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ORDINANCE NO. 8-14-19

AN ORDINANCE OF THE TOWNSHIP OF PINE GROVE, WARREN COUNTY PENNSYLVANIA, ENTITLED THE "TOWNSHIP" OF PINE 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 PINE 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 on deteriorated residential property from 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 new construction in deteriorated areas of economically depressed communities and improvements to certain deteriorated industrial, commercial, and other business property, not to exceed ten years; and

WHEREAS, the Supervisors of the Township of Pine 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 Pine Grove; and

WHEREAS, the Supervisors of the Township of Pine Grove, after a public hearing held on Wednesday, August 14, 2019 for the purpose of affixing boundaries of deteriorated areas located within the Township has determined that the entire area within the jurisdiction of Township of Pine Grove in, Warren County, Pennsylvania, is determined to be deteriorated as determined by 72 P.S. §4725 and 72 P.S. §4711-202; and

WHEREAS, the Supervisors of the Township of Pine Grove declares that it is in the best interest of the Borough 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 Township of Pine Grove, Warren County, Pennsylvania.

45 **NOW, THEREFORE, IT IS HEREBY ENACTED AND ORDAINED** by the Supervisors of
46 the Township of Pine Grove of the County of Warren, the following:

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48 **SECTION ONE. TITLE**

49
50 This Ordinance shall be known as the “Township of Pine Grove Tax Relief and Redevelopment Act.”

51
52 **SECTION TWO. DEFINITIONS**

- 53
54 (a) “Township” means the Township of Pine Grove, Warren County, Pennsylvania.
- 55
56 (b) “Deteriorated Property Non-Residential” means any industrial, commercial, or other business
57 property owned by an individual, association or corporation, and located within the
58 Township, or any such property which has been the subject of an order by a government
59 agency requiring the unit to be vacated, condemned, or demolished by reason of
60 noncompliance with laws, ordinances, or regulations.
- 61
62 (c) “Deteriorated Property Residential” means a Dwelling Unit located within the Township, as
63 herein after defined, or a Dwelling Unit which as been or upon request is certified by a health,
64 housing, or building inspection agency as unfit for human habitation for rent withholding, or
65 other health or welfare purposes, or has been the subject of an order by such an agency
66 requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with
67 laws, ordinances, and regulations.
- 68
69 (d) “Dwelling Unit” means a house, double house, or duplex, townhouse, or row house,
70 apartment, condominium, or any building designed or used as a permanent or temporary
71 living quarters for human habitation by an individual, a family, or families, or other persons
72 which contain a kitchen or cooking equipment for the exclusive use of the occupant or
73 occupants, and may contain a residential garage if included as an integral part of the same
74 building.
- 75
76 (e) “Improvement” means repair, construction, or reconstruction, including alterations and
77 additions, having the effect of rehabilitation on a deteriorated property, either commercial,
78 business, industrial, or residential so that its assessed value increases more than the amounts
79 established within this Ordinance , and one of the following: it becomes habitable or attains
80 higher standards of safety, health, economic use or amenity; or it is brought into compliance
81 with laws, ordinances, or regulations governing such standards. Ordinary upkeep and
82 maintenance shall not be deemed an Improvement.
- 83
84 (f) “Non-Residential Construction” means the building or erection of structures other than
85 Dwelling Units upon vacant land or land specifically prepared to receive such structures.
- 86
87 (g) “Real Property Tax or Taxation” means the taxes on real property levied by the Township of
88 Pine Grove, the Warren County School District, and the County of Warren.
- 89
90 (h) “Residential Construction” means the building or erection of Dwelling Units upon vacant
91 land or land specifically prepared to receive such structures.
- 92

93 **SECTION THREE. EXEMPTION**

94
95 (a) There is hereby exempted from real property taxation the increased assessed valuation of the
96 actual cost of New Construction or Improvements, the increase of which is directly
97 attributable to:

- 98
99 1. Improvements to Deteriorated Property Residential;
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101 2. Improvements to Deteriorated Property Non-Residential;
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103 3. New Residential Construction;
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105 4. New Non-Residential Construction.
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107 (b) The exemption authorized by subsection (a)(1), (a)(2), (a)(3), and (a)(4) of this section three
108 shall be in the amounts, and in accordance with, the provisions and limitations herein
109 provided.
110

111 **SECTION FOUR. EXEMPTION LIMITATIONS**

112
113 (a) The exemption from real property taxation under this Ordinance shall be limited to that
114 portion of the increased assessment directly attributed to the actual cost of eligible New
115 Construction or Improvements provided herein.
116

117 (b) The date of Improvement shall be the date of issuance of the building permit, improvement
118 record, or other required notification of construction.
119

120 (c) In all cases the exemption from taxes shall be limited to that portion of the additional
121 assessment attributable to the actual cost of the Improvement or New Construction, as the
122 case may be, and for which a separate assessment has been made by the County Board of
123 Assessment Appeals and for which an exemption has been separately requested. No tax
124 exemption shall be granted if the property owner does not secure the necessary and proper
125 permits prior to making an Improvement of, or new Construction on, the property. No tax
126 exemption shall be granted if the property, as completed does not comply with the minimum
127 standards of the applicable regulations and codes as adopted by the Pennsylvania Uniform
128 Construction Code Act, 35 P.S. §§7210.1010 *et seq.*, as amended.
129

