

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF FAYETTE  
TOWNSHIP OF WHARTON

ORDINANCE NO. 3 of 2016

AN ORDINANCE REAUTHORIZING EXEMPTING CERTAIN IMPROVEMENTS TO, AND  
NEW CONSTRUCTION OF, INDUSTRIAL, COMMERCIAL AND BUSINESS  
PROPERTIES FROM REAL PROPERTY TAXATION FOR A PERIOD OF FIVE YEARS  
UNDER THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT.

WHEREAS, the Local Economic Revitalization Tax Assistance Act (Act of December 1, 1997, P.L. 237, No. 76, as amended; 72 P.S. §4722 et seq.), hereinafter called "Act," authorized local taxing authorities to provide tax exemptions to certain deteriorated industrial, commercial and other business property and for new industrial, commercial and other business construction in deteriorated areas of economically depressed communities; and

WHEREAS, the Supervisors of Wharton Township have held a public hearing pursuant to said Act to determine the boundaries of the deteriorated areas and established said boundaries pursuant to the provisions of Resolution 10-06 of 2006; and

WHEREAS, at the said hearing, various persons had the opportunity to present to the Supervisors of Wharton Township their recommendations concerning the boundaries of deteriorated areas; and

WHEREAS, the Wharton Township LERTA program became effective on or about December 9, 2006, pursuant to the provisions of Ordinance No. 3 adopted on December 4, 2006, and was reauthorized pursuant to the provisions of Ordinance No. 4 of 2011 on or about October 17, 2011 and will automatically expire on or about October 23, 2016 unless re-enacted; and

WHEREAS, the Supervisors of Wharton Township wish to extend the LERTA program for an additional five (5) year period; and

WHEREAS, Wharton Township desires to provide exemptions from real property taxation for the assessed valuation of improvements to deteriorated properties and for the assessed valuation of new industrial, commercial and other business construction in deteriorated areas of the Township, so that said building and areas shall become more habitable or obtain higher standards of safety, health, economic use or amenity, or be brought into compliance with the laws, ordinances, or regulations governing such standards.

AND NOW, THEREFORE, be it ordained by the Supervisors of Wharton Township that exemptions shall be provided from real property taxations for the assessed valuation of improvements to deteriorated properties, and new construction in deteriorated areas of the Township, in the amounts and in accordance with the following schedules, limitations, terms and conditions:

I. DEFINITIONS. As used herein, the following terms shall have the meaning ascribed to them in the Act, to wit:

(a) “Deteriorated property” means any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorating area, as hereinafter provided, 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, ordinance or regulations.

(b) “Improvement” shall mean the 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 as an improvement.

(c) “New construction” means the construction of new building or structure that is/are to be used primarily for industrial, commercial or other business use in the deteriorated areas of the Township under the terms and conditions as provided for herein.

(d) “Local taxing authority” means Wharton Township.

(e) “Municipal governing body” means Wharton Township.

II. EXEMPTION AREA. The area eligible for property tax exemption shall be the area determined by the aforesaid Resolution of the Supervisors of Wharton Township. In the event of revisions to said Resolution, due regard shall be given to the following factors:

- (a) Vacant overgrown and unsightly lots of ground;
- (b) Economically and socially undesirable land uses;
- (c) High incidence of persistent unemployment and underemployment;
- (d) High incidence of dependence upon public assistance;
- (e) High incidence of school drop outs; and
- (f) Other generally accepted indicators of widespread social problems and poverty conditions.

In the absence of such revision the existing Resolution requires that every area of the Township for which industrial, commercial or business use is a permitted or special exceptions use under the Zoning Ordinance of Wharton Township shall be deemed eligible.

III. EXEMPTION AMOUNT. The exemption amounts provided under this ordinance shall be as follows:

(a) Improvements. Exemptions from taxes shall be limited to the additional assessment valuation attributable to the actual cost of the improvement. No tax exemption shall be granted if the property owner does not secure any necessary and proper zoning, sewage, building or other required permits prior to improving the property.

(b) New Construction. The exemption from taxes shall be limited to the assessment valuation attributable to the cost of the new construction. The exemption shall commence in the tax year immediately following the year in which construction is completed.

