

**FORD CITY BOROUGH, ARMSTRONG COUNTY, PENNSYLVANIA
ORDINANCE NO. 660**

**AN ORDINANCE AUTHORIZING TAX ABATEMENTS FOR
PROPERTY TAX ON CERTAIN COMMERCIAL, INDUSTRIAL,
RETAIL, OR OTHER BUSINESS PROPERTIES
PURSUANT TO 72 P.S. 4722 ET SEQ.**

WHEREAS, the General Assembly of Pennsylvania passed Act 76 of 1977 (72 P.S. 4722 et seq.) known as the Local Economic Revitalization Tax Assistance Law (LERTA), which authorized local taxing authorities to provide tax abatements for certain deteriorated commercial, industrial, retail, and other business property; and

WHEREAS, the Borough of Ford City (the "Borough") recognizes the need to encourage the rehabilitation of deteriorating industrial, commercial and other business properties located in the County; and

WHEREAS, on Sept 12, 2005 the Ford City Borough Council (the "Borough Council") held a public meeting (the "Meeting") to discuss the setting of the boundaries of the deteriorated areas; and

WHEREAS, at the Meeting, the Armstrong County Planning and the Ford City Borough Planning Commissions presented recommendations concerning the location of boundaries of the deteriorated areas, which recommendations included a consideration of the criteria set forth in the Urban Redevelopment Law for the determination of "blighted areas" and the Neighborhood Assistance Act for the determination of "impoverished areas" as well as the following criteria: unsafe, unsanitary and overcrowded buildings; vacant, overgrown and unsightly lots of ground; a disproportionate number of tax delinquent properties, excessive land coverage, defective design or arrangement of buildings, street or lot layouts; economically and socially desirable land uses; and

WHEREAS, based on information obtained at the Meeting, the Borough Council hereby makes a determination that certain areas of the Borough are deteriorated areas based on the fact that they contain unsafe, unsanitary and overcrowded buildings; vacant, overgrown and unsightly lots of ground; a disproportionate number of tax delinquent properties, excessive land coverage, defective design or arrangement of buildings, street or lot layouts; economically and socially undesirable land uses; and

WHEREAS, the Borough Council hereby designates the areas shown on Exhibit "A", which is attached hereto and made a part hereof, as the "Improvement Area".

NOW, THEREFORE, be it Ordained and Enacted by the Borough Council of the Borough of Ford City, Armstrong County, Pennsylvania, an Ordinance as follows:

SECTION I. DEFINITIONS

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

(a) **“Board of Assessment”** The Armstrong County Board of Assessment.

(b) **“Borough Council”** The Borough Council of Ford City Borough, Armstrong County, Pennsylvania.

(c) **“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 law, ordinances or regulations.

(d) **“Improvement”** The repair, construction or reconstruction, including alterations or 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 for purposes of this Ordinance.

(e) **“Improvement Area”** Those areas within Ford City Borough, Armstrong County, Pennsylvania, the boundaries of which are delineated on Exhibit “A” as a deteriorated area or otherwise designated as deteriorated property, and, in which Improvements to Deteriorated Property are eligible for tax exemption.

(f) **“Local Taxing Authority”** Armstrong County, the Armstrong School District, and the Borough of Ford City.

(g) **“Municipal Governing Body”** The Borough of Ford City.

(h) **“Redevelopment Authority”** Armstrong County Redevelopment Authority.

SECTION II. ABATEMENT

(a) The Borough hereby approves the Abatement of real property for improvements to eligible deteriorated properties pursuant to the conditions and limitations set forth herein (the “Abatement”).

(b) The Abatement shall be limited to the valuation attributable to 100% of the actual costs of the Improvement of eligible property for a period of ten (10) years.

(c) The abatement shall only apply to the deteriorated Property located in the Improvement area.

(d) The Abatement shall not terminate upon the sale, transfer or exchange of the Property.

SECTION III. ABATEMENT AMOUNT

The amount to be abated shall be limited to the assessment attributable to the actual cost of new construction or improvements to eligible deteriorated property in the Improvement Area and shall be percentage of the assessed value as discussed in Section IV hereof.

SECTION IV. ABATEMENT SCHEDULE

(a) First year	100%
(b) Second year	90%
(c) Third year	80%
(d) Fourth year	70%
(e) Fifth year	60%
(f) Sixth year	50%
(g) Seventh year	40%
(h) Eighth year	30%
(i) Ninth year	20%
(j) Tenth year	10%

SECTION V. PROCEDURE FOR OBTAINING ABATEMENT

Any person desiring an abatement of real estate taxes pursuant to this Ordinance shall notify each of the local taxing authorities of its desire to obtain the abatement by submitting a written request on the form provided by the County of Armstrong. The form must be submitted at the time the owner secures the building permit. A copy of the abatement request form shall be forwarded to the Board of Assessment. The Board of Assessment shall, after completion of the Improvement assess separately the Improvement and calculate the amounts of the assessment eligible for tax exemption in accordance with Section IV, hereof. The Board of Assessment shall then notify the taxpayer and the local taxing authorities in writing of the reassessment and the amounts eligible for the abatement.

SECTION VI. TERMINATION/CONTINUANCE

(a) Unless otherwise repealed by the Borough Council, this Ordinance shall terminate twenty (20) years after the adoption date.

(b) Any property tax abatements granted under this Ordinance shall be permitted to continue according to the abatement schedule even if this Ordinance expires or is repealed.

(c) This Ordinance may be renewed or modified after the termination date, by resolution of the Borough Council, describing the renewal or modification terms.

(d) Any amendment to the Ordinance shall not apply to abatement requests initiated prior to the adoption of the amendment.

SECTION VII. SEVERABILITY

The provisions of this Ordinance are severable and if any of its sections, clauses or sentences shall be held illegal, invalid or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses or sentences.

SECTION VIII. EFFECTIVE DATE

This Ordinance shall become effective immediately upon ordination and enactment.

ORDAINED AND ENACTED by the Ford City Borough Council, this 12 day of Sept., 2005.

BOROUGH OF FORD CITY

BY: Steven W. Kozuch

ATTEST:
(SEAL)

Lisa Bittner
Secretary

EXAMINED AND APPROVED this 12 day of September, 2005.

Mayor John M. L...
Mayor

