

**RESOLUTION R-2018-127**  
**LUZERNE COUNTY COUNCIL**

*A Resolution of the County of Luzerne Providing Tax Exemption  
for New Construction in Deteriorated Areas under the Local Economic  
Revitalization Tax Assistance Act*

WHEREAS, under the Local Economic Revitalization Tax Assistance Act (“LERTA”), 72 P.S. §4722 et seq., Luzerne County is a local taxing authority that has the power to provide tax exemption for new construction or improvements in “deteriorated areas”; and

WHEREAS, under section 2.09.B.2. of the Luzerne County Home Rule Charter, Luzerne County Council has the authority to levy, establish, alter, and/or abolish taxes and assessments except as may be limited by the Home Rule Charter or applicable law; and

WHEREAS, the Hanover Township Board of Commissioners believes that providing tax exemptions under LERTA will encourage new industrial, commercial, and business development in the deteriorated areas, and in turn, will lead to additional tax revenue for Hanover Township, the Hanover Area School District, and Luzerne County (the “Local Taxing Authorities”); and

WHEREAS, on August 13, 2018, the Hanover Township Board of Commissioners held a public hearing to determine the boundaries of the deteriorated areas within Hanover Township; and

WHEREAS, after the public hearing, the Hanover Township Board of Commissioners enacted Ordinance 003-2018, dated September 5, 2018, designating certain areas within Hanover Township as deteriorated areas. The Hanover Township Ordinance specifying the location of the deteriorated areas is attached hereto and incorporated herein by reference; and

WHEREAS, at a public meeting, the Hanover Area School District adopted a resolution dated August 7, 2018, approving a LERTA abatement schedule to be applied to the deteriorated areas as designated by the Hanover Township Board of Commissioners;

WHEREAS, Luzerne County Council also believes that providing tax exemptions under LERTA will encourage new industrial, commercial, and business development in the deteriorated areas defined by the Hanover Township Board of Commissioners, and in turn will lead to additional tax revenue for the Local Taxing Authorities.

NOW, THEREFORE, BE IT RESOLVED BY THE LUZERNE COUNTY COUNCIL, as follows:

SECTION ONE. Incorporation of Preamble.

The provisions set forth above in the preamble to this Resolution are incorporated herein by reference in their entirety.

SECTION TWO. Definitions.

The below terms will be defined as follows for the purposes of this Resolution.

- 2.1 “*Deteriorated Property*” means any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorated 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.
- 2.2 “*Improvement*” means repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating 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.
- 2.3 “*Deteriorated Area*” means the real estate located in Hanover Township that the Hanover Township Board of Commissioners designated as deteriorated areas in Ordinance 003-2018, dated September 5, 2018.

SECTION THREE. Exemptions.

- 3.1 The amount to be exempted from real estate taxes is limited to that portion of the additional assessment attributable to the actual cost of new construction in the Deteriorated Area or improvements to the Deteriorated Property. The applicant is responsible for paying all applicable Luzerne County taxes not associated with the new construction or improvements.

- 3.2 The exemption from real estate taxes is limited to improvements or new construction for which an exemption has been requested in the manner set forth in this Resolution. All other applicable Luzerne County property taxes are not exempt and must be paid.
- 3.3 The exemption from real estate taxes commences in the tax year immediately following the completion of the new construction or improvements. At that time, the said new construction or improvements will be exempt, as set forth herein, according to the following schedule:
- |                               |                                    |
|-------------------------------|------------------------------------|
| <b>Year 1 through Year 7:</b> | <b>100% Property Tax Abatement</b> |
| <b>Year 8:</b>                | <b>90% Property Tax Abatement</b>  |
| <b>Year 9:</b>                | <b>80% Property Tax Abatement</b>  |
| <b>Year 10:</b>               | <b>70% Property Tax Abatement</b>  |
- 3.4 The exemption from taxes granted under this Resolution does not terminate upon the sale or exchange of the property.

