

**BOROUGH OF WILMERDING
ORDINANCE NO. 1024**

AN ORDINANCE OF THE BOROUGH OF WILMERDING, ALLEGHENY COUNTY, PENNSYLVANIA, PROVIDING FOR TEMPORARY EXEMPTION FROM REAL PROPERTY TAXATION, FOR SPECIFIED TIME PERIODS FOR CERTAIN INCREASES IN ASSESSED VALUATION OF IMPROVEMENTS, INCLUDING REPAIRS, CONSTRUCTION OR RECONSTRUCTION, MADE ON INDUSTRIAL, COMMERCIAL OR BUSINESS PROPERTY IN A DETERIORATED AREA IN THE BOROUGH OF WILMERDING, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA; PRESCRIBING THE REQUIREMENTS FOR SECURING SUCH EXEMPTIONS AND THE PROCEDURES FOR IMPLEMENTING THIS ORDINANCE.

WHEREAS, the Local Economic Revitalization Tax Assistance Act, Pa. Stat. Ann. Tit. 72, §4722, *et seq.*, otherwise known as Act 76 of 1977, authorizes local taxing authorities to exempt from real estate taxation, for specified periods, improvements to certain deteriorated industrial, commercial and other business property; and

WHEREAS, the Borough Council of the Borough of Wilmerding finds that the implementation of a conditional program of temporary tax exemption from real estate taxation for improvements to certain deteriorated property located in the Borough of Wilmerding will contribute to the general welfare of the citizens of the Borough of Wilmerding by providing for expanded business and economic development within the Borough of Wilmerding.

WHEREAS, the Planning Commission of the Borough of Wilmerding has met twice, including an advertised public hearing held on November 11, 2014, and reviewed the provision of the aforesaid Act and has recommended by resolution that all areas in the Borough zoned for commercial, industrial and business use be eligible for this program based on numerous findings that meet the definition of a deteriorated area in the Act and which are outlined in detail in their written recommendation submitted to Wilmerding Borough Council dated Nov. 28, 2014.

WHEREAS, a public hearing was conducted by Wilmerding Borough, properly advertised, to allow for review, consideration and input by the public, held on December 2, 2014 in Borough Council Chambers, Wilmerding Municipal Building, 301 Station Street, Wilmerding, Pennsylvania.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Borough Council of the Borough of Wilmerding and it is hereby enacted pursuant to the authority granted by the Local Economic Revitalization Tax Assistance Act, and the Intergovernmental Cooperation Act, Pa. Stat. Ann. Tit. 53, §481, *et seq.*, as follows:

SECTION 1. DEFINITIONS

As used in this Ordinance, the following words and phrases shall have the meanings set forth below:

- (a) County - The County of Allegheny
- (b) Municipality - Borough of Wilmerding
- (c) School District - East Allegheny School District
- (d) Board - The Board of Property Assessment, Appeals and Review of Allegheny County, Pennsylvania.
- (e) Construction - The erection of a building or buildings on previously unoccupied land, or upon land on which a building or buildings have been demolished or razed for the purpose of erecting a new building or buildings consisting of industrial, commercial or other business use designated to obtain higher standards of safety, health, economic use or amenity.
- (f) Reconstruction - The rebuilding of a building or buildings previously erected for the purpose of changing the economic use or amenity of such structure or to obtain higher standards of safety or health.
- (g) Improvements - 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.

(h) **Deteriorated Property** - Any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorated area, as herein provided, or any such property which has been the subject of any order by a government agency requiring the unit to be vacated, condemned or demolished by reason of non-compliance with laws, ordinances or regulations.

(i) **Deteriorated Area** - That geographic area as more specifically described in Exhibit A," which the Borough Council, after public hearing, has determined to be physically impaired on the basis of one or more standards, including, but not limited to, the following:

- (1) The area contains vacant, overgrown, unsightly lots of ground.
- (2) The area contains a disproportionate number of tax delinquent properties.
- (3) The area contains unsafe, unsanitary and overcrowded buildings.
- (4) The area contains excessive land coverage.
- (5) The area contains defective design or arrangement of buildings, streets or lot layouts.
- (6) The area contains economically and socially undesirable land uses.
- (7) The area has been previously determined to be a "blighted area" under criteria set forth in the Act of May 24, 1945, P.L. 991, No. 385 known as the "Urban Redevelopment Law."
- (8) The area has been previously determined to be an "impoverished area" under criteria set forth in the Act of November 29, 1967, P.L. 636, No. 282, known as the "Neighborhood Assistance Act."

