

Bill No. 1496-04

No. 09-04-RE

## A RESOLUTION

A Resolution of the County of Allegheny, Commonwealth of Pennsylvania, contingently exempting real property tax and the County's Sales and Use Tax within a specific geographic area in the County of Allegheny designated as an enhancement to the City of Pittsburgh Revitalization Keystone Opportunity Zone in order to foster economic opportunities, stimulate industrial, commercial and residential improvements and prevent physical and infrastructure deterioration within areas of Allegheny County, Commonwealth of Pennsylvania.

**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 Expansion Zone and, as a precondition of such application, to enact a binding resolution that provides within the designated and approved geographic area exemptions, deductions, abatements or credits from all local taxes identified in the Act, which resolution 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 investors will reverse the disinvestment and conditions of blight within the Enhanced Area by December 31, 2013, being the exemption period for the Keystone Opportunity Expansion Zone; and

**Whereas**, Allegheny County is participating in an application to DCED via the Southwestern Pennsylvania Commission seeking approval of an enhancement to the City of Pittsburgh Revitalization Keystone Opportunity Zone.

***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. Boundary.***

The County Council of Allegheny County does hereby find that the specific geographic area spanning the City of Pittsburgh bounded and described in Exhibit "A" attached hereto constitutes deteriorated property under the Act.

***Section 3. Exemption of County Levied Taxes.***

- A. All real property located within the Enhanced Area is hereby exempted from the payment of Allegheny County real estate taxes, subject to provisions and limitations hereinafter set forth in this Resolution.
- B. All entities operating businesses in the Enhanced Area that 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 within the Enhanced Area 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, as may be amended.

***Section 4. Exemption Term – Exemption Schedule.***

- A. The Tax exemptions granted under this Resolution shall be for a period of eight (8) years commencing January 1, 2005 and ending on December 31, 2013.
- B. The tax exemption for County real estate taxes granted under this Resolution shall be one hundred percent (100%) of the County's real estate taxation on the assessed valuation of the real property located within the Enhanced Area in accordance with the Act.

***Section 5. Incorporation.***

The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this resolution by reference.

**Section 6. Effective Date.**

This resolution shall become effective January 1, 2005 until December 31, 2013, contingent and conditioned on the approval by DCED of the application with respect to the Enhanced Area of the City of Pittsburgh Revitalization Keystone Opportunity Zone.

**Section 7. Transferability.**

The exemption from real estate taxation authorized by this Resolution shall be upon the property exempted and not terminate upon the sale, exchange or other alienation of such property unless otherwise provided.

**Section 8. 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 9. Repealer. Any Resolution or Ordinance or part hereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.**

Enacted in Council, this 20<sup>th</sup> day of April, 2004.

Council Agenda No. 1496-04



**Rich Fitzgerald  
President of Council**

Attest: John Mascio  
**John Mascio  
Chief Clerk of Council**

Chief Executive Office April 22, 2004

Approved: Dan Onorato  
**Dan Onorato  
Chief Executive**

Attest: Donna Beltz  
**Donna Beltz  
Executive's Secretary**

Attachment "A"  
Enhanced Area

East Liberty – 7<sup>th</sup> Ward

	Highland Ave S	84-B-68
	Houston Street	84-C-55
	Penn Ave	84-C-57
	Houston Street	84-G-14
	Houston Street	84-G-14-01
6032	Stevenson Place	84-G-26
	Houston Street	84-G-27
	Houston Street	84-G-27-01
	Highland Ave S	84-F-183
	Ellsworth Ave	84-F-150
	Highland Ave S	84-F-156
	Ellsworth Ave	84-F-141

