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ORDINANCE NO. 2019-3

AN ORDINANCE OF THE TOWNSHIP OF CONEWANGO, PENNSYLVANIA, ENTITLED THE “TOWNSHIP OF CONEWANGO TAX RELIEF AND REDEVELOPMENT ACT”; GRANTING REAL ESTATE TAX RELIEF FOR PROPERTIES IN DETERIORATED AREAS/NEIGHBORHOODS PURSUANT TO 72 P.S. § 4711-01, ET SEQ. AND 72 P.S. § 4722. ET SEQ., AND ITS VARIOUS AMENDMENTS, AND PROVIDING FOR REAL ESTATE TAX ABATEMENT FOR COMMERCIAL, BUSINESS AND INDUSTRIAL PROPERTIES AND FOR REAL ESTATE TAX ABATEMENT FOR RESIDENTIAL CONSTRUCTION AND IMPROVEMENTS WITHIN CONEWANGO TOWNSHIP

WHEREAS, the Commonwealth of Pennsylvania adopted an Act known as the “Improvement of Deteriorating Real Property or Areas Tax Exemption Act”, 72 P.S. § 4711-01, *et seq.*, as amended, authorizing local taxing authorities to exempt the increased assessed valuation of the actual cost of new construction or improvements for deteriorated residential property and deteriorated areas for a term not to exceed ten years; and

WHEREAS, the Commonwealth of Pennsylvania adopted an Act known as the “Local Economic Revitalization Tax Assistance Act,” 72 P.S. § 4722, *et seq.*, as amended, authorizing local taxing authorities to exempt the increased assessed valuation of the actual cost of improvements to certain deteriorated industrial, commercial, and other business property, and new construction of industrial, commercial, and other business property in deteriorated areas of economically depressed communities, not to exceed ten years; and

WHEREAS, the Board of Township Supervisors of the Township of Conewango finds that the creation of certain tax exemptions authorized by the Improvement of Deteriorating Real Property or Areas Tax Exemption Act and the Local Economic Revitalization Tax Assistance Act, will have a positive impact upon the development and redevelopment within the Township of Conewango; and

WHEREAS, the Board of Township Supervisors of the Township of Conewango, after a public hearing held on Thursday, October 3, 2019 for the purpose of affixing boundaries of deteriorated areas located within the Township has determined that that the entire area within the jurisdiction of Township of Conewango, Warren County, Pennsylvania, is determined to be deteriorated as described in 72 P.S. §4725 and 72 P.S. §4711-202; and

WHEREAS, the Board of Township Supervisors of the Township of Conewango declares that it is in the best interest of the Township to adopt a Tax Abatement Ordinance providing for certain tax exemptions for the construction and or improvements of deteriorated residential, industrial, commercial, and other business properties within the jurisdiction of the Investment Opportunity Area outlined herein.

NOW, THEREFORE, IT IS HEREBY ENACTED AND ORDAINED by the Board of Township Supervisors of the Township of Conewango of the County of Warren, Pennsylvania, the following:

49 **SECTION ONE. TITLE**

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51 This Ordinance shall be known as the “Township of Conewango Tax Relief and Redevelopment Act.”

52

53 **SECTION TWO. DEFINITIONS**

54

55 (a) “Township” means the Township of Conewango, Warren County, Pennsylvania.

56

57 (b) “Deteriorated Property Non-Residential” means any industrial, commercial, or other business
58 property owned by an individual, association or corporation, and located in an Investment
59 Opportunity Area, or any such property within the Investment Opportunity Area which has
60 been the subject of an order by a government agency requiring the unit to be vacated,
61 condemned, or demolished by reason of noncompliance with laws, ordinances, or regulations.

62

63 (c) “Deteriorated Property Residential” means a Dwelling Unit located in an Investment
64 Opportunity Area, as herein after defined, or a Dwelling Unit which has been or upon request
65 is certified by a health, housing, or building inspection agency as unfit for human habitation
66 for rent withholding, or other health or welfare purposes, or has been the subject of an order
67 by such an agency requiring the unit to be vacated, condemned, or demolished by reason of
68 noncompliance with laws, ordinances, and regulations.

69

70 (d) “Dwelling Unit” means a house, double house, or duplex, townhouse, or row house,
71 apartment, condominium, or any building designed or used as a permanent or temporary
72 living quarters for human habitation by an individual, a family, or families, or other persons
73 which contain a kitchen or cooking equipment for the exclusive use of the occupant or
74 occupants, and may contain a residential garage if included as an integral part of the same
75 building.

76

77 (e) “Investment Opportunity Area” means all that area within the boundaries of the Township of
78 Conewango, Pennsylvania which have been found after public hearing and notice to be
79 “deteriorated areas” or “deteriorated neighborhoods” for the purposes of the “Improvement of
80 Deteriorating Real Property or Areas Tax Exemption Act”, 72 P.S. § 4711-01, *et seq.* and the
81 “Local Economic Revitalization Tax Assistance Act,” 72 P.S. § 4722, *et seq.*

82

83 (f) “Improvement” means repair, construction or reconstruction, including alterations and
84 additions, having the effect of rehabilitating a deteriorated property so that it becomes
85 habitable or attains higher standards of safety, health, economic use or amenity, or is brought
86 into compliance with laws, ordinances or regulations governing such standards. Ordinary
87 upkeep and maintenance shall not be deemed an improvement.

