



RESOLUTION NO.

AN RESOLUTION OF THE NORTHERN TIOGA SCHOOL DISTRICT, OF TIOGA COUNTY, PENNSYLVANIA, PROVIDING FOR TAX EXEMPTION FOR IMPROVEMENTS TO CERTAIN DETERIORATED PROPERTY (COMMERCIAL AND INDUSTRIAL) AND NEW CONSTRUCTION OF COMMERCIAL AND INDUSTRIAL PROPERTY LOCATED IN INVESTMENT OPPORTUNITY AREAS PURSUANT TO PENNSYLVANIA ACT 76 OF 1977; DEFINING ELIGIBLE INVESTMENT OPPORTUNITY AREAS; PROVIDING FOR AN EXEMPTION PERIOD; ESTABLISHING A SCHEDULE OF EXEMPTION FOR THAT TIME PERIOD; AND PRESENTING A PROCEDURE FOR SECURING AN EXEMPTION.

WHEREAS, on December 1, 1977, the General Assembly of Pennsylvania passed Act 76 of 1977, known as the Local Economic Revitalization Tax Assistance Law (LERTA) authorizing local taxing authorities to provide for exemption from the taxes for certain deteriorated commercial, industrial or other business property; and

WHEREAS, there are deteriorated commercial, industrial or other business property located in the Borough of Tioga, being part of the Northern Tioga School District, which qualifies as deteriorated areas under the Act; and

WHEREAS, a public hearing was held by the Borough of Tioga to give other agencies and individuals an opportunity to present their recommendations concerning the location and designation of areas within the Borough of Tioga which will qualify for tax exemption as deteriorated areas; and

WHEREAS, the governing body of Borough of Tioga has adopted an ordinance designating certain areas within its boundaries as deteriorated areas, thereby qualifying those areas for tax exemption under "LERTA"; and

WHEREAS, the Board of Directors of the Northern Tioga School District believe that such tax incentives will benefit the Borough of Tioga community and the Northern Tioga School District by encouraging development and job growth within the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Northern Tioga School District, Tioga County Pennsylvania as follows:

SECTION I. DEFINITIONS

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

- A. "Deteriorated Property" means any industrial, commercial or other business property owned by an individual, association, or corporation, and located in an investment opportunity area, as hereinafter provided, or any such property which has been subject of an order by a government agency requiring the property be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances or regulations.
- B. "Improvement" means 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. No residential homes, apartments or other living establishment will be included.
- C. "Local Taxing Authority" means a county, city, borough, incorporated town, township, institutional district or school district, having the authority to levy real property taxes.
- D. "Municipal Governing Body" means a city, borough, incorporated town or township.

## SECTION II. EXEMPTION AREAS

The following areas located in the Borough of Tioga shall be designated as deteriorated areas, thereby qualifying those areas for tax exemption under "LERTA": C-1 (General Commercial District); C-R (Commercial/Recreational District); C-I (Commercial/Industrial District); I-1 (General Industrial District)

## SECTION III. EXEMPTION

- A. The exemption from real property taxes shall be limited:
  - 1. To the exemption schedule as established with this Resolution.
  - 2. To that portion of the additional assessment attributable to the actual cost of improvements to the deteriorated property.

3. To the assessment valuation attributable to the cost of construction of a new industrial, commercial or other business unit.
- B. In all cases the exemption from taxes shall be limited to the portion of the additional assessment attributable to the improvement or new construction, as the case may be, and for which a separate assessment has been made by the Tioga County Assessor, and for which an exemption has been separately requested.
  - C. No tax exemption shall be granted if the property owner does not secure all the required permits prior to improving the property.
  - D. In any case after the effective date of this Resolution when deteriorated property is damaged, destroyed or demolished, by any cause or for any reason, and the assessed valuation of the property affected has been reduced as a result of the said damage, destruction or demolition, the exemption from real property taxation authorized by this Resolution shall be limited to that portion of new assessment attributable to the actual cost of improvements or construction that is in excess of the original assessments that existed prior to damage, destruction or demolition of the property.
  - E. The exemption from real property taxes shall be limited to improvements as defined in Section I (B)
  - F. The exemption shall apply only to those deteriorated properties as defined in Section I(A) on which improvements as defined in Section I (B) were commenced after the date of the Resolution.