Hazelwood – 15<sup>th</sup> Ward

4847	Second Ave	56-F-115
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Hill District – 3<sup>rd</sup> Ward

5	Heldman Street	11-A-133
7	Heldman Street	11-A-134
17	Heldman Street	11-A-137
19	Heldman Street	11-A-138-A
21	Heldman Street	11-A-138
	Rose Street	11-A-123
	Clark Street	11-A-124
1833	Rose Street	11-A-127
1831	Rose Street	11-A-129
1844	Rose Street	11-A-167
1840	Rose Street	11-A-166
1842	Rose Street	11-A-166-A
1838	Rose Street	11-A-165
	Rose Street	11-A-163
1832	Rose Street	11-A-162
1830	Rose Street	11-A-161
1828	Rose Street	11-A-160
1824	Rose Street	11-A-158
25	Heldman Street	11-A-140
27	Heldman Street	11-A-141
31	Heldman Street	11-A-142
35	Heldman Street	11-A-143
37	Heldman Street	11-A-144
	Heldman Street	11-A-145
	Heldman Street	11-A-146

41	Heldman Street	11-A-147
43	Heldman Street	11-A-148
1829	Rose Street	11-A-130
1827	Rose Street	11-A-131
1825	Rose Street	11-A-132
1823	Rose Street	11-A-132-A
1821	Rose Street	11-A-132-B
	Heldman Street	11-A-135
	Kearney Way	11-A-154
	Kearney Way	11-A-156

Mount Washington – 18<sup>th</sup> Ward

	Ruth Street	15-C-220
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## **Recertification of Keystone Opportunity Zone (KOZ) Sites - City of Pittsburgh**

- Two Resolutions authorizing the decertifying of certain parcels under the original Keystone Opportunity Zone program and recertifying the same parcels under the new Keystone Opportunity Expansion Zone (Act 217 of 2002).
  - **Resolution 1:** De-certify the current KOZ status for certain parcels (see below), the benefits for which will expire in 2010.
  - **Resolution 2:** Submit these parcels to the Commonwealth's Department of Community and Economic Development (DCED) for new KOZ certification for status to extend through December 31, 2013. **No new parcels are being added to the Enhanced Area.**
- **DCED Requires under the legislation that properties be decertified from the original KOZ program before they are placed in the Enhanced Area.**

### **These sites are chosen for new KOZ status because:**

- These are large and extremely difficult development opportunities requiring significant public participation to be viable projects
- These sites have near-term interest for redevelopment, but long development lead times, which would greatly reduce the benefits available under the current KOZ status.
- These sites each meet specific City of Pittsburgh economic development priorities
- The redevelopment of these properties would have significant and immediate positive impact for the City and their respective communities
- The properties are all publicly controlled

### **KOZ Parcels to be De-certified and to be Re-certified for New KOZ status**

The URA has identified the following sites for re-certification (see attached maps):

- The former South Hills High School
- The former CAPA High School / Baxter High School
- The former Gladstone Middle School
- The Highland Building
- The Heldman and Rose Properties in the Hill (grocery store site)
- East Liberty parcels (84F183, 84G14, 26, 27, 84C55,57)
- The Former Spahr Building in Hazelwood