(i) **Person** - Any natural person, partnership, unincorporated association, or term "person" used in this Ordinance is synonymous with the "taxpayer" and "property owner."

(j) **Tax Assessment** - The value of a parcel of real property as established by the Board or the Court of Common Pleas of Allegheny County pursuant to the provisions of the Second Class County Assessment Law, 72 P.S. §5452.1, for the purpose of the levy of real property taxes.

(k) **Municipal Governing Body** - See definition of local taxing authority.

(l) Local Taxing Authority - The County, the Borough of Wilmerding and the East Allegheny School District.

(m) Tax Year - The twelve (12) month period from January 1 to December 31 annually.

SECTION 2. BOUNDARIES

The Borough Council of the Borough of Wimerding does hereby determine as a fact that the geographic area of the Borough of Wilmerding, more particularly described on Exhibit "A" attached to this Ordinance, constitutes a deteriorated area.

SECTION 3. EXEMPTION

Any property owner, whose real property is located within the deteriorated area set forth in Exhibit "A" and who makes improvements to such real property may apply for and receive from the Borough of Wilmerding an exemption from Borough real property taxes due to the increased or additional assessment valuation attributable to the improvements made in the amounts and in accordance with the provisions and limitations set forth in this Ordinance. The exemption from Borough real estate taxes shall be specifically limited to the additional assessment valuation attributable to the actual costs of improvements to property within the deteriorating area. The exemption shall not include the assessed valuation of the land that is part of the deteriorated property. Appeals from the amount of increased tax assessment valuation attributable to the actual cost of improvements made to the property within the deteriorating area may be taken by the taxpayer or the local taxing authorities as provided by the Second Class County Assessment Law, 72 P.S. ¶5452.1 *et seq.* Nothing herein shall preclude a taxpayer or the local taxing authorities from appealing the assessment valuation of the deteriorated property or any increases in assessed value not attributable to construction, reconstruction or improvement as provided in the Second Class County Assessment Law, 72 P.S. §542.1, *et seq.*

SECTION 4. EXEMPTION SCHEDULE

The tax exemption from Borough of Wilmerding real estate taxes granted for improvements to real property within the deteriorated area described in Exhibit "A" shall be in accordance with the following conditions and schedule:

(a) The tax exemption shall be limited to a period of three (3) years. The three year exemption period will commence with the year in which the assessed valuation attributable to the improvements is first imposed by the Board, whether such assessed valuation is based upon the completed improvements or constitutes a partial assessment upon the improvement prior to completion.

(b) The maximum amount of the tax exemption of the assessment attributable to the actual cost of new construction, reconstruction or improvements to real property within the deteriorated area described in Exhibit "A" shall be limited to \$500,000.00 per tax year.

(c) The tax exemption for the three-year period described in subparagraph (a) shall be one hundred percent (100%) of the Borough's real estate taxation upon the assessed valuation attributable to the improvement. In the fourth (4th) and all succeeding years, the improvements shall be fully taxable.

SECTION 5. PROCEDURE FOR OBTAINING EXEMPTION

(a) At the time that a property owner secures a building permit for commencement of construction, reconstruction or improvement of a property within the deteriorated area, the owner desiring exemption from real estate tax pursuant to this Ordinance shall file a request in writing for exemption on a form provided by the Borough of Wilmerding and approved by the Board.

(b) The property owner must certify on the form provided the following information:

- (1) Name and address of owner.
- (2) Lot and block number of property to be improved.
- (3) The initial assessed valuation of the property before construction, reconstruction or improvement.
- (4) The current year taxes on the property for the County, Borough and East Allegheny School District before construction, reconstruction or improvement.
- (5) The date the building permit was issued for construction, reconstruction or improvement.
- (6) The type of construction, reconstruction or improvement for which exemption is requested.

- (7) The summary of the plan of construction or reconstruction or plan of improvement.
- (8) The anticipated date of completion.
- (9) The budgeted or anticipated costs of construction, reconstruction or improvement.
- (10) Where such activity consists of improvements to bring the property into compliance with laws, ordinances or regulations governing safety or health, specific citation must be made to those laws, ordinances or regulations.
- (11) The anticipated increase in assessed valuation of the property after construction, reconstruction or improvement.
- (12) Such other information as may be necessary to process such application for exemption.

