that could be either rental or ownership properties
- The **LERTA** exemption schedule on commercial property is on a 20% declining scale for five years, with a 100% abatement in the first year.
- **Act 42** allows a taxing body to abate taxes both on improvements to “deteriorated” residential structures and the new construction of residential structures within deteriorated or distressed areas.
- The **Act 42** exemption schedule approved by the local bodies for the improvements is for 5 years on a 20% declining scale, while the exemption schedule for new residential construction is limited to 3 years for 100% of the value of the structure.