

**BOROUGH OF ST. CLAIR
SCHUYLKILL COUNTY, PENNSYLVANIA**

ORDINANCE NO. 4126

**AN ORDINANCE OF THE BOROUGH OF ST. CLAIR,
SCHUYLKILL COUNTY, PENNSYLVANIA, PROVIDING
TAX EXEMPTION FOR CERTAIN DETERIORATED
INDUSTRIAL, COMMERCIAL AND OTHER BUSINESS
PROPERTY AND ESTABLISHING THE EXEMPTION
SCHEDULE FOR THE BOROUGH OF ST. CLAIR.**

WHEREAS, by Ordinance No. 280 of 1981, the Borough of St. Clair enacted an Ordinance for the exemption of deteriorated areas under said Local Economic Revitalization Tax Assistance Act; and

WHEREAS, the Borough of St. Clair codified all of its ordinances in 1989 and Ordinance No. 280 of 1981 then became Chapter 160, Article VI; and

WHEREAS, by Ordinance No. 357 of 1998, repealed Article VI of the Borough Code of the Borough of St. Clair; and

WHEREAS, the Borough of St. Clair now wishes to reestablish an ordinance pursuant to the Local Economic Revitalization Tax Assistance Act; and

WHEREAS, the Borough of St. Clair held a public hearing on June 5, 2018, pursuant to the Local Economic Revitalization Tax Assistance Act, 72 P.S. § 4722, et seq., for the purpose of determining the boundaries of the area to be subject to Local Economic Revitalization Tax Assistance; and

WHEREAS, the General Assembly of the Commonwealth of Pennsylvania has acted to implement Article VIII, Section 2(b) (iii) of the Constitution of Pennsylvania which authorizes the General Assembly to “establish standards and qualifications by which local taxing

authorities may make uniform special tax provisions applicable to a taxpayer for a limited period of time to encourage improvements of deteriorated property or areas by an individual, association, or corporation”...; and

WHEREAS, on December 1, 1977, the Governor of Pennsylvania signed into legislation Act No. 76, of the Session of 1977, commonly known as the “Local Economic Revitalization Tax Assistance Act”; and

WHEREAS, the Borough of St. Clair recognizes the need to encourage the improvement, reconstruction and physical expansion of deteriorating business, commercial and industrial properties in the Borough of St. Clair.

NOW THEREFORE, BE IT ENACTED AND ORDAINED, by the Borough Council of the Borough of St. Clair as a local taxing authority in implementation of the Local Economic Revitalization Tax Assistance Act and it is hereby ordained and enacted by the authority of same as follows:

Section 160-45: Short Title. This article shall be known as the Local Economic Revitalization Tax Assistance Ordinance, also known as LERTA, under Chapter 160 of the Code of the Borough of St. Clair.

Section 160-45.1: 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:

“Deteriorated Property”. 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.

“Improvement”. 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.

“Deteriorated Area”. The area, as determined by the Borough of St. Clair, to be subject to this Ordinance in order to encourage economic revitalization pursuant to the LERTA Act.

“LERTA Act”. The Act known as the Local Economic Revitalization Tax Assistance Act, 72 P.S. § 4722, et seq.

Section 160-45.2: Boundaries of the Deteriorated Areas as Subject to this Ordinance.

The boundaries of the deteriorated area as subject to this Ordinance are hereby affixed as the entire area within the Borough of St. Clair, as it was originally defined in Ordinance No. 280 of 1981.

Section 160-46: Exemption.

The Borough of St. Clair hereby exempts from real property taxation the assessed valuation of improvements to deteriorated properties and the assessed valuation of new construction within the designated deteriorated area to certain deteriorated industrial, commercial and other business property in the Borough of St. Clair, in the amounts and in accordance with the provisions and limitations set forth in the Exemption Schedule contained in Section 160-46.1.

Section 160-46.1: Schedule of Exemptions.

The following schedule of tax exemptions, with respect to the actual cost of new construction or improvements of deteriorated property as provided in said Act is hereby adopted with the exemption to be granted on the actual increase in assessed valuation attributable to the actual cost of new construction or improvements, regardless of the dollar amount, provided that such improvements or construction are in compliance with all the applicable laws, ordinances and regulations during the entire period of exemption.