88

89 (g) “Non-Residential Construction” means the building or erection of structures other than
90 Dwelling Units upon vacant land or land specifically prepared to receive such structures.

91

92 (h) “Real Property Tax or Taxation” means the taxes on real property levied in the Investment
93 Opportunity Area by the Township of Conewango, Pennsylvania.

94

95 (i) “Residential Construction” means the building or erection of Dwelling Units upon vacant
96 land or land specifically prepared to receive such structures.

97

98

99

100 **SECTION THREE. EXEMPTION**

- 101
102 (a) There is hereby exempted from real property taxation the increased assessed valuation of the
103 actual cost of New Construction or Improvements, the increase of which is directly
104 attributable to:
105
106 1. Improvements to Deteriorated Property Residential;
107
108 2. Improvements to Deteriorated Property Non-Residential;
109
110 3. New Residential Construction;
111
112 4. New Non-Residential Construction.
113
114 (b) The exemption authorized by subsection (a)(1), (a)(2), (a)(3), and (a)(4) of this section three
115 shall be in the amounts, and in accordance with, the provisions and limitations herein
116 provided.
117

118 **SECTION FOUR: EXEMPTION LIMITATIONS**

- 119
120 (a) The exemption from real property taxation under this Ordinance shall be limited to that
121 portion of the increased assessment directly attributed to the actual cost of eligible New
122 Construction or Improvements provided herein.
123
124 (b) The date of Improvement shall be for Residential Construction, the date of issuance of the
125 building permit, improvement record, or other required notification of construction, and for
126 Nonresidential Construction, from the completion of the Improvement or New Construction.
127
128 (c) In all cases the exemption from taxes shall be limited to that portion of the additional
129 assessment attributable to the actual cost of the Improvement or New Construction, as the
130 case may be, and for which a separate assessment has been made by the County Board of
131 Assessment Appeals and for which an exemption has been separately requested. No tax
132 exemption shall be granted if the property owner does not secure the necessary and proper
133 permits prior to making an Improvement of, or new Construction on, the property. No tax
134 exemption shall be granted if the property, as completed, does not comply with the minimum
135 standards of the applicable regulations and codes as adopted by the Pennsylvania Uniform
136 Construction Code Act, 35 P.S. §§7210.1010 *et seq.*, as amended.
137
138 (d) In any case, after the effective date of this Ordinance, where Deteriorated Property Non-
139 Residential or Deteriorated Property Residential is damaged, destroyed, or demolished by any
140 cause or for any reason, and the assessed valuation of the property affected has been reduced
141 as a result of said damage, destruction, or demolition, the exemption from real property
142 taxation authorized by the Ordinance shall be limited to that portion of new assessment
143 attributable to the actual cost of Improvement or Construction that is in excess of the original
144 assessment that existed prior to the damage, destruction or demolition of the property.
145
146

147 **SECTION FIVE. EXEMPTION SCHEDULE.**

- 148
149 (c) The Real Property Tax exemption for Improvements to Deteriorated Property Residential
150 located within the jurisdiction of the Investment Opportunity Area shall be in accordance
151 with the following schedule:

152

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
154 1 st Year	100%
155 2 nd Year	100%
156 3 rd Year	100%
157 4 th Year	100%
158 5 th Year	100%

159 After the 5th Year the exemption shall terminate.

- 160
161 (d) The Real Property Tax exemption for Improvements to Deteriorated Property Non-
162 Residential located within the jurisdiction of the Investment Opportunity Area shall be in
163 accordance with the following schedule:

164

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
166 1 st Year	100%
167 2 nd Year	100%

168 After the 2nd Year the exemption shall terminate.

- 169
170 (e) The Real Property Tax exemption for New Construction Residential, located within the
171 jurisdiction of the Investment Opportunity Area shall be in accordance with the following
172 schedule:

173

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
175 1 st Year	100%
176 2 nd Year	100%

177 After the 2nd Year the exemption shall terminate.

178
179
180 **SECTION SIX. DETERIORATED AREA BOUNDARY DESCRIPTION**

181
182 The areas wherein Real Property Tax Abatement is available is for improvements to Deteriorated
183 Property Residential and Deteriorated Property Non-Residential and for New Residential Construction
184 and New Non-Residential Construction shall consist of the entire area within the jurisdiction of
185 Conewango Township.

186
187 **SECTION SEVEN. SUNSET PROVISIONS**

188
189 This Ordinance shall expire on December 31, 2029, unless extended by ordinance duly adopted, except
190 that it shall survive to the extent necessary to preserve or enforce the rights of any applicant, property
191 owner, or local taxing authority as herein passed or amended. Any applicant for tax abatement must have
192 a building permit to be eligible for tax abatement treatment hereunder, with that permit having been
193 issued on, or before, the 31st day of December 2029.