#### SECTION IV. EXEMPTION SCHEDULE

- A. For the five (5) years immediately following the year in which the improvement becomes assessable, the following real estate tax exemption schedule shall be in effect:

<u>Length</u>	<u>Portion Exempt</u>
First Year	90 per cent
Second Year	80 per cent
Third Year	60 per cent
Fourth Year	40 per cent
Fifth Year	20 per cent

After the fifth year, the exemption shall terminate.

- B. The exemption from taxes granted under this Resolution shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.
- C. If an eligible property is granted tax exemption pursuant to the Resolution the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.
- D. If the use of the property at the time the exemption is granted is modified, terminated or changed during the five year exemption period in any way which would have affected the exemption if the property had been so used when the exemption was granted, then at the election of the Board of Directors, the exemption shall terminate as of the date the use was modified or terminated if the Board determines that continuation of the exemption would be inconsistent with the purposes of the Resolution.

#### SECTION V. PROCEDURE FOR OBTAINING EXEMPTION

- A. Any person desiring tax exemption pursuant to this Resolution shall notify the Northern Tioga School District at the time all required building permits are secured for construction of the improvement, or if no building permit is required, at the time construction is commenced. The application shall be in writing upon forms specified by the School District, setting forth the following information:
  - 1. The name and address of the property owner.
  - 1. The date the building permit was issued for said improvements, or if no permit is required, the anticipated date of the start of construction.
  - 2. The address of the property to be improved.
  - 3. The type or nature of the property to be improved (industrial, commercial, etc.).
  - 4. The type or nature of the improvements.
  - 5. The anticipated uses of the improvement.
  - 6. The anticipated cost of the improvement.

7. Such additional information as the Northern Tioga School District may require.
- B. A copy of the exemption requests shall be forwarded by the Northern Tioga School District to the Tioga County Assessment Office. The Assessor shall assess separately the improvements and calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Resolution and notify the taxpayer and local taxing authorities of the reassessment and amounts of the assessment eligible for tax exemption. In the case of new construction, the Assessor shall assess separately the unit and the land upon which the new construction stands and shall otherwise perform its duties as above provided for construction of improvements to properties.
  - C. The cost of improvements to be exempted and the schedule of taxes exempted, existing at the time of the initial request for tax exemption, shall be applicable to that exemption request, and subsequent amendment to this Resolution, if any, shall not apply to requests initiated prior to their adoption.
  - D. Appeals from the reassessment and the amount eligible for the exemption may be taken by the Northern Tioga School District or by the taxpayer as provided by law.

#### SECTION VI. EFFECTIVE DATE

The Resolution shall become effective on June 14, 2010, subject, nevertheless, to the adoption by the Borough of Tioga Council, and the Tioga County Board of Commissioners of a Resolution exempting from real property taxation properties in accordance with the terms of this Resolution.

#### SECTION VII. SEVERABILITY

The provisions of this Resolution are severable and if any of its sections, clauses or sentences shall be held illegal, invalid or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses or sentences. It is hereby declared to be the intent of Board of School Directors that this Resolution would have been adopted if such illegal, invalid or unconstitutional section, clause or sentence had not been included herein.

#### SECTION VIII. AMENDMENTS

No amendments to this Resolution shall be effective unless consented to by Resolution or Ordinance of each local taxing authority, which has consented to be bound by the terms of this Resolution.

SECTION IX. TERMINATION DATE

This Resolution shall automatically expire and terminate five (5) years following the effective date hereof; provided, however, any taxpayer who has received or applied for the exemption granted by this Resolution prior to the expiration date herein provided shall, if said exemption is granted, be entitled to the full exemption authorized herein. This section shall not prevent the Board of School Directors, however, from repealing this Resolution or any part thereof before five (5) years upon proper action of the Board of School Directors.

SECTION X.

That any Resolution or part of Resolution, conflicting with the provisions of this Resolution be and the same is hereby repealed so far as the same affects this Resolution.

Adopted, as an Resolution by the Board of Directors of the Northern Tioga School District, Tioga County Pennsylvania, this 14<sup>th</sup> day of JUNE, 2010.

Northern Tioga School District

Harry Schoonover  
Attest:

By: Michael D. Vayner  
President