IMPROVEMENT EXEMPTION SCHEDULE

**PERCENT OF DEDUCTION
ON IMPROVEMENTS**

**PERCENT OF TAX COLLECTED
ON INCREASED ASSESSMENT**

| | |
|------|-----|
| 100% | 0% |
| 90% | 10% |
| 80% | 20% |
| 70% | 30% |
| 60% | 40% |
| 50% | 50% |
| 40% | 60% |
| 30% | 70% |
| 20% | 80% |
| 10% | 90% |

The exemption from taxes authorized by this Ordinance shall be upon the property exempted and shall not terminate upon the sale or exchange of said property.

Section 160-46.2: Procedure for Obtaining Exemption.

(a) Any person desiring tax exemption pursuant to this Ordinance shall notify the Borough of St. Clair in writing on the forms provided by it submitted at the time he or she secures the building permit, or if no building permit or other notification of new construction or improvement is required, at the time he or she commences construction. A copy of the exemption request shall be forwarded to the board of assessment and revision of taxes or other appropriate assessment agency. The assessment agency shall, after completion of the new construction or improvement, assess separately the new construction or improvement and calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance and notify the tax payer and the Borough of St. Clair of the reassessment and amounts of assessment eligible for exemption. Appeals from the reassessment and the amounts eligible for the exemption may be taken by the taxpayer or the Borough of St. Clair as provided by law.


(b) The cost of new construction or 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 the exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to the adoption of said amendments.

Section 160.47: Repealer and Effective Date

All Ordinances and parts of Ordinances inconsistent herewith be and the same are hereby repealed insofar as the same affects this Ordinance. This Ordinance shall become effective immediately after its final passage and adoption by Borough Council.


DULY ENACTED AND ORDAINED this 2nd day of July, 2018.

ST. CLAIR BOROUGH



WILLIAM M. DEMPSEY
Council President

ATTEST:



ROLAND PRICE, JR.
Borough Secretary

Approved by me this 2nd day of July, 2018.



RICHARD E. TOMKO, Mayor

IN RE: AN ORDINANCE OF THE BOROUGH OF ST. CLAIR, SCHUYLKILL COUNTY, PENNSYLVANIA, PROVIDING TAX EXEMPTION FOR CERTAIN DETERIORATED INDUSTRIAL, COMMERCIAL AND OTHER BUSINESS PROPERTY AND ESTABLISHING THE EXEMPTION SCHEDULE FOR THE BOROUGH OF ST. CLAIR.

CERTIFICATION

I hereby certify that the within Ordinance is a true and correct copy of an Ordinance enacted by Borough Council of the Borough of St. Clair, Schuylkill County, Pennsylvania, on the 2nd day of July, 2018.

SEAL



Roland Price, Jr., Secretary
St. Clair Borough Hall
16 South Third Street
St. Clair, PA 17970
Telephone No. (570) 429-0640

BOROUGH OF ST. CLAIR, PA
16 South Third Street, St. Clair, PA 17970

LERTA PROGRAM APPLICATION

Any person who has secured a building permit for construction to improve an industrial/commercial or business property, the following information must be completed in order for the property to be considered for tax exemption.

PLEASE PRINT CLEARLY

Applicant Name: _____

Address: _____

Telephone: _____

Email: _____

Application for Commercial Improvement

Address of property that is improved: _____

Date the Building Permit was issued: _____

Permit Number: _____

The current nature of the property (Ex. Condemned, Vacant Land): _____

Type of improvement:

_____ New Construction _____ Repair, construction or reconstruction of existing dwelling

A summary of the project: _____

The cost of the improvement: \$ _____

I certify that the information provided above is true and correct.

Signature of Owner/Developer

Date

Official Use Only:

Has the property been inspected and verified by the Code Enforcement Officer, or its successor, and a Certificate of Occupancy issued?

_____ Yes _____ No

Real Estate taxes to be exempted:

Commercial Improvement

| <u>Length</u> | <u>Portion</u> |
|-----------------------|----------------|
| 1 st year | 100% |
| 2 nd year | 90% |
| 3 rd year | 80% |
| 4 th year | 70% |
| 5 th year | 60% |
| 6 th year | 50% |
| 7 th year | 40% |
| 8 th year | 30% |
| 9 th year | 20% |
| 10 th year | 10% |

Return form to: Borough of St. Clair
16 South Third Street
St. Clair, PA 17970