### **Time Table for KOZ Application to DCED**

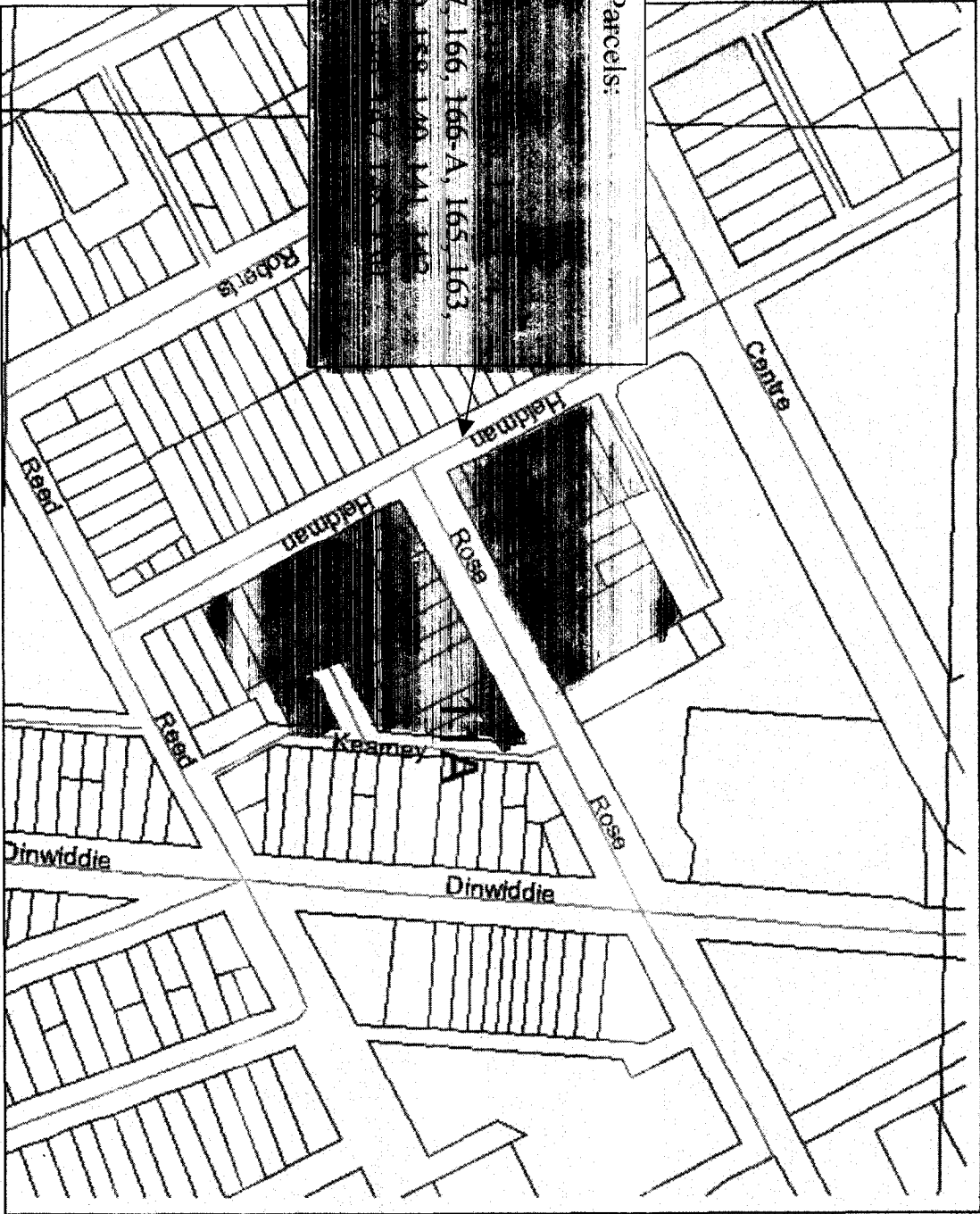
The deadline to have the three taxing bodies and the URA board pass resolutions for new KOZ status is **April 26<sup>th</sup>, 2004.**

