

**ORDINANCE NO. 2-2019-1**

**AN ORDINANCE OF THE COUNTY OF WARREN, PENNSYLVANIA, ENTITLED THE “WARREN COUNTY 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 WARREN COUNTY**

**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 Warren County Board of Commissioners 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 County of Warren, Pennsylvania; and

**WHEREAS**, the Warren County Board of Commissioners, after a public hearing held on Wednesday, December 13, 2023 to affix boundaries of deteriorated areas located within the County, has determined that all areas designated as deteriorated areas by any municipality located in Warren County shall also be designated as deteriorated areas by Warren County as described in 72 P.S. §4725 and 72 P.S. §4711-202; and

**WHEREAS**, the Warren County Board of Commissioners declares that it is in the best interest of the County 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 Commissioners of Warren County, Pennsylvania, the following:

## **SECTION ONE. TITLE**

This Ordinance shall be known as the “Warren County Tax Relief and Redevelopment Act.”

## **SECTION TWO. DEFINITIONS**

- (a) “County” means Warren County, Pennsylvania.
- (b) “Deteriorated Property Non-Residential” means any industrial, commercial, or other business property owned by an individual, association or corporation, and located in an Investment Opportunity Area, or any such property within the Investment Opportunity Area which has been the subject of an order by a government agency requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances, or regulations.
- (c) “Deteriorated Property Residential” means a Dwelling Unit located in an Investment Opportunity Area, as herein after defined, or a Dwelling Unit which has been or upon request is certified by a health, housing, or building inspection agency as unfit for human habitation for rent withholding, or other health or welfare purposes, or has been the subject of an order by such an agency requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances, and regulations.
- (d) “Dwelling Unit” means a house, double house, or duplex, townhouse, or row house, apartment, condominium, or any building designed or used as a permanent or temporary living quarters for human habitation by an individual, a family, or families, or other persons which contain a kitchen or cooking equipment for the exclusive use of the occupant or occupants, and may contain a residential garage if included as an integral part of the same building.
- (e) “Investment Opportunity Area” means all that area within the boundaries as designated by a municipality in Warren County which have been found after public hearing and notice to be “deteriorated areas” or “deteriorated neighborhoods” for the purposes of the “Improvement of Deteriorating Real Property or Areas Tax Exemption Act”, 72 P.S. § 4711-01, *et seq.* and the “Local Economic Revitalization Tax Assistance Act,” 72 P.S. § 4722, *et seq.*
- (f) “Improvement” means 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.
- (g) “Non-Residential Construction” means the building or erection of structures other than Dwelling Units upon vacant land or land specifically prepared to receive such structures.
- (h) “Real Property Tax or Taxation” means the taxes on real property levied in the Investment Opportunity Area by the County of Warren.
- (i) “Residential Construction” means the building or erection of Dwelling Units upon vacant land or land specifically prepared to receive such structures.

## **SECTION THREE. EXEMPTION**

- (a) There is hereby exempted from real property taxation the increased assessed valuation of the actual cost of New Construction or Improvements, the increase of which is directly attributable to:
  - 1. Improvements to Deteriorated Property Residential;
  - 2. Improvements to Deteriorated Property Non-Residential;
  - 3. New Residential Construction;

4. New Non-Residential Construction.

- (b) The exemption authorized by subsection (a)(1), (a)(2), (a)(3), and (a)(4) of this section three shall be in the amounts, and in accordance with, the provisions and limitations herein provided.

**SECTION FOUR: EXEMPTION LIMITATIONS**

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

**SECTION FIVE. EXEMPTION SCHEDULE.**

Section Five (a) and Section Five (b) represent the limits of the exemption schedules for qualifying improvements and new construction in a Deteriorated Area with the following schedules. In each municipality that passes a tax abatement ordinance in conjunction with this act, the County will match the municipality’s ordinance up to the limits set forth below, which may be less but must not exceed the schedules below.

- (a) The Real Property Tax Exemption for Improvements to Deteriorated Property Residential and Deteriorated Property Non-Residential located within the jurisdiction of the Investment Opportunity Area shall not exceed the following schedule:

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 <sup>st</sup> Year	100%
2 <sup>nd</sup> Year	100%
3 <sup>rd</sup> Year	100%
4 <sup>th</sup> Year	100%
5 <sup>th</sup> Year	100%

After the 5<sup>th</sup> Year the exemption shall terminate.

- (b) The Real Property Tax exemption for New Construction Non-Residential and New Construction Residential, located within the jurisdiction of the Investment Opportunity Area shall not exceed the following schedule:

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 <sup>st</sup> Year	100%
2 <sup>nd</sup> Year	100%
3 <sup>rd</sup> Year	100%
4 <sup>th</sup> Year	100%
5 <sup>th</sup> Year	100%

After the 5<sup>th</sup> Year the exemption shall terminate.

