

TOWNSHIP OF SOUTH ANNVILLE

Lebanon County, Pennsylvania

ORDINANCE NO. 6-10-20

AN ORDINANCE OF SOUTH ANNVILLE TOWNSHIP TO ESTABLISH A LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT DISTRICT.

BE AND IT IS HEREBY ORDAINED AND ENACTED by the Board of Supervisors of South Annville Township, Lebanon County, Pennsylvania, as follows:

Section 1. Legislative Intent. South Annville Township is a local taxing authority, authorized by the Local Economic Revitalization Tax Assistance Act, the Act of December 1, 1977, P.L.237, No. 76, 72 P.S. §4722 et seq., to provide tax exemption for new construction in deteriorated areas of economically depressed communities and for improvements to certain deteriorated industrial, commercial and other business properties to enable use of those properties for commercial, industrial and other business purposes. The Board of Supervisors of the Township held a public hearing on June 10, 2020, for the purpose of determining the boundaries of deteriorated areas within the Township. The Board of Supervisors desires to encourage new industrial development and improvements to deteriorated properties in these deteriorated areas through the use of tax exemptions. The Board of seeks through this Ordinance to establish regulations, standards, and qualifications for tax abatements for the properties determined after such hearing.

Section 2. Definitions. The following words and phrases when used in this Ordinance shall have the following meaning:

ASSESSED VALUATION – The assessment placed on real property by the Lebanon County assessor upon which all real estate taxes shall be calculated.

BOARD OF SUPERVISORS –The Board of Supervisors of South Annville Township, Lebanon County, Pennsylvania.

DETERIORATED AREA - An area meeting the requirements of the Local Economic Revitalization Tax Assistance Act, 72 P.S. §4722 et seq.

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 usable for commercial, industrial or other business purposes or attains higher standards of safety, health, economic use or amenity for commercial, industrial or other business purposes, or is brought into compliance with laws, ordinances, regulations governing such standards for properties used for commercial, industrial or other business purposes. Ordinary upkeep and maintenance shall not be deemed an improvement. Repair, construction or reconstruction of a property for residential use shall not be considered an improvement under this Ordinance.

LOCAL TAXING AUTHORITY – The Township, the School District, and Lebanon County.

NEW CONSTRUCTION – Construction on a deteriorated property to enable its use for commercial or industrial purposes. Construction of structures containing only dwelling units shall not be considered new construction for the purposes of this Ordinance.

SCHOOL DISTRICT – The Annville Cleona School District.

TOWNSHIP – The Township of South Annville, Lebanon County, Pennsylvania

Section 3. Eligible Areas. The Board of Supervisors determines that the area identified below shall be the area which contains and consists of deteriorated properties which are eligible for tax exemption under this Ordinance. Additional eligible areas may be included from time to time by ordinance of the Board of Supervisors. The area included within the deteriorated area and subject to the benefits of this Ordinance is as follows:

A tract located at the northeast corner of the intersection of Killinger Road and the boundary separating the Township and North Londonderry Township containing approximately 92 acres and being designated as a lot to be created on the Preliminary/Final Subdivision and Land Development Plan for Project Beta for The Hershey Company prepared by Snyder Secary & Associates, LLC, Project No. 19-0475-003, dated January 21, 2020

Section 4. Exemption.

A. The amount to be exempted from Township real estate taxes shall be limited to that portion of the additional assessed valuation attributable to the actual cost of new construction or improvements to deteriorated property in accordance with the exemption schedule established by this Ordinance.

B. The exemption from Township real estate taxes shall be limited to the assessed valuation attributable to the new construction or improvement for which an exemption has been requested in the manner set forth in this Ordinance and for which a separate assessment has been made by the Lebanon County Assessor.

Section 5. Exemption Schedule.

A. The schedule of the Township real estate taxes to be exempted shall be in accordance with the below portion of the assessed valuation attributable to new construction or improvements to be exempted each year.

<u>Length (Year)</u>	<u>Portion (Percent)</u>
First (1 st)	100
Second (2 nd)	90
Third (3 rd)	80
Fourth (4 th)	70
Fifth (5 th)	60
Sixth (6 th)	50
Seventh (7 th)	40
Eighth (8 th)	30
Ninth (9 th)	20
Tenth (10 th)	10

B. If an eligible property is granted a Township tax exemption pursuant to this Ordinance, the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.

C. The exemption from Township taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

D. In the event there is a county-wide assessment of all real property located within Lebanon County, the tax exemption granted hereunder shall remain in effect in accordance with the terms of this Ordinance notwithstanding any such reassessment.

Section 6. Procedure for Obtaining Exemption.

A. Any person desiring tax exemption from Township real estate taxes under this Ordinance shall notify the Secretary and Treasurer of the Township, as well as the Business Manager of the School District, in writing on a form provided to the Applicant at the time he/she secures a building permit for the new construction or improvement. A copy of the exemption request shall be forwarded to the Lebanon County Assessment Office. The Lebanon County Assessor shall, upon notice by the Applicant and after completion of the new construction or improvement, assess separately 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 and shall notify the taxpayer, the Township and the School District of the reassessment and the amount of the assessment eligible for the exemption. Appeals from the reassessment and the amount eligible for the exemption may be taken by the taxpayer or the local taxing authority as provided by law.

B. The cost of the new construction or improvements to be exempted from Township real estate taxes under this Ordinance and the schedule of Township real estate taxes exempted existing at the time of 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 such amendment.

Section 7. Termination Date. An application for exemption from Township real estate taxes may be made at any time within five (5) years from the effective date of this Ordinance. All qualified applications under this Ordinance are eligible for the entire ten (10) year exemption schedule.

Section 8. Extension. The Township, may by ordinance enacted from time to time, extend the time for filing an application for exemption from Township real estate taxes. However, in no event shall any one (1) extension period exceed five (5) years.

Section 9. Revocation of LERTA Exemption. The exemption from Township real estate taxes provided for herein shall be forfeited by the taxpayer 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, the Township Treasurer shall discontinue the LERTA exemption.

Section 10. Severability. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such invalidity, illegality or unconstitutionality shall not affect or impair the remaining provisions, sections, sentences, clauses or parts of this Ordinance, it being the intent of the Board of Supervisors that the remainder of the Ordinance shall be and shall remain in full force and effect.

Section 11. Effective Date. This Ordinance shall take effect and be in force five (5) days after its enactment by the Board of Supervisors of the Township of South Annville as provided by law.

DULY ORDAINED AND ENACTED this 10th day of June, 2020, by the Board of Supervisors of the Township of South Annville, Lebanon County, Pennsylvania, in lawful session duly assembled.

SOUTH ANNVILLE TOWNSHIP
Lebanon County, Pennsylvania

Attest: Donald H. Mubgen
(Assistant) Secretary

By: Paul Hoover
(Vice) Chairman
Board of Supervisors

[TOWNSHIP SEAL]