

ORDINANCE NO. 02-2018

AN ORDINANCE OF THE BOROUGH OF ALBION, ERIE COUNTY, PENNSYLVANIA, GRANTING REAL ESTATE TAX RELIEF FOR PROPERTIES IN DETERIORATED AREAS/NEIGHBORHOODS PURSUANT TO 72 P.S. § 4711-101, ET SEQ., AND PROVIDING FOR REAL ESTATE TAX ASSISTANCE FOR COMMERCIAL, BUSINESS AND INDUSTRIAL PROPERTY IMPROVEMENTS IN CERTAIN AREAS, PURSUANT TO 72 P.S. § 4722, ET. SEQ.

Whereas, the Commonwealth of Pennsylvania adopted an Act known as the "Improvement of Deteriorating Real Property or Areas of Tax Exemption Act", 72 P.S. § 4711-101, et seq., authorizing local taxing authorities to exempt improvement to certain deteriorated residential property; and

Whereas, the Commonwealth of Pennsylvania had adopted an Act known as the "Local Economic Revitalization Tax Assistance Act", 72 P.S. § 4722, et seq., authorizing local taxing authorities to exempt improvements to certain deteriorated industrial, commercial, and other business property; and

Whereas, the Borough Council recognizes that any real property tax relief offered in this Ordinance No. 02-2018 must also be approved by the governing bodies of the Northwestern School District and the County of Erie.

NOW THEREFORE, be it enacted by the Borough of Albion Council of the County of Erie, that Ordinance No. 02 of 2018 shall provide as follows:

Section One. Title

This Ordinance shall be known as the "Borough of Albion Comprehensive Real Property Tax Abatement Ordinance".

Section Two. Definitions

- (a) "Deteriorated Property Non-Residential" means any industrial, commercial, or other business property owned by an individual, association or corporation and is located in an Improvement Area, as hereinafter defined, or any such property 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.

- (b) "Deteriorated Property Residential" means a Dwelling Unit located in an Improvement Area, as hereinafter 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 or regulations.
- (c) "Dwelling Unit" means a house, double house or duplex, townhouse or row house, apartment, condominium or any building intended for occupancy as living quarters by an individual, a family or families or other groups of persons, which living quarters contain a kitchen or other cooking equipment for the exclusive use of the occupant or occupants.
- (d) "Improvement" means repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a Deteriorated Property, either residential or non-residential, so that it becomes habitable or attains higher standards of safety, health, amenity or economic use or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an Improvement.
- (e) "Investment Area" means that deteriorated property which is determined by Borough of Albion after a public hearing to be deteriorated and eligible for tax exemption under Act 76 of 1977 ("Local Economic Revitalization Tax Assistance Act"), 72 P.S. § 4722, et seq., and Act 42 of 1977 ("Improvement of Deteriorating Real Property or Areas Tax Exemption Act"), 72 P.S. § 4711-101, et seq., as further described in Section Five herein.

Section Three. Exemption

- (a) There is hereby exempted from real property taxation, the assessed valuation of real property, the increase of which is directly attributable to:
 - 1. Improvements to Deteriorated Property Residential in the Investment

Area.

2. Improvements to Deteriorated Property Non-Residential within the Investment Area.
- (b) The exemption authorized by Subsection (a)(1) and (a)(2) of this Section Three shall be in the amounts, and in accordance with, the provisions and limitations herein provided.

Section Four. Exemption Schedule

- (a) The schedule for real estate taxes to be considered for exemption shall be as follows:
1. For the first year during which the qualifying improvement or new construction becomes assessable, one hundred percent (100%) of the eligible assessment related to qualified improvement or new construction shall be exempted.
 2. For the second year during which the qualifying improvement or new construction becomes assessable, eighty percent (80%) of the eligible assessment related to qualified improvement or new construction shall be exempted.
 3. For the third year during which the qualifying improvement or new construction becomes assessable, sixty percent (60%) of the eligible assessment related to qualified improvement or new construction shall be exempted.
 4. For the fourth year during which the qualifying improvement or new construction becomes assessable, forty percent (40%) of the eligible assessment related to qualified improvement or new construction shall be exempted.
 5. For the fifth year during which the qualifying improvement or new construction becomes assessable, twenty percent (20%) of the eligible assessment related to qualified improvement or new construction shall be exempted.
 6. There shall be no real estate tax exemption after five (5) years.

