

Bill No. 1935-05

No. 30-05-OR

AN ORDINANCE

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing the assignment of all County tax liens/tax claims and all rights incident to those liens/claims filed against properties known respectively as Block and Lot No. 2187-M-288 and Block and Lot No. 2187-R-71.

Whereas, there are two tracts of land totaling approximately two hundred (200) acres located in Richland Township which are designated in the Office of Deed Registry as Block 2187-R, Lot No. 71 and Block 2187-M, Lot No. 288 (hereinafter "the Properties"); and

Whereas, the Properties were formerly used for the operation of a business known as Pittsburgh Cut Flowers; and

Whereas, the greenhouses and warehouse buildings erected on the Properties for the operation of Pittsburgh Cut Flowers have been abandoned and are currently in a state of extensive disrepair; and

Whereas, the soil on parts of the Properties has been contaminated by chemicals and other toxic substances that were used to fertilize plants and to control weeds as part of the operations of Pittsburgh Cut Flowers; and

Whereas, the total amount of delinquent taxes, penalties, interest, costs and other fees owed to the County on the Properties (up to and including the 2004 Tax Year) is approximately \$92,674.09; and

Whereas, the total amount of unpaid real estate taxes owed to the County, Pine Township and the Pine-Richland School Districts is in excess of \$559,000; and

Whereas, the advanced state of disrepair of the buildings, the environmental contamination and the huge delinquent property tax liability make the Properties difficult, if not impossible, to sell by conventional means; and

Whereas, Petro Environmental Technologies, (hereinafter Petro), an environmental assessment and remediation company located in Cincinnati, Ohio that has experience in redeveloping "Brownfield" sites and other environmentally contaminated properties, is desirous of acquiring the Properties; and

Whereas, Petro has submitted a proposal to the County, Richland Township and the Pine-Richland School District under which Petro would agree to pay one hundred percent (100%) of all outstanding taxes, penalties, interest, costs, charges, fees and expenses and attorney fees assessed by

the respective taxing bodies against the Properties in consideration of the assignment of all tax liens/tax claims and all rights incident to those tax liens/tax claims from the taxing bodies to Petro; and

Whereas, it is Petro's intention to the acquire title to the Properties by an action to enforce collection of the assigned liens; and

Whereas, the assignment of tax liens by a taxing body to a third party and the institution of an enforcement action by a third party to collect the amount of such tax liens and to enforce all rights incident to such tax liens are authorized by Section 7147 of the Municipal Claims and Tax Liens Act of 1923; and

Whereas, Richland Township and the Pine-Richland School District have approved the assignment of their tax liens/tax claims and incidental rights concerning the Properties to Petro; and

Whereas, Article IV, Section 2 (k) of the Home Rule Charter requires County Council to approve any transfer of County property; and

Whereas, the assignment of all County tax liens, claims and incidental rights concerning the Properties to Petro under the terms described above would make the County financially whole and would allow for the Properties to be acquired by a new owner who will pay assessed property taxes.

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

SECTION 1. Incorporation of Preamble

The provisions set forth in the Preamble to this Ordinance are incorporated by reference in their entirety herein as findings of fact made by Council.

SECTION 2. Authorization of Assignment of County Liens

A. Pursuant to 53 P.S. §7147 of the Municipal Claims and Tax Lien Act of 1923, the County, through its appropriate officers, is hereby authorized to assign to Petro Environmental Technologies or to any entity owed or affiliated with Petro all right, title and interest of the County to the tax liens and tax claims that County has against the Properties known and designated as Block and Lot No. 2187-M-288 and Block and Lot No. 2187-R-71. Included with the assignment of such County tax liens and tax claims is the assignment of all rights and privileges incident to such tax liens and tax claims, including but not limited to, all rights provided under applicable laws for collection and enforcement of such tax liens and tax claims.

B. The authorization to assign the County tax liens and tax claims and all rights incident thereto is subject to the following conditions:

1. Petro shall agree to pay to the County the entire face amount of the tax lien/claim plus all applicable penalties, interest, costs, servicing charges, expenses, charges and fees, and attorney fees due and owing up to and including the date of assignment, and all costs related to the assignment assessed by the Prothonotary.

2. Petro shall agree to pay the County for any additional taxes, penalties, interests and costs that may accrue concerning the Properties during the period subsequent to the assignment of the County's tax liens and tax claims but prior to acquisition of title to the Properties.

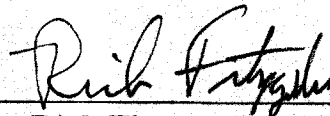
3. Richland Township and the Pine-Richland School District shall continue to agree to assign their respective liens/claims to Petro.

SECTION 3. SEVERABILITY. *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 continue in full force and effect.*

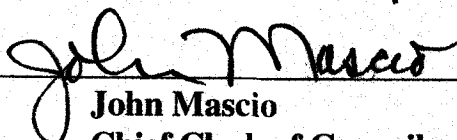
SECTION 4. REPEALER. *Any Resolution and Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance.*

Enacted in Council, this 7th day of June, 20 05.

Council Agenda No. 1935-05

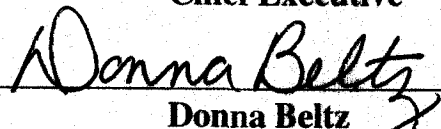


Rich Fitzgerald
President of Council

Attest: 
John Mascio
Chief Clerk of Council

Chief Executive Office June 13, 2005.

Approved: 
Dan Onorato
Chief Executive


Attest: 
Donna Beltz
Executive's Secretary

SUMMARY OF LEGISLATION

This Ordinance would authorize the County to sell its tax liens on the referenced commercial property, known as the "Pittsburgh Cut Flowers Property" to Petro Environmental Technologies, Inc. The County will be made whole on its liens. Richland Township and the Pine-Richland School District also will transfer their tax liens to Petro. Petro plans to remediate the environmental contamination on the property and develop it, thereby placing it back on the tax rolls.

MEMORANDUM
OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: James M. Flynn, Jr. 
County Manager

DATE: April 14, 2005

RE: Proposed Ordinance

RECEIVED

APR 14 2005

**Office of the Chief Clerk
Allegheny County Council**

Attached is a Proposed Ordinance authorizing the assignment of all County tax liens/tax claims and all rights incident to those liens/claims filed against those properties known respectively as Block and Lot 2187-M-288 and 2187-R-71.

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.