**2004 City of Pittsburgh KOEZ  
Enhancement Parcel Maps**

**Parcels to be Submitted to DCEID for  
KOEZ Enhancement Application**



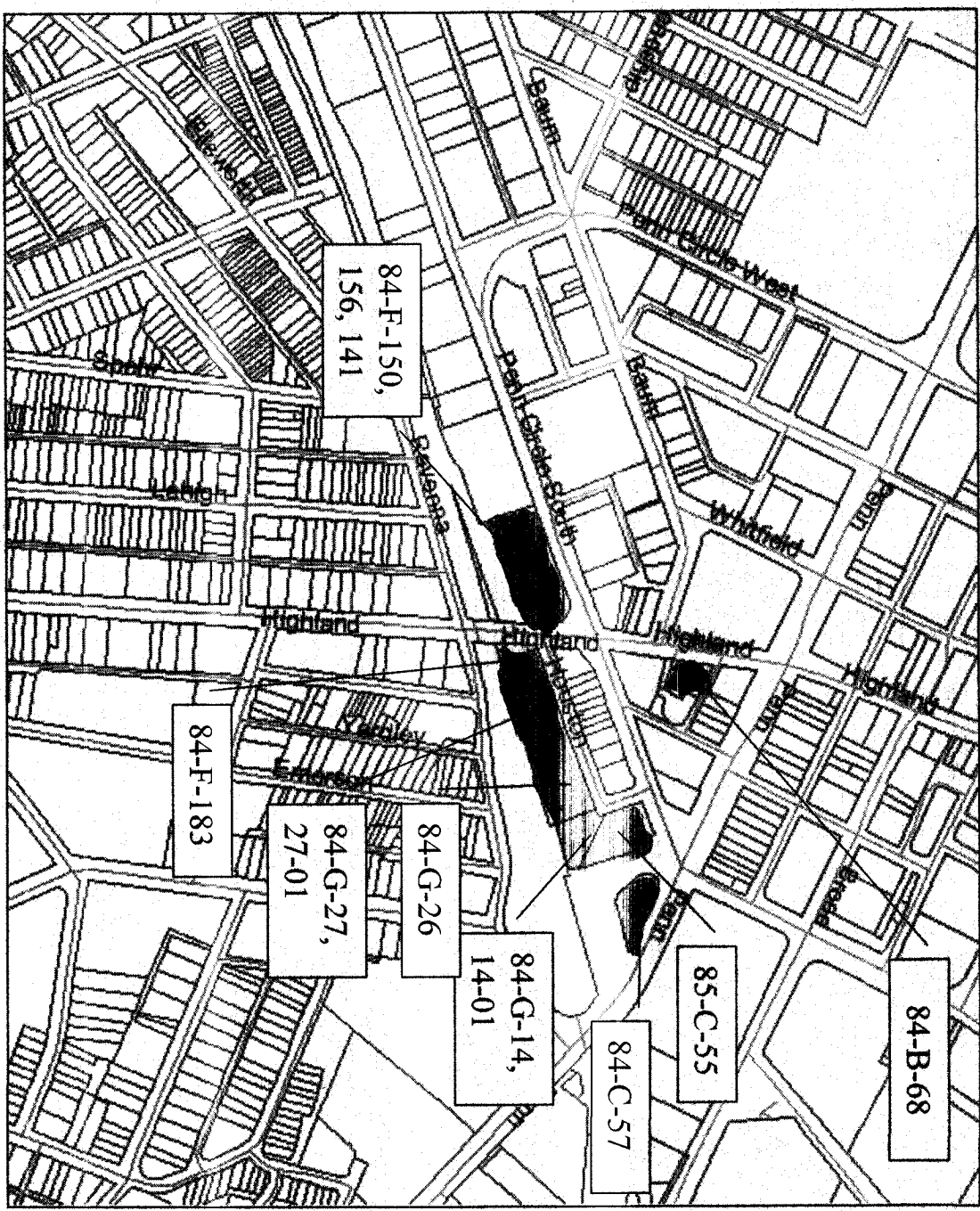
# Hill District - 3rd Ward



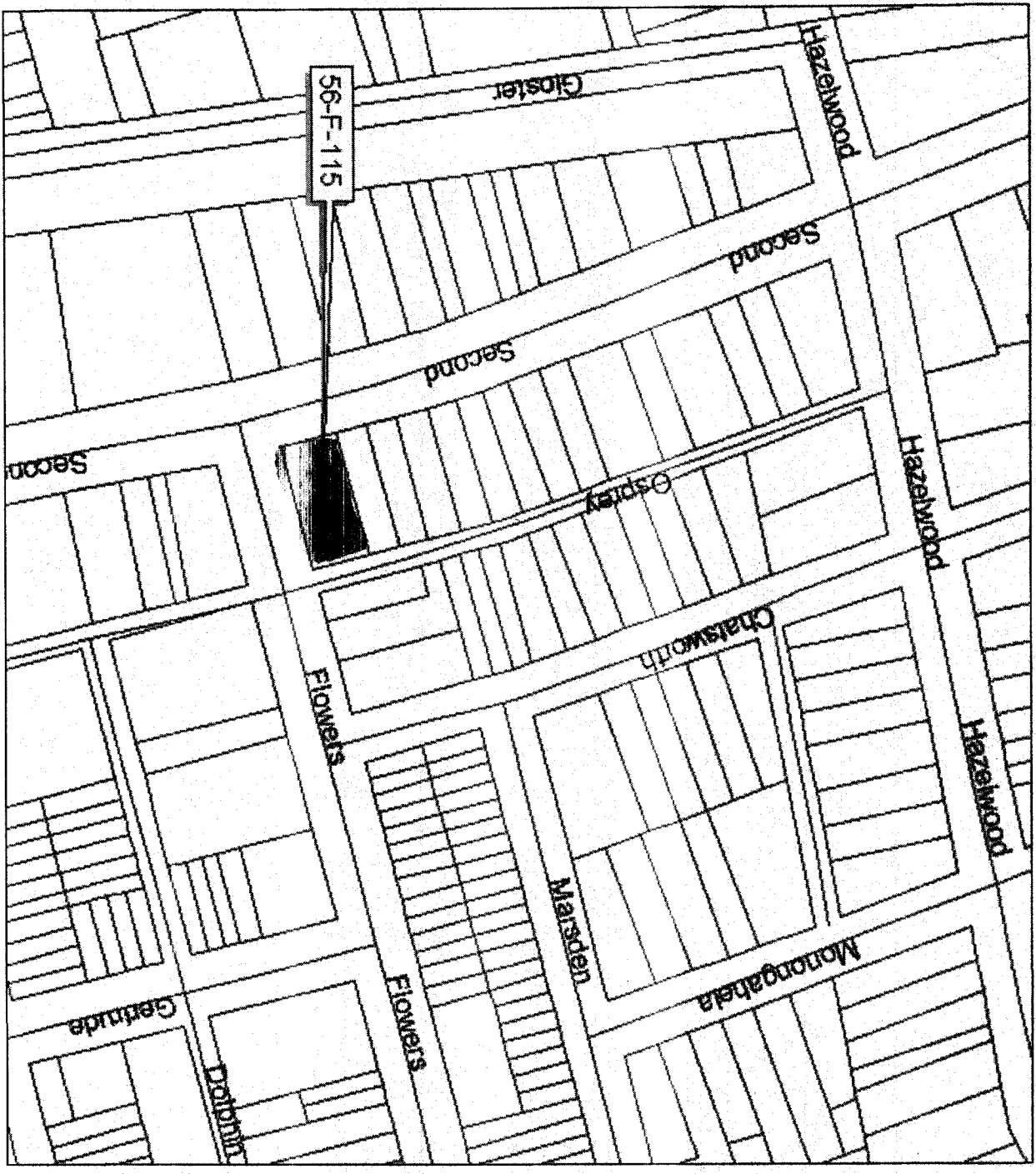
Highlighted Parcels:

- 127, 129, 167, 166, 166-A, 165, 163,
- 162, 161, 160, 159, 158, 157, 156,
- 155, 154, 153, 152, 151, 150, 149,
- 148, 147, 146, 145, 144, 143,
- 142, 141, 140, 139, 138, 137,
- 136, 135, 134, 133, 132, 131,
- 130, 129, 128, 127, 126, 125,
- 124, 123, 122, 121, 120, 119,
- 118, 117, 116, 115, 114, 113,
- 112, 111, 110, 109, 108, 107,
- 106, 105, 104, 103, 102, 101,
- 100, 99, 98, 97, 96, 95, 94,
- 93, 92, 91, 90, 89, 88, 87,
- 86, 85, 84, 83, 82, 81, 80,
- 79, 78, 77, 76, 75, 74, 73,
- 72, 71, 70, 69, 68, 67, 66,
- 65, 64, 63, 62, 61, 60, 59,
- 58, 57, 56, 55, 54, 53, 52,
- 51, 50, 49, 48, 47, 46, 45,
- 44, 43, 42, 41, 40, 39, 38,
- 37, 36, 35, 34, 33, 32, 31,
- 30, 29, 28, 27, 26, 25, 24,
- 23, 22, 21, 20, 19, 18, 17,
- 16, 15, 14, 13, 12, 11, 10,
- 9, 8, 7, 6, 5, 4, 3, 2, 1.

