

Borough of Danville

Montour County, Pennsylvania

Ordinance 535

AN ORDINANCE

OF THE BOROUGH COUNCIL, OF THE BOROUGH OF DANVILLE, MONTOUR COUNTY, PENNSYLVANIA, DESIGNATING AN AREA OF THIS BOROUGH IN WHICH NEW CONSTRUCTION OF INDUSTRIAL, COMMERCIAL OR OTHER BUSINESS PROPERTY AND IMPROVEMENTS TO INDUSTRIAL, COMMERCIAL OR OTHER BUSINESS PROPERTY ARE ELIGIBLE FOR A TAX EXEMPTION PURSUANT TO THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT, PROVIDING FOR AN EXEMPTION ON THE ASSESSMENT ATTRIBUTABLE TO THE ACTUAL COST OF SUCH NEW CONSTRUCTION OR IMPROVEMENTS; PROVIDING FOR THE EFFECTIVENESS OF THIS ORDINANCE; AND REPEALING ALL PRIOR ORDINANCES OR PARTS OF ORDINANCES THAT ARE INCONSISTENT WITH THIS ORDINANCE.

WHEREAS, The Local Economic Revitalization Tax Assistance Act ("LERTA") authorizes local taxing authorities to exempt from real property taxation, within certain limitations, the assessed valuation of improvements to, and new construction of, industrial, commercial and other business property in areas designated for such purpose by the governing body of the appropriate city, borough, incorporated town or township; and

WHEREAS, The Borough Council of this Borough, being a "municipal governing body" within the meaning of LERTA, proposes to establish an area within the boundaries of this Borough as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, The Danville Borough Council has held a public hearing for the purpose of determining the boundaries of the area to be designated a "deteriorated area: in which such exemptions may be granted by the local taxing authorities; and

WHEREAS, The Danville Borough Council, with due consideration having been giving to the recommendations and comments made at such public hearing by the local taxing authorities and other knowledgeable and interested public and private agencies and individuals regarding the establishment of the boundaries of an area in the Borough within local taxing authorities may grant tax exemption to new construction of, and improvements to, industrial, commercial, and other business property in accordance with LERTA, has determined that the area hereinafter designated meets one or more of the criteria of a "deteriorated area" under the Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, and it is enacted and ordained, by the Borough Council of the Borough of Danville.

ARTICLE I

Definitions

SECTION 1.01 Unless the context specifically and clearly indicates otherwise, the meaning of terms and phrases used in this Ordinance shall be as follows:

"Act" or "LERTA" shall mean Local Economic Revitalization Tax Assistance Act of the Commonwealth, Act No. 1977-76, as amended and supplemented;

"Commonwealth" mean the Commonwealth of Pennsylvania;

"County" shall mean the County of Montour, Pennsylvania, acting by and through its Board of county Commissioners, or, in appropriate cases, acting by and through its authorized representatives.

"Designated Area" shall mean the area within the city identified in Article II of this Ordinance;

"Eligible Property" shall mean any industrial, commercial or other business property located in the Designated Area;

"Improvement" shall mean repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating any industrial, commercial or other business property owned by an individual, association or corporation and located in the Designated Area; "Improvements" does not include any ordinary upkeep or maintenance;

"Local Taxing Authority" shall mean and include the Borough, the County and the School District;

“Person” shall mean any individual, partnership, company, association, society, trust, corporation, municipality, municipality authority or other group or entity;

“School District” shall mean the Danville School District, Montour County, Pennsylvania, acting by and through its Board of School Directors, or, in appropriate cases, acting by and through its authorized representatives;

“Borough” shall mean the Borough of Danville, Montour County, Pennsylvania, acting by and through its Borough Council or, in appropriated cases, acting by and through its authorized representatives

ARICLE II

DESIGNATED AREA

SECTION 2.01. This Borough does hereby designate the area located within the following boundaries as a “deteriorated area” within the meaning of the Act, and one in which the Local Taxing Authorities may grant a tax exemption pursuant to the provisions of the Act:

The Neighborhood Commercial District, The Central Business District, The General Business District, The Highway Commercial District, The Industrial District, tax parcel # 12-89-141, a designated brownfield consisting of 7.428 acres. As defined by the Danville Borough Zoning map, Ordinance # 514 of 2013, adopted September 10, 2013.

SECTION 2.02. Any discrepancy between the description of the Designated Area in this Article II and the area designated for the purposes of LERTA in the LERTA District Ordinance shall be resolved in favor of the LERTA District Ordinance, it being the intent of the Local Taxing Authority to grant exemption to all, new construction and improvements to the Eligible Property within the area designated by the Municipality.

ARTICLE III

EXEMPTIONS

SECTION 3.01. There is hereby exempted from all real property taxation of this local Taxing Authority that portion of the additional assessment attributable to the actual costs of new construction upon, or, Improvements to, Eligible Property for, which proper Application has been made in accordance with this Ordinance, subject to the limitations hereinafter set forth.

