

**RESOLUTION R-2015-104
LUZERNE COUNTY COUNCIL**

A RESOLUTION OF THE LUZERNE COUNTY COUNCIL EXTENDING THE TERM OF EXEMPTIONS, DEDUCTIONS, ABATEMENTS AND CREDITS FOR REAL PROPERTY, EARNED INCOME TAX, NET PROFITS MERCANTILE, AND BUSINESS PRIVILEGE TAXES WITHIN A SPECIFIC GEOGRAPHIC AREA IN LUZERNE COUNTY DESIGNATED AS A KEYSTONE OPPORTUNITY EXPANSION ZONE ("KOEZ") IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, AND RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF COUNTY OF LUZERNE, LUZERNE COUNTY, COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.

WHEREAS, The County of Luzerne, Pennsylvania recognizes the need to encourage investment in a defined geographical area of the County of Luzerne, Pennsylvania as more particularly set forth in Attachments A and B hereto, that is experiencing distress characterized by one or more of the following: high unemployment, low investment of new capital, blighted conditions, underutilized, obsolete or abandoned industrial commercial and residential structures, deteriorated tax base; and

WHEREAS, the Extended Parcel consists of an unoccupied portions of a KOEZ within the County of Luzerne, Pennsylvania, which KOEZ expires on December 31, 2015; and

WHEREAS, the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone and Keystone Opportunity Improvement Zone Act (Act of October 6, 1998, P.L. 705, No. 92), as amended, hereinafter referred to as the "Act," authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for an extension of the term of the applicable benefits within the respective unoccupied portions of the KOEZ, granting exemptions, deductions, abatements or credits from all local taxes identified in the Act; and

WHEREAS, approval of extending the term of the benefits for the Extended Parcel as provided in the Act will result in improving the economic, physical, and social conditions within the subject KOEZ by stimulating existing businesses employment, creating new employment and diminishing blight; and

WHEREAS, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight of the Extended Parcel by the termination date of the extended term;

NOW, THEREFORE, BE IT RESOLVED BY THE LUZERNE COUNTY COUNCIL, contingent only upon DCED's approval of the application for the proposed term of the Extended Parcel of the existing KOEZ: For a period of 10 years from the date of occupancy of the Extended Parcel or expiration of the KOEZ, whichever occurs first as determined by the Department.

The following provisions shall apply to the extended term once the Parcel is occupied:

1. Real Property Tax on the Extended Parcel is 100% exempt, such exemption to terminate December 31, 2025;
2. The following shall be exempt, in accordance with the provisions and limitations set forth within the Act, relative to the Extended Parcel:
 - a. Business gross receipts tax for operations conducted by a Qualified Business within the Extended Parcel.
 - b. Business privilege tax.
 - c. Tax on the earned income received by a resident of the Extended Parcel.
 - d. Tax on the net profits of a Qualified Business attributable to business activity conducted within the expansion zone.
 - e. Mercantile license tax attributable to business activity by a Qualified Business conducted within the Extended Parcel.
 - f. Tax on occupancy or use within the Extended Parcel.
 - g. Sales and use tax (for purchases used and consumed by a Qualified Business within the Extended Parcel).

Benefits to begin on January 1, 2016 and to end on December 31, 2025.

3. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.
4. This resolution shall be effective six days after adoption, conditioned upon the approval of DCED of the application.

ADOPTED a meeting of the Luzerne County Council held on the 22nd day of September, 2015.

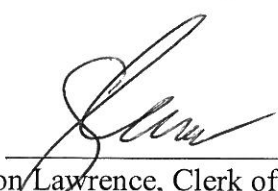
ROLL CALL VOTE (9-2)

AYES: Bobeck, Brominski, Haas, Houck, McGinley, Morelli,
SA Urban, SJ Urban, Williams


LUZERNE COUNTY COUNCIL

NAYS: Dobash, Sorokas

ATTEST:


Sharon Lawrence, Clerk of Council


Linda McClosky Houck, Chair

 9/24/15
Robert C. Lawton, County Manager