- (b) The exemption for new construction or improvements shall commence in the tax year immediately following the year in which the qualified new construction or improvements is substantially completed.
- (c) The exemption from taxes granted pursuant to this Ordinance shall be upon the qualifying property and shall not terminate upon the sale or exchange of the property, but shall extend to the conclusion of the exemption eligibility period as provided herein.
- (d) If an eligible property is granted tax exemption pursuant to this Ordinance, the new construction or improvements shall not, during the exemption period, be considered as a factor in assessing other properties.

Section Five. Improvement Area Description

The Improvement Area wherein Real Property Tax abatement is available for Deteriorated Property Residential and Deteriorated Property Non-Residential shall cover all land within the Borough of Albion.

Section Six. Exemption Procedures

- (a) Any person desiring tax exemption pursuant to ordinances or resolutions adopted pursuant to this Ordinance granting exemption shall notify each local taxing authority (the Borough of Albion, Erie County, and Northwestern School District) in writing on forms provided by the individual local taxing authorities. The completed forms shall be submitted to the appropriate authorities at the time of securing the building permit, or if no building permit or other notification of improvement is required, at the time of commencing construction. Copies of the completed documentation shall be contemporaneously filed with the Borough. The documentation shall include detailed information that establishes the applicant's compliance with the requirements of this Ordinance. A copy of the exemption request shall be forwarded to the Erie County Board of Assessment. The Erie County Assessment Office shall, following administrative review and approval, and after completion of the new construction or improvement, assess separately the new construction or improvements and calculate the amount 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 amount of the assessment eligible for exemption. Appeals from the reassessment and the determination of the amount eligible for exemption may be taken by the taxpayer or any local taxing authority as provided by law.

- (b) Any subsequent amendment to this Ordinance shall not apply to properly documented requests filed pursuant to an area-specific resolution or ordinance granting exemption prior to any such amendment.
- (c) In addition to the procedures set forth in this Ordinance, and to the extent not inconsistent herewith, the Borough hereby adopts the lawful guidelines, procedures, and regulations of Erie County under the Erie County Deteriorating Real Property or Areas Tax Exemption Act Ordinance, and further authorizes the Erie County Board of Assessment to evaluate, administer, and process any tax exemption requests made pursuant to the enabling legislative enactments in areas approved and granted exemption eligibility in accordance with this Ordinance.

Section Seven. Exemption Limitations

This Ordinance shall not apply, and no tax exemption shall be granted, if:

1. The property owner does not secure the necessary and proper permits prior to construction; or
2. The property, as completed, does not comply with the minimum standards of the laws, resolutions and regulations of the Borough, Northwestern School District, and Erie County, Pennsylvania; or
3. The property owner does not comply with the qualification requirements of this Ordinance; or
4. According to the laws, ordinances, regulations and codes of the Borough, the use for which the property is made is an unlawful non-conforming use; or
5. The property contains an unlawful non-conforming use; or
6. The property owner fails to comply with the provisions of this Ordinance.

Section Eight. Severability

If any section, subsection, or clause, phrase or portion of this Ordinance is, for any reason, determined to be invalid or unconstitutional by any court, such holdings shall not be construed to affect the validity of any of the remaining provisions or applications thereof by this Ordinance for such portion shall be deemed a separate, distinct and independent provision from

the remaining provisions. It is hereby declared that the legislative intent of this Ordinance would have been adopted had such invalid or unconstitutional provision or its application not been included herein.

Section Nine. Effective Date

This Ordinance shall be effective thirty (30) days after the adoption of this Ordinance by the Borough of Albion and shall remain in effect until amended or repealed by further action of the Borough taken at any regular or special meeting of the Borough Council.

Section Ten. Appeal


Any administrative determination by the Borough of Albion regarding the exemption applicable to a specific property included within an area designated by this Ordinance shall become final unless a taxpayer aggrieved thereby requests a review by the Borough Council within thirty (30) days after a notice of the determination. The decision of the Borough Council shall be final and shall not be subject to a judicial review except to the extent expressly authorized by law.

Section Eleven. Repealer

All other ordinances or parts thereof conflicting herewith are hereby repealed, except that any tax exemptions then in effect under previously adopted resolutions of the Borough shall remain in effect as to those specific properties previously approved.

APPROVED BY THE BOROUGH OF ALBION THIS 08 DAY OF
MARCH, 2018.

BY: 
Samuel Steff, President

ATTEST: 
Gary L. Wells, Secretary