SECTION 3.02. The exemption authorized by this Ordinance shall be in accordance with the provisions and limitations hereinafter set forth.

SECTION 3.03. The schedule of the real property taxes to be exempted shall be in accordance with the following percentage of the assessed valuation of new construction or Improvements to Eligible Property:

<u>Tax Year(s) Following Completion of Construction</u>	<u>Exemption Portion of Assessed Valuation</u>
1 st year	100%
2 nd year	90%
3 rd year	75%
4 th year	60%
5 th year	45%
6 th year	30%
7 th year	15 %

SECTION 3.04. A tax exemption granted under this Ordinance shall first apply in the tax year of this Local Taxing Authority immediately following the tax year in which the eligible new construction or improvements is or are completed. Nothing in this Ordinance is intended to limit or prohibit, nor shall it be construed as limiting or prohibiting, the levy of interim real property taxes upon new construction or improvements prior to completion thereof.

SECTION 3.05. A tax exemption granted under this Ordinance shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

SECTION 3.06. Any person who is an owner of Eligible Property and who desires tax exemption pursuant to this Ordinance with respect to new construction of Improvements on an Eligible Property shall apply in writing for such exemption on a form to be provided by this Local Taxing Authority at the address set forth on such form, or if no address is set forth thereon, at the principal office of this Local Taxing Authority, and must be received by this Local Taxing Authority within sixty (60) days following the date of issuance of a building permit for the new construction or improvements with respect to which exemption is desired or, if no building permit is required and no other notification of new construction of Improvements is required to be given to the Borough, within sixty (60) days following commencement of construction,

SECTION 3.07. This Local Taxing Body shall make available to any Person desiring to apply for a tax exemption in accordance with this Ordinance an application form (the "Application") which shall require such Person to supply the following information:

- i. The name of the owner or owners of the Eligible Property;
- ii. The location of the Eligible Property, including the tax parcel identification number or numbers assigned to such property for real property tax purposes;
- iii. The type of new construction or Improvements to be made on the Eligible Property;
- iv. The nature of the improvements to be made to the Eligible Property;
- v. The date on which the relevant building permit was issued or, if no building permit is required, the date on which construction commenced or the estimated date on which it shall commence, as appropriate;
- vi. The cost or estimated cost of the new construction or improvements;
- vii. Such additional information as this Local Taxing Authority may reasonable require.

SECTION 3.08. The Borough Manager or another appropriate official of this Local Taxing Authority shall forward a copy of such completed Application to the County and School District within sixty (60) days following the date on which such Application is filed with this Local Taxing Authority, together with a request or authorization to such board or other appropriate assessment agency that, following completion of the new construction or improvements in accordance with LERTA and give appropriate notice to this Local Taxing Authority and the taxpayer.

SECTION 3.09. Appeals from the reassessment of an Eligible Property and the amounts eligible for exemption may be taken by the taxpayer or this Local Taxing Authority as provided by law.

SECTION 3.10. The cost of new construction or improvements to be exempted and the schedule of taxes exempted at the time of an initial request for tax exemption made in accordance with the further provisions of the Ordinance shall be applicable to that exemption request, and any subsequent amendment to this Ordinance, if any, shall not apply to Applications filed with this Local Taxing Authority prior to their adoption.

TERMINATION OF EXEMPTION

SECTION 4.01. The tax exemption shall be forfeited by the original applicant and /or any subsequent owner for failure to pay nonexempt real estate taxes by their due date on the exempt property.

ARTICLE IV

Effective Date

SECTION 5.01. This Ordinance shall become effective immediately.

ARTICLE V

Severability

SECTION 6.01. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence clause or part of the Ordinance, it being the intent of the City that such remainder shall be and shall remain in full force and effect.

ARTICLE VI

Declaration of Purpose

SECTION 7.01. It is declared that enactment of the Ordinance and the provisions hereof are necessary for the protection, benefit and preservation of the health, safety and welfare of inhabitants of this City.

ARTICLE VII

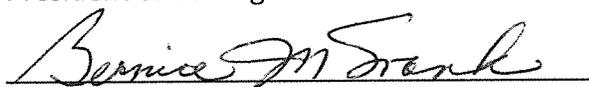
Repealer

SECTION 8.01. All ordinances or parts of ordinances and all resolutions or parts of resolutions that are inconsistent with this Ordinance shall be and the same expressly are repealed.

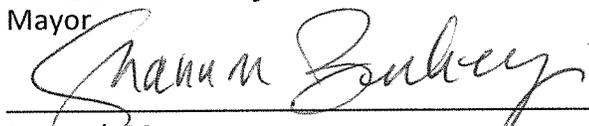
Approved and enacted this 12th day of July 2016 by Danville Borough Council.



President of Borough Council



Mayor



Borough Manager