**SECTION FOUR. Procedure for Obtaining Exemption.**

- 4.1 Any person desiring tax exemption under this Resolution (“Applicant”) shall submit an application with the Luzerne County Tax Assessor’s Office. The Applicant shall submit the application within forty-five (45) days of receiving the building permit for the improvement or new construction. If the improvement or new construction does not require a building permit, the Applicant shall submit the application within forty-five (45) days of commencing the construction. The application must be in writing and must provide the following information:
- 4.1.1 the name of the owner or owners of the applicable property within the Deteriorated Area; and
  - 4.1.2 the date the building permit was issued for the Improvement or new construction (if applicable); and
  - 4.1.3 the date when the Applicant commenced the construction for the improvement or new construction (if applicable); and
  - 4.1.4 the location of the applicable property including tax parcel identification number(s); and
  - 4.1.5 a brief description of the proposed improvement or new construction; and
  - 4.1.6 estimated costs of the improvement or new construction; and
  - 4.1.7 any other information that Luzerne County may reasonably require.

- 4.2 Upon completion of the improvement or new construction, the Applicant shall notify the Luzerne County Tax Assessor's Office by writing that the improvement or new construction is complete. The Luzerne County Tax Assessor's Office shall then separately assess the new construction or improvement and calculate the amount of the assessment eligible for tax exemption in accordance with the limits established by this Resolution. The Luzerne County Tax Assessor's Office shall then notify the Local Taxing Authorities of the reassessment and the amount of the assessment eligible for the exemption.
- 4.3 Any Local Taxing Authorities may appeal the reassessment and the amount eligible for exemption as provided by law. Applicant waives the right to appeal any property tax assessment during the LERTA period. Applicant's tax assessment appeal rights shall be restored after the LERTA period has expired.
- 4.4 The cost of the 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 that exemption request, and subsequent amendment to this Resolution, if any, shall not apply to the adoption of any such amendment.

SECTION FIVE. Termination Date.

An application for exemption may be made at any time within five (5) years from the effective date of this Resolution. All qualified applications under this Resolution are eligible for the entire ten (10) year exemption schedule.

SECTION SIX. Extension.

Luzerne County will not extend the time for filing an application for exemption.

SECTION SEVEN. Revocation of LERTA Exemption.

The exemption from real estate taxes provided for herein shall be forfeited by the Applicant and/or any subsequent owner of the real estate for the failure to pay any non-exempt real estate taxes by the last day of the time period to pay such taxes in the penalty period. Upon receipt of the notice of nonpayment of non-exempt real estate taxes, Luzerne County shall discontinue the LERTA exemption.

SECTION EIGHT. Amendments.

No amendments to this Resolution are effective unless the Luzerne County Council consents to the amendment by Resolution.

SECTION NINE. Repealer.

This Resolution repeals any other resolution or ordinance inconsistent with this Resolution.

SECTION TEN. Severability.

If any part of this Resolution is unenforceable to any extent for any reason, the rest of the Resolution will remain fully enforceable.

SECTION ELEVEN. Effective Date.

This Resolution shall become effective six (6) days from the date of enactment.

SECTION TWELVE. Further Authorization.

The administration and officials for Luzerne County are directed and authorized to take any action needed to carry out the intent of this Resolution.

ADOPTED at a meeting of Luzerne County Council held on the 11<sup>th</sup> day of September, 2018.

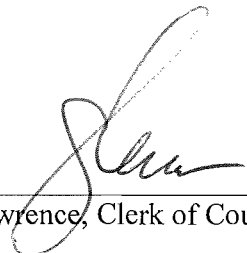
ROLL CALL VOTE (8-2)