(c) A copy of the exemption request shall be forwarded by the property owner to the Board as well as the Borough and East Allegheny School District within thirty (30) days of the date the building permit is issued or otherwise as provided in this Ordinance. Failure to submit such exemption request within thirty (30) days or as otherwise provided in this Ordinance may permit the Borough to deny any exemption claimed pursuant to this Ordinance for the initial tax year after completion of construction, reconstruction or improvement, thereby limiting the length of the schedule of taxes exempted to one less year.

(d) When the construction, reconstruction or improvement has been completed, the property owner shall notify the Borough of Wilmerding Building Inspector and the Board in writing. Such notice must occur within thirty (30) days of completion. Failure to submit notice of completion within thirty (30) days may permit the Borough to deny such request for exemption for the initial tax year after completion of construction, reconstruction or improvement, thereby limiting the length of the schedule of taxes exempted to one less year. The notice of completion shall include the following information:

- (1) Name and address of owner.
- (2) Lot and block number of property improved.
- (3) The date construction, reconstruction or improvement was completed.

(4) Any modification to the plan of construction, reconstruction or improvement as previously submitted.

(5) The final, adjusted actual costs of construction, reconstruction or improvement.

(e) The Board shall, after notice in writing and with a prior physical inspection, assess the property to determine the assessment valuation attributable to the construction, reconstruction or improvement and eligible for tax exemption under this Ordinance and under any other applicable Ordinance of any other taxing body.

(f) The Board shall provide the County, the Borough and the taxpayer in writing the following information:

(1) The tax assessment of the property prior to construction, reconstruction or improvement.

(2) The increase to assessed valuation attributed to the construction, reconstruction or improvement.

(3) The amount of assessed valuation increase eligible for tax exemption.

(g) Appeals from the valuation and the amount eligible for exemption may be taken by the taxpayer or local taxing authorities as provided by the Second Class County Assessment Law, 72 P.S. §5452.1, *et seq.*

SECTION 6. TRANSFERABILITY

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

SECTION 7. SEVERABILITY

The provisions of this Ordinance shall be severable except for the provisions concerning exemption set forth in Sections 3 and 4 hereof. If any other provisions of this Ordinance shall be held to be illegal, invalid or unconstitutional by final decision of a court of competent jurisdiction, the remaining provisions of the Ordinance shall remain in full force and effect.

SECTION 8. CONTEMPORANEOUS ADOPTION

The terms and conditions of this Ordinance and the implementation of any real property tax exemption granted hereunder are contingent upon the adoption of a similar Ordinance by the East Allegheny School District and County of Allegheny.

SECTION 9. REPEALER

Any Ordinance or Resolution or part of any Ordinance or Resolution conflicting with the provisions of this Ordinance is rescinded insofar as the conflict exists.

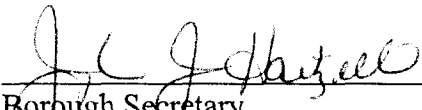
SECTION 10. EFFECTIVE DATE


The provisions of this ordinance shall become effective immediately upon enactment.

ORDAINED and ENACTED this 2 day of DECEMBER, 2014.

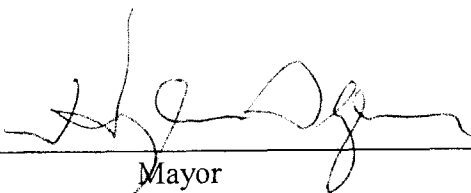
ATTEST:

WILMERDING BOROUGH


Borough Secretary


Council President

Approved this 2 day of DECEMBER, 2014.


Mayor

CERTIFICATION

I, Joseph Hartzell, hereby certify that I am the Borough Secretary of Wilmerding Borough, and that the within Ordinance was advertised in accordance with law and enacted at a regular meeting of Borough Council duly convened, at which a quorum was present and voted in favor thereof.

Certified this 2 day of DECEMBER, 2014.

By Joseph J. Hartzell
Borough Secretary

EXHIBIT "A"

DETERIORATED AREA

That geographic area which includes all industrial and commercial and high density residential zones. Said zoning areas are designated as M-1, C-1, C-2, R-2 and R-3.