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ORDINANCE NO. 81219

**AN ORDINANCE OF THE TOWNSHIP OF CHERRY GROVE,
PENNSYLVANIA, ENTITLED THE “TOWNSHIP OF CHERRY
GROVE 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 CHERRY GROVE 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 Cherry Grove 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 Cherry Grove; and

WHEREAS, the Board of Township Supervisors of the Township of Cherry Grove, 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 Cherry Grove, 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 Cherry Grove 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 Cherry Grove of the County of Warren, Pennsylvania, the following:

49 **SECTION ONE. TITLE**

50

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

52

53 **SECTION TWO. DEFINITIONS**

54

55 (a) “Township” means the Township of Cherry Grove, 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 Cherry Grove, 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 Cherry Grove, 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 (a) The Real Property Tax exemption for Improvements to Deteriorated Property Residential and
150 Deteriorated Property Non-Residential located within the jurisdiction of the Investment
151 Opportunity Area shall be in accordance with the following schedule:

152
153

<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 (b) The Real Property Tax exemption for New Construction Non-Residential and New
162 Construction Residential, located within the jurisdiction of the Investment Opportunity Area
163 shall be in accordance with the following schedule:

164
165

<u>Year of Abatement</u>	<u>Exemption Percentage</u>
166 1 st Year	100%
167 2 nd Year	100%
168 3 rd Year	100%
169 4 th Year	100%
170 5 th Year	100%

171 After the 5th Year the exemption shall terminate.

172
173
174 **SECTION SIX. DETERIORATED AREA BOUNDARY DESCRIPTION**

175
176 The areas wherein Real Property Tax Abatement is available is for improvements to Deteriorated
177 Property Residential and Deteriorated Property Non-Residential and for New Residential Construction
178 and New Non-Residential Construction shall consist of the entire area within the jurisdiction of Cherry
179 Grove Township.

180
181 **SECTION SEVEN. SUNSET PROVISIONS**

182
183 This Ordinance shall expire on December 31, 2029, unless extended by ordinance duly adopted, except
184 that it shall survive to the extent necessary to preserve or enforce the rights of any applicant, property
185 owner, or local taxing authority as herein passed or amended. Any applicant for tax abatement must have
186 a building permit to be eligible for tax abatement treatment hereunder, with that permit having been
187 issued on, or before, the 31st day of December 2029.

188
189 **SECTION EIGHT. MISCELLANEOUS PROVISIONS**

- 190
191 (a) The exemption from Real Property Taxes granted under this Ordinance shall be upon the
192 property exempted and shall not terminate upon the sale or exchange of the property.
193
194 (b) The exemption from Real Property Taxes hereunder shall be forfeited by the applicant and/or
195 the subsequent owner of the real estate for failure to pay nonexempt real estate taxes by their
196 due date, i.e. the last date upon which taxes may be paid without penalty. Upon receipt of

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

- 199
200 (c) If an eligible property is granted tax exemption pursuant to this Ordinance, the Improvement
201 shall not, during the exemption period, be considered as a factor in assessing other properties.
202

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

- 204
205 (a) Any person desiring tax exemption pursuant to this Ordinance should apply to the appropriate
206 municipality within the Investment Opportunity Area at the time that a building permit is
207 secured for construction of the Improvement or New Construction, as the case may be, or at
208 the time of the commencement of construction if no building permit or other notification of
209 Improvement or New Construction is required. The application must be in writing upon
210 forms specified by the proper municipality in the Investment Opportunity Area setting forth
211 the following information:

- 212
213 1. The date the Building Permit was issued for said Improvement or new
214 construction;
215
216 2. The location of the property to be Improved or Constructed;
217
218 3. The type of Improvement or Construction (commercial, mixed use, or
219 residential);
220
221 4. The summary of the plan of Improvement or Construction;
222
223 5. The estimated cost of the Improvement or Construction;
224
225 6. Whether the property has been condemned by any governmental body for non-
226 compliance with laws or ordinances;
227
228 7. Verification that the property has received a proper Zoning Permit;
229
230 8. Such additional information as the municipality may require.
231

- 232 (b) There shall be on the application form for a building permit a notice from the relevant
233 municipality informing the requestor of the permit of the availability of tax abatement
234 pursuant to this ordinance and the accompanying ordinances by the other taxing bodies.
235

- 236 (c) A copy of the exemption request shall be forwarded to the County Board of Assessment
237 Appeals by the municipal Secretary. The Board shall determine whether the exemption shall
238 be granted and shall, upon completion of the Improvement or New Construction, and
239 notification from the municipality's designated Building Code Official that the Improvement
240 or new construction complies with all applicable Building Codes, assess separately the
241 Improvement or New Construction and calculate the amounts of the assessment eligible for
242 tax exemption in accordance with the limits established by this Ordinance and notify the
243 taxpayer and the local taxing authorities of the reassessment and amounts of the assessment
244 eligible for exemption, which exemption will commence in the following tax year. In the case
245 of New Residential Construction, the Board shall assess separately the Dwelling Unit and the
246 land upon which the New Residential Construction stands and shall otherwise perform its

247 duties as above provided for construction or Improvement to residential, mixed use, and
248 commercial properties.

249
250 (d) It shall be the applicant’s responsibility to report on the completion of the project through
251 written notification to the County Assessment Department by physical or electronic mail. If
252 the applicant does not notify the Assessment Office within 60 days of the completion of the
253 project, the tax exemption application shall be considered void and the property may be
254 subject to reassessment. The section does not alter or negate any requirement to notify a
255 municipality of the completion of construction pursuant to any other ordinance relating to
256 building construction.

257
258 A project will be completed when an Occupancy Permit is issued by the proper municipal
259 authority, or construction is completed, or any new structure outlined in the original
260 application is being utilized for either residential or commercial purposes.

261
262 (e) The subsequent amendment of this Ordinance, if any, shall not apply to the schedule of taxes
263 exempted to any Improvement or New Construction of any Residential or Non-Residential
264 properties, or to any request initiated prior to the adoption of said amendment.

265
266 **SECTION ELEVEN. EFFECTIVE DATE**

267
268 The effective date of this Ordinance shall be five days from the date of final passage of related
269 Ordinances or Resolutions by the Warren County School District.

270
271 **SECTION TWELVE. REPEALER**

272
273 All ordinances or parts thereof conflicting herewith, are hereby repealed.

274
275
276 ORDAINED and ENACTED this 14th day of October, 2019.

277 TOWNSHIP OF CHERRY GROVE

278
279 ATTEST:

280
281 _____
282 Secretary

280
281 _____
282 Chairperson/Supervisor

283
284 _____
285 Supervisor

286
287 _____
288 Supervisor