YES: Houck, Kelleher, McGinley, Perry, Saidman, Schnee, Vough and Waitkus

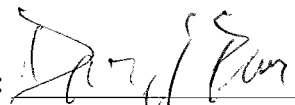
NO: Haas and SA Urban

LUZERNE COUNTY COUNCIL

By:   
Tim McGinley, Chair

Attest:   
Sharon Lawrence, Clerk of Council

LUZERNE COUNTY MANAGER

By:   
C. David Pedri, Esq., County Manager

**Township of Hanover  
Luzerne County, Pennsylvania  
ORDINANCE NO. 003-2018**

**AN ORDINANCE OF THE TOWNSHIP OF HANOVER  
ESTABLISHING A LOCAL ECONOMIC  
REVITALIZATION TAX ASSISTANCE ("LERTA")  
PROGRAM WITHIN THE TOWNSHIP OF HANOVER  
LOCATED ON APPROXIMATELY 150 ACRES OF  
LAND KNOWN AS THE EARTH CONSERVANCY -  
LOOMIS AND LUZERNE COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY SITES, AS WELL AS  
THE HANOVER CROSSINGS PHASES III AND IV, IN  
HANOVER TOWNSHIP, LUZERNE COUNTY,  
PENNSYLVANIA BOUNDED GENERALLY BY  
DUNDEE CROSS ROAD, THE SOUTH CROSS  
VALLEY EXPRESSWAY AND SOUTH VALLEY  
PARKWAY, AND THE HANOVER CROSSINGS  
BUSINESS PARK, HANOVER TOWNSHIP, LUZERNE  
COUNTY, PENNSYLVANIA.**

*WHEREAS*, Under the Local Economic Revitalization Tax Assistance Act ("LERTA"), the Township of Hanover is a local taxing authority that has the power to provide tax exemption for new construction in "deteriorated area." See 72 P.S. §4722 et seq.; and

*WHEREAS*, on August 13, 2018, the Hanover Township Board of Commissioners, after Public Notice, held a public hearing on the LERTA proposal, to receive public input and to set the boundaries of the deteriorated area; and

*WHEREAS*, the Hanover Township Board of Commissioners, based upon the evidence presented at the August 13, 2018 Public Hearing, believes that providing tax exemptions under LERTA will encourage new industrial, commercial, and business

development in the deteriorated area, and in turn lead to additional tax revenue for Hanover Township, the Hanover Area School District, and Luzerne County.

**NOW, THEREFORE, BE IT ENACTED AND ORDAINED AND IT IS HEREBY ENACTED AND ORDAINED** by the Board of Commissioners of Hanover Township as follows:

**1. Definitions.**

- 1.1. *"Deteriorated Property"* means any industrial, commercial or other business property located in an eligible deteriorating area as defined hereinafter, or any such property which has been the subject of an order of a governmental agency requiring the property to be vacated, condemned or demolished by reason of non-compliance with laws, ordinances or regulations.
- 1.2. *"Improvement"* means repair, new construction or reconstruction, building alterations or additions, having the effect of rehabilitating deteriorated property so that it becomes habitable or attains higher standards of safety, economic use or amenity or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep or maintenance shall not be deemed an improvement.
- 1.3. *"Deteriorated Area"* means the real estate located in Hanover Township that the Board of Commissioners designated as deteriorated areas herein.

**2. Designated Property.**

The boundaries of the area within Hanover Township comprised of approximately 150 acres of land currently identified as part of Luzerne County Parcel Identification Numbers 25-J8-00A-119, 25-J8-00A-082, 25-J8-00A-083, and 25-J8-00A-118, as depicted on map attached hereto as Exhibit "A," and as described in the metes and bounds description attached hereto as Exhibit "B", is hereby designated a deteriorated area and shall be considered deteriorated property for the purpose of the Local Economic Revitalization Tax Assistance Act.

**3. Exemptions.**

- 3.1. The amount to be exempted from real estate taxes is limited to that portion of the additional assessment attributable to the actual cost of new construction in the Deteriorated Area or improvements to the Deteriorated Property.

