

**BOROUGH OF EBENSBURG**

**ORDINANCE #657**

**AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF A PROPERTY TAX EXEMPTION FOR CERTAIN UNDERUTILIZED, BLIGHTED, OR DETERIORATED INDUSTRIAL, COMMERCIAL, OR OTHER BUSINESS PROPERTY WITHIN A SPECIFIC GEOGRAPHIC AREA IN THE BOROUGH OF EBENSBURG, CAMBRIA COUNTY, DESIGNATED AS A LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN THAT PORTION OF THE BOROUGH OF EBENSBURG, CAMBRIA COUNTY, COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.**

**WHEREAS**, the Borough of Ebensburg recognizes the need to encourage investment in a defined geographical area of Ebensburg Borough that is experiencing distress by one or more of the following: low investment of new capital; blighted conditions; underutilized, obsolete or abandoned industrial, commercial, and residential structures; deteriorated tax base; and

**WHEREAS**, the general assembly of the Commonwealth of Pennsylvania has enacted legislation known as the Local Economic Revitalization Tax Assistance Act, ("LERTA"), Act 76 of December 1, 1977, as may have been amended, (72 P.S. §4722, et seq.), which authorizes local taxing authorities to provide for tax exemption for certain deteriorated industrial, commercial, and other business property; and

**WHEREAS**, the Council of the Borough of Ebensburg has determined that the site of the former Cambria County Prison in Ebensburg Borough, a portion of Tax Map No. 24-004-108.000, represents a facility that will be difficult to repurpose without some positive assistance for potential developers in the form of LERTA tax relief; and

**WHEREAS**, approval of the establishment of a LERTA tax exemption, as provided in the Act, will result in improving the economic, physical, and social conditions within the subject LERTA district by stimulating existing businesses' employment, creating new employment, and diminishing blight; and

**WHEREAS**, it is expected that increased private-sector investors will reverse the disinvestment and conditions of blight within the LERTA district by the termination date.

**NOW, THEREFORE**, be it enacted by the Council of the Borough of Ebensburg as follows:

**SECTION 1 DEFINITIONS:**

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

- a. **Act and/or Program**: The Local Economic Revitalization Tax Assessment (LERTA) Act of the Commonwealth of Pennsylvania.
- b. **Designated Area**: The area, as designated herein, and contained within the municipal boundaries of the Borough of Ebensburg, Cambria County.
- c. **Applicable Property**: The site of the former Cambria County Prison in Ebensburg Borough, a portion of Tax Map No. 24-004-108.000 and identified as Lots #1 and #2 of the County Jail Park Subdivision prepared by CPS Engineering and Land Surveying Services dated August 18, 2014 and recorded by the Cambria County Recorder of Deeds in Book 10, Page 460 on January 12, 2015.

- d. Qualified Improvement: The construction of new building structures, repair or substantial renovations to existing structures, having the effect of rehabilitating an underutilized, blighted, or deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with the laws, ordinances, or regulations governing said standards. The qualified improvement shall be such which results in an increase in assessed valuation. Scheduled and/or ordinary upkeep and maintenance shall not be deemed a qualified improvement.
- e. Commercial LERTA: Program classification for any applicable property (commercial, industrial, or mixed-use) undergoing qualified improvements.
- f. Local Taxing Authority: The County of Cambria, the Borough of Ebensburg, and the Central Cambria School District.
- g. Assessment Agency: The Cambria County Tax Assessment Office or any other appropriate assessment agency.

SECTION 2 EXEMPTION AMOUNT:

- a. The amount to be exempted shall be limited to that portion of the additional assessment attributable to the actual cost of improvements.
- b. The exemption shall be limited to that improvement for which an exemption has been requested in the manner set forth below, and for which a separate assessment has been made by the Cambria County Tax Assessment Office.

SECTION 3 EXEMPTION SCHEDULE:

All exemptions available hereunder shall be based upon the aggregate cost of each improvement as follows:

- a. The assessed valuation of qualified improvements to an applicable property shall be exempt of real property taxation in accordance with the following schedule and for the following period of years commencing with the first year which qualified improvements are assessed for a full calendar year, to-wit:

Commercial LERTA

Abatement Period: 10 Years

Assessment Increment Abated:	Year 1 & 2: 100%
	Year 3 & 4: 80%
	Year 5 & 6: 60%
	Year 7 & 8: 40%
	Year 9 & 10: 20%

- b. The Council of the Borough of Ebensburg reserves the right to amend this Ordinance or any portion thereof, from time to time, as it shall deem advisable as in the best interest of the advancement of the purposes and intent of the Ordinance and the effective administration thereof.
- c. The exemption from taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.
- d. This Ordinance shall become effective immediately upon approval.

SECTION 4 APPLICATION BY TAXPAYER:

- a. The Taxpayer shall have the obligation to apply for the exemption as set forth herein.
- b. At the time a building permit is secured and issued for the construction of a qualified improvement for which an exemption is requested, the Taxpayer shall apply to the Cambria County Commissioners for the exemption provided for in this Ordinance. The request for the exemption must be provided by a completed application.
- c. The Taxpayer must have the completed application with requested attachments submitted and filed ninety (90) calendar days after receiving the building permit.

SECTION 5 PROCEDURE FOR OBTAINING EXEMPTION:

- a. A copy of the approved request of Real Estate Exemption under the applicable LERTA Program shall be forwarded by the County of Cambria to the Borough of Ebensburg and the Central Cambria School District.
- b. Upon the completion of the reassessment the Cambria County Tax Assessment Office will notify the taxpayer of the calculated amount of assessment eligible for tax exemption through the standard process.
- c. Appeals from the reassessment of qualified improvements and the amount eligible for tax exemption may be taken by the taxpayer as provided by law.

SECTION 6 DESIGNATED AREA:

The designated area to which this Ordinance applies is the former Cambria County Jail, part of Parcel No. 24-004.-108.000 as defined herein.

SECTION 7 CONTINGENCY:

Adoption of this Ordinance is not contingent upon the final adoption of Local Economic Revitalization Tax Assistance Act (LERTA) by the County of Cambria and/or the Central Cambria School District.

SECTION 8 DEFAULT:

Tax abatement under this Ordinance shall be available only for those properties for which real estate taxes are promptly paid and discharged when due. Any property that is declared delinquent as established by the statutes of the Commonwealth of Pennsylvania shall lose the LERTA benefits, and any and all currently due and future taxes shall be due and payable at the full unabated assessment and tax rate.

SECTION 9 SEVERABILITY:

If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any of the section, clause, provision, or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The Borough of Ebensburg reserves the right to amend this Ordinance from time to time, as it shall deem in the best interest of the purpose and intent of this Ordinance, and the effective administration thereof.

SECTION 10 EFFECTIVE DATE:

This Ordinance shall be effective immediately.

**ENACTED AND ORDAINED** this 23<sup>rd</sup> day of November 2020.

**EBENSBURG BOROUGH COUNCIL**

**ATTEST:**

\_\_\_\_\_  
Doug Tusing, President

\_\_\_\_\_  
Daniel L. Penatzer, Manager

Approved this 23<sup>rd</sup> day of November 2020.

\_\_\_\_\_  
Randy S. Datsko, Mayor