IV. EXEMPTION SCHEDULE. The exemption schedule for improvements and new construction shall be as follows:

(a) Improvements:

(1) The actual amount of taxes exempted shall be 100% of the tax attributable to the qualifying improvement, limited to the first five (5) years for which improvements would otherwise be taxable. After the fifth year, the tax exemptions shall be terminated.

(2) The exemption from real property taxes granted by this ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

(3) If an eligible property is granted a tax exemption pursuant to this ordinance, the improvements shall not, during the exemption period, be considered as a factor in assessing other properties.

(b) New Construction:

(1) The actual amount of taxes exempted shall be 100% of the tax attributable to the qualifying new construction, limited to the first five (5) years for which the newly constructed buildings or building additions would otherwise be taxable.

(2) The exemption from real property taxes granted under this ordinance shall be upon the property and shall not terminate upon the sale or the exchange of the property.

V. PROCEDURE FOR OBTAINING EXEMPTION AND NOTICE TO TAXPAYERS.

The procedure for obtaining an exemption shall be as follows:

(a) There shall be placed on the form application for zoning permits the following:

#### NOTICE TO TAXPAYERS

Under the provisions of Township Ordinance No. 3 of 2006, No. 4 of 2011 and No. 3 of 2016, you may be entitled to a property tax exemption on your contemplated alteration or new construction. An application for exemption may be secured from the Zoning Officer and must be filed with Township at the time a building or alteration permit is secured from the County.

(b) At the time a building or alteration permit is secured for the construction or alteration of a building for which an exemption is requested, the tax payer shall apply to the Township Supervisors for the exemption provided for in this Ordinance. The request for exemption must be in writing and certified in full as prescribed by the Township setting forth the following information:

- (1) The date the building permit was issued for said improvements or new construction;
- (2) The type of improvements or new construction;
- (3) A Summary of the plan for the improvements or new construction;
- (4) The cost of improvements or new construction;

(c) A copy of the Request for Exemption shall be forwarded to the Wharton Township Supervisors, Fayette County Assessment Office and the Uniontown Area School Board. Upon completion of the improvement or new construction, the taxpayer shall notify the Township so that the improvements or new construction may be assessed for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established in this ordinance. The Township will then obtain from the assessor the amount of the assessment eligible for exemptions, and will notify the taxpayer. Appeals from the reassessment and the amount eligible for exemption may be taken by the taxpayer or the Township as provided by law.

VI. DURATION OF ORDINANCE. Unless earlier repealed by the Supervisors of Wharton Township, this Ordinance shall terminate on October \_\_\_\_\_, 2021. Nothing contained herein shall act to prohibit the Supervisors of Wharton Township from enacting a similar ordinance hereafter. Any property tax exemptions granted under the provisions of this ordinance shall be permitted to continue according to the exemption schedule even if this ordinance expires or is repealed.

VII. SEVERABILITY. The provisions of this ordinance are severable and if any of its sections, clauses or sentences shall be deemed illegal, invalid or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses or sentences. The provisions of any ordinances which conflict with the provisions of this ordinance are hereby repealed.

VIII. CONTINGENT ON ADOPTION BY UNIONTOWN AREA SCHOOL BOARD AND FAYETTE COUNTY. Pursuant to §4(b) of the Local Economic Revitalization Tax Assistance Act (LERTA), 72 P.S. §4725 (b), this Ordinance shall have no effect unless a similar provision is adopted by the Uniontown Area School Board and the Fayette County Commissioners. This Ordinance shall be effective five (5) days after the final enactment by the Wharton Township Supervisors, Uniontown Area School Board and the Fayette County Commissioners. This Ordinance shall terminate on October \_\_\_\_\_, 2021 as indicated in Section VI above.

ENACTED AND ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, and  
effective the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

WHARTON TOWNSHIP BOARD OF SUPERVISORS

By: \_\_\_\_\_  
James C. Means, Chairman

By: \_\_\_\_\_  
John H. Lewis, Supervisor

By: \_\_\_\_\_  
Joseph Henning, Supervisor

ATTEST:

\_\_\_\_\_  
Carrie Morrison, Township Secretary