- 3.2. The exemption from real estate taxes is limited to improvements or new constructions for which an exemption has been requested in the manner set forth in this Ordinance.
- 3.3. The exemption commences in the tax year immediately following the completion of the new construction or improvements. At that time, the said improvements will be exempt according to the following schedule:

**Year 1 to Year 7: 100% Property Tax Abatement of Improvements or New Construction**

**Year 8: 90% Property Tax Abatement of Improvements or New Construction**

**Year 9: 80% Property Tax Abatement of Improvements or New Construction**

**Year 10: 70% Property Tax Abatement of Improvements or New Construction**

- 3.4. The exemption from taxes granted under this Ordinance does not terminate upon the sale or exchange of the property.
- 4. Procedure for Obtaining Exemption.**
- 4.1. Any person desiring tax exemption under this Ordinance ("Applicant") shall submit an application with the Township Manager. The Applicant shall submit the application within forty-five (45) days of receiving the building permit for the improvement or new construction. If the improvement or new construction does not require a building permit, the Applicant shall submit the application within forty-five (45) days of commencing the construction. The application must be in writing and must provide the following information:
    - (A) the name of the owner or owners of the deteriorated area;
    - (B) the date the building permit was issued for the improvement or new construction (if applicable);
    - (C) the date when the Applicant commenced the construction for the improvement or new construction ("if applicable")
    - (D) the location of the property including tax parcel identification numbers;
    - (E) a brief description of the proposed improvement or new construction;
    - (F) estimated costs of the improvement or new construction; and
    - (G) any other information that Hanover Township may require.
  - 4.2. Upon completion of the improvement or new construction, the Applicant shall notify the Hanover Township Manager by writing that the improvement or



new construction is complete. Upon receiving the notice, the Hanover Township Manager shall make a request to the Luzerne County Assessor's Office to separately assess the new construction or improvement and calculate the amount of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance. The Luzerne County Assessor's Office shall then notify the Applicant, and Hanover Township, of the reassessment and the amount of the assessment eligible for the exemption.

- 4.3. The Applicant and any Local Taxing Authorities may appeal the reassessment and the amount eligible for exemption as provided by law.
- 4.4. The cost of the 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 that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to the adoption of any such amendment.
5. **Termination Date.** An application for exemption may be made at any time within ten years from the effective date of this Ordinance. All qualified applications under this Ordinance are eligible for the entire ten year exemption schedule.
6. **Extension.** Hanover Township may, by Ordinance adopted from time to time, extend the time for filing an application for exemption.
7. **Revocation of LERTA exemption.** The exemption from real estate taxes provided for herein shall be forfeited by the Applicant and/or any subsequent owner of the real estate for the failure to pay any nonexempt real estate taxes by the last day of the time period to pay such taxes in the penalty period. Upon receipt of the notice of nonpayment of nonexempt real estate taxes, Hanover Township shall discontinue the LERTA exemption.
8. **Amendments.** No amendments to this Ordinance are effective unless the Hanover Township Board of Commissioners consents to the amendment by ordinance.
9. **Repeal.** This Ordinance repeals any other prior ordinance inconsistent with this Ordinance.
10. **Severability.** If any part of this Ordinance is unenforceable to any extent for any reason, the rest of the Ordinance will remain fully enforceable.
11. **Effective Date.** This Ordinance shall become effective immediately.
12. **Further Authorization.** The administration and officials for Hanover Township are directed and authorized to take any action needed to carry out the intent of this Ordinance.

**BE IT ENACTED AND ORDAINED AND IT IS HEREBY ENACTED AND ORDAINED** by the Board of Commissioners of the Township of Hanover, Luzerne County, Pennsylvania, this 5<sup>th</sup> day of September, 2018.

ATTEST:

  
DONNA MAKARCZYK,  
Township Secretary

TOWNSHIP OF HANOVER


By:   
RUSSELL P. DAVIS, Chairman  
Board of Commissioners

EXHIBIT "A"  
MAP OF DESIGNATED PROPERTY

EXHIBIT "B"  
METES AND BOUNDS LEGAL DESCRIPTION OF DESIGNATED PROPERTY