130 (d) In any case, after the effective date of this Ordinance, where Deteriorated Property Non-
131 Residential or Deteriorated Property Residential is damaged, destroyed, or demolished by any
132 cause or for any reason, and the assessed valuation of the property affected has been reduced
133 as a result of said damage, destruction, or demolition, the exemption from real property
134 taxation authorized by the Ordinance shall be limited to that portion of new assessment
135 attributable to the actual cost of Improvement or Construction that is in excess of the original
136 assessment that existed prior to the damage, destruction or demolition of the property.
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138 **SECTION FIVE. EXEMPTION SCHEDULE.**

139
140 (a) The Real Property Tax exemption for Improvements to Deteriorated Property Residential and
141 Deteriorated Property Non-Residential located within the jurisdiction of the Township shall
142 be in accordance with the following schedule:

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<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 st Year	100%
2 nd Year	100%
3 rd Year	100%
4 th Year	100%
5 th Year	100%
6 st Year	80%
7 nd Year	65%
8 rd Year	50%
9 th Year	35%
10 th Year	20%

After the 10th Year the exemption shall terminate.

157 (b) The Real Property Tax exemption for New Construction Non-Residential and New
158 Construction Residential, located within the jurisdiction of the Township shall be in accordance
159 with the following schedule:
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<u>Year of Abatement</u>	<u>Exemption Percentage</u>
1 st Year	100%
2 nd Year	100%
3 rd Year	100%
4 th Year	100%
5 th Year	100%
6 st Year	80%
7 nd Year	65%
8 rd Year	50%
9 th Year	35%
10 th Year	20%

After the 10th Year the exemption shall terminate.

174 **SECTION SIX. DETERIORATED AREA BOUNDARY DESCRIPTION**
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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 the
179 Township.

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181 **SECTION SEVEN. SUNSET PROVISIONS**
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183 The provisions of this Ordinance shall expire on December 31, 2028, unless extended by
184 ordinance duly adopted. Any applicant for tax abatement must have a building permit to be eligible for
185 tax abatement treatment hereunder, with that permit having been issued on, or before, the 31st day of
186 December, 2028.

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188 **SECTION EIGHT. MISCELLANEOUS PROVISIONS**
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190 (a) The exemption from Real Property Taxes granted under this Ordinance shall be upon the
191 property exempted and shall not terminate upon the sale or exchange of the property.

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- (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 Township'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.

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

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- (a) Any person desiring tax exemption pursuant to this Ordinance should apply to the Township of Pine Grove 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 Township setting forth the following information:
 1. The date the Building Permit 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;
 8. Such additional information as the Township may require.
 - (b) There shall be on the application form for a building permit the following notice:

“Notice to Taxpayer.” By Ordinance No. ____ of 20 __, you may be entitled to exemption from tax on your contemplated improvement or new construction by reassessment. An application for exemption may be secured from the Township Secretary of the Township of Pine Grove and must be filed at the time the building permit is secured.”
 - (c) A copy of the exemption request shall be forwarded to the County Board of Assessment Appeals by the Township Secretary. 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'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

243 exemption in accordance with the limits established by this Ordinance and notify the taxpayer
244 and the local taxing authorities of the reassessment and amounts of the assessment eligible for
245 exemption. In the case of New Residential Construction, the Board shall assess separately the
246 Dwelling Unit and the land upon which the New Residential Construction stands and shall
247 otherwise perform its duties as above provided for construction or Improvement to
248 residential, mixed use, and commercial properties.
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- 250 (d) The cost of Improvement or new construction of Non-Residential Properties or costs of
251 Improvement or New Construction of Residential Properties, as the case may be, to be
252 exempted and the schedule of taxes exempted existing at the time of the initial request for tax
253 exemption shall be applicable to that exemption request, and the subsequent amendment to
254 this Ordinance, of any, shall not apply to request initiated prior to their adoption.
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256 **SECTION TEN. EXCLUDED PROPERTIES**

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258 This Ordinance and the exemptions granted herein shall not be available to properties which are,
259 according to the Township Supervisors, non-conforming uses.

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261 **SECTION ELEVEN. EFFECTIVE DATE**

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

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266 **SECTION TWELVE. REPEALER**

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268 All ordinances or parts thereof conflicting herewith, are hereby repealed.
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ORDAINED and ENACTED this 14th day of August, 2019.

TOWNSHIP OF PINE GROVE

ATTEST:

Julie Parmenter
Secretary

Charles R. Brown
Supervisor

Tyler Shuler
Supervisor

Chris Jones
Supervisor

I hereby certify that the above is a true copy of the Pine Grove Township Ordinance No. 8-14-19 adopted by the Supervisors of the Township of Pine Grove on 14th day of August, 2019, and advertised in the Times Observer on 31st day of July, 2019.

Julie Parmenter
Julie Parmenter, Township Secretary