197 **SECTION EIGHT. MISCELLANEOUS PROVISIONS**

- 198
- 199 (a) The exemption from Real Property Taxes granted under this Ordinance shall be upon the
- 200 property exempted and shall not terminate upon the sale or exchange of the property.
- 201
- 202 (b) The exemption from Real Property Taxes hereunder shall be forfeited by the applicant and/or
- 203 the subsequent owner of the real estate for failure to pay nonexempt real estate taxes by their
- 204 due date, i.e. the last date upon which taxes may be paid without penalty. Upon receipt of
- 205 notice of nonpayment of nonexempt real estate taxes, the County's Administration shall
- 206 direct the County Assessment Officer to discontinue the exemption provided for hereunder.
- 207
- 208 (c) If an eligible property is granted tax exemption pursuant to this Ordinance, the Improvement
- 209 shall not, during the exemption period, be considered as a factor in assessing other properties.
- 210

211 **SECTION NINE. PROCEDURE FOR OBTAINING EXEMPTION**

- 212
- 213 (a) Any person desiring tax exemption pursuant to this Ordinance should apply to the appropriate
- 214 municipality within the Investment Opportunity Area at the time that a building permit is
- 215 secured for construction of the Improvement or New Construction, as the case may be, or at
- 216 the time of the commencement of construction if no building permit or other notification of
- 217 Improvement or New Construction is required. The application must be in writing upon
- 218 forms specified by the proper municipality in the Investment Opportunity Area setting forth
- 219 the following information:
- 220
- 221 1. The date the Building Permit was issued for said Improvement or new
 - 222 construction;
 - 223
 - 224 2. The location of the property to be Improved or Constructed;
 - 225
 - 226 3. The type of Improvement or Construction (commercial, mixed use, or
 - 227 residential);
 - 228
 - 229 4. The summary of the plan of Improvement or Construction;
 - 230
 - 231 5. The estimated cost of the Improvement or Construction;
 - 232
 - 233 6. Whether the property has been condemned by any governmental body for non-
 - 234 compliance with laws or ordinances;
 - 235
 - 236 7. Verification that the property has received a proper Zoning Permit;
 - 237
 - 238 8. Such additional information as the municipality may require.
 - 239
- 240 (b) There shall be on the application form for a building permit a notice from the relevant
- 241 municipality informing the requestor of the permit of the availability of tax abatement
- 242 pursuant to this ordinance and the accompanying ordinances by the other taxing bodies.
- 243
- 244 (c) A copy of the exemption request shall be forwarded to the County Board of Assessment
- 245 Appeals by the municipal Secretary. The Board shall determine whether the exemption shall
- 246 be granted and shall, upon completion of the Improvement or New Construction, and
- 247 notification from the municipality's designated Building Code Official that the Improvement

248 or new construction complies with all applicable Building Codes, assess separately the
249 Improvement or New Construction and calculate the amounts of the assessment eligible for
250 tax exemption in accordance with the limits established by this Ordinance and notify the
251 taxpayer and the local taxing authorities of the reassessment and amounts of the assessment
252 eligible for exemption, which exemption will commence in the following tax year. In the case
253 of New Residential Construction, the Board shall assess separately the Dwelling Unit and the
254 land upon which the New Residential Construction stands and shall otherwise perform its
255 duties as above provided for construction or Improvement to residential, mixed use, and
256 commercial properties.

- 257
258 (d) It shall be the applicant's responsibility to report on the completion of the project through
259 written notification to the County Assessment Department by physical or electronic mail. If
260 the applicant does not notify the Assessment Office within 60 days of the completion of the
261 project, the tax exemption application shall be considered void and the property may be
262 subject to reassessment. The section does not alter or negate any requirement to notify a
263 municipality of the completion of construction pursuant to any other ordinance relating to
264 building construction.

265
266 A project will be completed when an Occupancy Permit is issued by the proper municipal
267 authority, or construction is completed, or any new structure outlined in the original
268 application is being utilized for either residential or commercial purposes.

- 269
270 (e) The subsequent amendment of this Ordinance, if any, shall not apply to the schedule of taxes
271 exempted to any Improvement or New Construction of any Residential or Non-Residential
272 properties, or to any request initiated prior to the adoption of said amendment.

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274 **SECTION ELEVEN. EFFECTIVE DATE**

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276 The effective date of this Ordinance shall be five days from the date of final passage of related
277 Ordinances or Resolutions by the Warren County School District.

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279 **SECTION TWELVE. REPEALER**

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281 All ordinances or parts thereof conflicting herewith, are hereby repealed.

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ORDAINED and ENACTED this 28th day of October, 2019.

TOWNSHIP OF CONEWANGO

ATTEST:

Secretary

Chairperson/Supervisor

Supervisor

Supervisor