

ORDINANCE NO. 2008-3

**AN ORDINANCE OF THE BOROUGH OF TIOGA, TIOGA COUNTY, PENNSYLVANIA, AUTHORIZING TAX EXEMPTIONS FROM PROPERTY TAX FOR DETERIORATED PROPERTIES WITHIN THE C-1, C-R, C-I AND I-1 ZONING DISTRICTS OF THE BOROUGH OF TIOGA; PROVIDING FOR AN EXEMPTION SCHEDULE AND ESTABLISHING STANDARDS AND QUALIFICATIONS; TO BE TITLED "THE BOROUGH OF TIOGA ECONOMIC REVITALIZATION TAX ASSISTANCE ORDINANCE".**

WHEREAS, the general assembly of the Pennsylvania passed Act 76 of 1977 (72 P.S. Section 4722, et seq.), known as the "Local Economic Revitalization Tax Assistance Act" (LERTA), which authorized local taxing authorities to provide tax exemption for certain deteriorated, industrial, commercial and other business property;

WHEREAS, the County of Tioga County Board of Commissioners enacted Ordinance Number 2005-01, as amended to provide tax incentives consistent with LERTA for Tioga County;

WHEREAS, the Borough of Tioga, after public hearing held July 7, 2008, believes that it is in the best interest of the Borough to provide tax incentives for the retention, rehabilitation and development of certain properties within the Borough;

NOW THEREFORE IT IS HEREBY ENACTED AND ORDAINED by the Borough Council of the Borough of Tioga, Tioga County, Pennsylvania, (Borough) as follows:

SECTION 1: Short Title. This Ordinance shall be known and may be cited as "The Borough of Tioga Economic Revitalization Tax Assistance Ordinance".

SECTION 2: Definitions. The following words and phrases when used in this Ordinance shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

A. Deteriorated property. The commercial and industrial districts which include C-1 (General Commercial District); C-R (Commercial/Recreational District); C-I (Commercial/Industrial District); I-1 (General Industrial District).

B. Improvement. Any repair, construction or reconstruction, including alterations and additions, which have 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 which results in an increase in the tax assessment for the deteriorated property. Ordinary upkeep, repairs, and maintenance shall not be deemed an improvement.

C. Eligible Assessment. The amount of additional assessment directly attributable to the improvements to deteriorated property or new construction.

#### SECTION 3: Exemption Schedule and Amount.

A. The amount to be exempted will be in accordance with the following:

1. For the first year for which improvements would otherwise be taxable, 90% of the eligible assessment shall be exempted;

2. For the second year for which improvements would otherwise be taxable, 80% of the eligible assessment shall be exempted;

3. For the third year for which improvements would otherwise be taxable, 60% of the eligible assessment shall be exempted;

4. For the fourth year for which improvements would otherwise be taxable, 40% of the eligible assessment shall be exempted;

5. For the fifth year for which improvements would otherwise be taxable,

20% of the eligible assessment shall be exempted;

6. After the fifth year the exemption hereunder shall terminate and the property shall be taxed at 100% of the total assessment at the applicable property tax rate then in effect.

B. The exemption from property taxes pursuant to this ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

C. The amount of the exemption shall be limited to the eligible assessment attributed to the actual cost of improvements to deteriorated property or new construction.

D. In no case shall the tax exemption be granted pursuant to the provisions of this ordinance if the property owner has not secured, or does not secure, all necessary and proper zoning, building, health, housing, electrical, plumbing, occupancy, or any other permits required for improvements or new construction.

#### SECTION 4: Applicability and Procedure for Obtaining Exemption.

A. This ordinance shall apply to all building permits issued on or after August 9, 2008 for deteriorated property.

B. Procedure for obtaining exemption shall be in accordance with LERTA or within sixty (60) days of property owners' receipt of notice of eligible assessment.

SECTION 5: Except as set forth hereafter, all ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 6: The provisions of this ordinance are severable and if any of its sections, clauses, or sentences shall be held unlawful, invalid, or unconstitutional, such provision shall not affect or impair any of the remaining provisions of this ordinance.

SECTION 7: This Ordinance shall be effective on August 9, 2008.

ENACTED AND ORDAINED this 4th day of August, 2008.

ATTEST:

**BOROUGH OF TIOGA**

Lou Ann Hart  
Secretary

By: Henry J. Calyon  
President of Council

APPROVED this 4th day of August, 2008.

Mayor Carl O'Connell  
Mayor