**SECTION SIX. DETERIORATED AREA BOUNDARY DESCRIPTION**

The areas wherein Real Property Tax Abatement is available are for improvements to Deteriorated Property Residential and Deteriorated Property Non-Residential and for New Residential Construction and New Non-Residential Construction shall consist of any area that, after the required public hearing, is designated as a Deteriorated Area by any municipality located in Warren County according to the “Improvement of Deteriorating Real Property or Areas Tax Exemption Act”, 72 P.S. § 4711-01, *et seq.* and the “Local Economic Revitalization Tax Assistance Act,” 72 P.S. § 4722, *et seq.*

**SECTION SEVEN. SUNSET PROVISIONS**

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

**SECTION EIGHT. MISCELLANEOUS PROVISIONS**

- (a) The exemption from Real Property Taxes granted under this Ordinance shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.
- (b) The exemption from Real Property Taxes hereunder shall be forfeited by the applicant and/or the subsequent owner of the real estate for failure to pay nonexempt real estate taxes by their due date, i.e. the last date upon which taxes may be paid without penalty. Upon receipt of notice of nonpayment of

nonexempt real estate taxes, the County's Administration shall direct the County Assessment Officer to discontinue the exemption provided for hereunder.

- (c) If an eligible property is granted tax exemption pursuant to this Ordinance, the Improvement shall not, during the exemption period, be considered as a factor in assessing other properties.

**SECTION NINE. PROCEDURE FOR OBTAINING EXEMPTION**

- (a) Any person desiring tax exemption pursuant to this Ordinance should apply to the appropriate municipality within the Investment Opportunity Area at the time that a building permit is secured for construction of the Improvement or New Construction, as the case may be, or at the time of the commencement of construction if no building permit or other notification of Improvement or New Construction is required. The application must be in writing upon forms specified by the County Assessment Department setting forth the following information:
  - 1. The date the Building Permit or "Letter of Intent" was issued for said Improvement or new construction;
  - 2. The location of the property to be Improved or Constructed;
  - 3. The type of Improvement or Construction (commercial, mixed use, or residential);
  - 4. The summary of the plan of Improvement or Construction;
  - 5. The estimated cost of the Improvement or Construction;
  - 6. Whether the property has been condemned by any governmental body for non-compliance with laws or ordinances;
  - 7. Verification that the property has received a proper Zoning Permit (if required);
  - 8. Such additional information as the municipality may require.
- (b) There shall be on the application form for a building permit a notice from the relevant municipality informing the requestor of the permit of the availability of tax abatement pursuant to this ordinance and the accompanying ordinances by the other taxing bodies.
- (c) A copy of the exemption request shall be forwarded to the County Board of Assessment Appeals by the municipal Secretary or administrator. The Board shall determine whether the exemption shall be granted and shall, upon completion of the Improvement or New Construction, and notification from the Borough or Township's designated Building Code Official that the Improvement or new construction complies with all applicable Building Codes, assess separately the Improvement or New Construction and calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance and notify the taxpayer and the local taxing authorities of the reassessment and amounts of the assessment eligible for exemption, which exemption will commence in the following tax year. In the case of New Residential Construction, the Board shall assess separately the Dwelling Unit and the land upon which the New Residential Construction stands and shall otherwise perform its duties as above provided for construction or Improvement to residential, mixed use, and commercial properties.
- (d) It shall be the applicant's responsibility to report on the completion of the project through written notification to the County Assessment Department by physical or electronic mail. If the applicant does not notify the Assessment Office within 60 days of the completion of the project, the tax exemption application shall be considered void and the property may be subject to reassessment. The section does not alter or negate any requirement to notify a municipality of the completion of construction pursuant to any other ordinance relating to building construction.

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

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

**SECTION ELEVEN. EFFECTIVE DATE**

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

**SECTION TWELVE. REPEALER**

All ordinances or parts thereof conflicting herewith are hereby repealed. County of Warren Ordinance No. 1-2004 is specifically repealed, and the County of Warren Ordinance No. 2-2019 should be considered updated and replaced by this ordinance.

ORDAINED and ENACTED this 13th day of December 2023.

COMMISSIONERS OF WARREN COUNTY



Tricia D. Durbin  
Chair

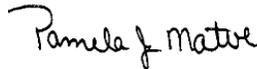


Benjamin Kafferlin  
Vice Chair



Jeff Eggleston  
Commissioner

Attest:



Pamela J. Matve  
Chief Clerk