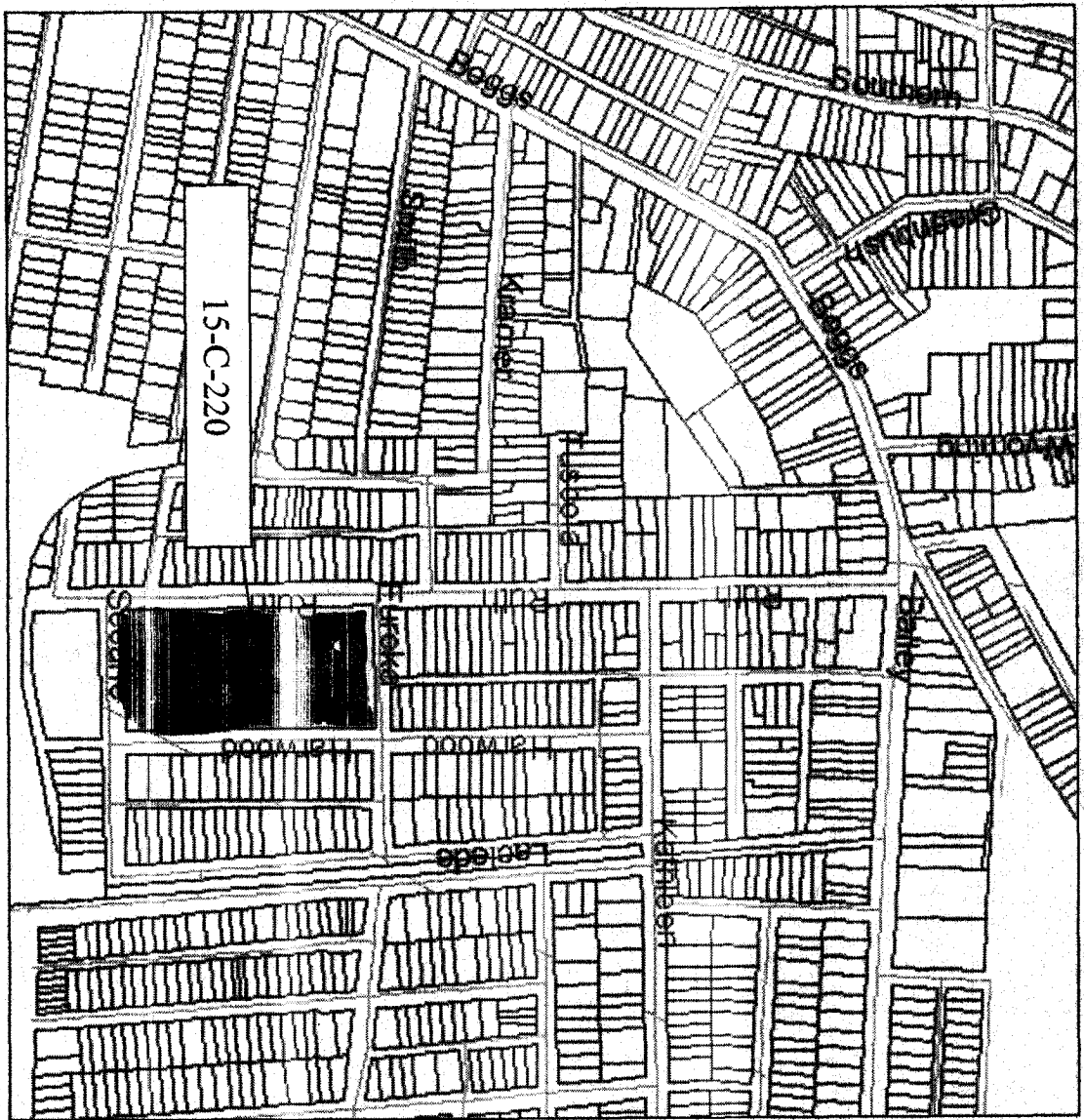
East Liberty - 7th Ward



Hazelwood - 15th Ward




Mount Washington - 18th Ward



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

**TO:** John Mascio  
Chief Clerk

**FROM:** James M. Flynn, Jr.   
County Manager

**DATE:** April 1, 2004

**RE:** Proposed Resolution—Keystone Opportunity Zone (Recertification)

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Attached is a Proposed Resolution recertifying certain parcels under a new Keystone Opportunity Zone (KOZ) program.

This legislation was requested by the City of Pittsburgh Urban Redevelopment Authority.

A companion resolution will decertify the same parcels of land under the original KOZ program.

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.