

**HANOVER TOWNSHIP  
WASHINGTON COUNTY, PENNSYLVANIA**

**AN ORDINANCE ADOPTED BY HANOVER TOWNSHIP, WASHINGTON COUNTY, PENNSYLVANIA, PURSUANT TO PENNSYLVANIA ACT 76 OF 1977, PROVIDING FOR PROPERTY TAX EXEMPTION FOR CERTAIN DETERIORATED INDUSTRIAL, COMMERCIAL OR OTHER BUSINESS PROPERTY, HENCEFORTH KNOWN AS ECONOMIC INVESTMENT PROPERTIES; SETTING A MAXIMUM EXEMPTION AMOUNT AND AN EXEMPTION SCHEDULE; AND PROVIDING A PROCEDURE FOR SECURING AN EXEMPTION.**

**WHEREAS**, Act 76 of 1977 (72 P.S. 4722 et seq.), known as the Local Economic Revitalization Tax Assistance Act (LERTA), authorizing local taxing authorities to provide for tax exemption for economic investment on certain deteriorated industrial, commercial and other business property, was passed by the General Assembly of Pennsylvania and duly approved by the Governor of the Commonwealth; and

**WHEREAS**, Hanover Township recognizes the need to encourage the rehabilitation of deteriorating business, commercial and industrial properties in Hanover Township; and

**WHEREAS**, the Board of Supervisors of Hanover Township believes it to be in the best interest and welfare of its residents to adopt this Ordinance.

**NOW THEREFORE**, pursuant to the Second Class Township Code, as amended, be it ordained by the Board of Supervisors of Hanover Township, that Hanover Township, as a local taxing authority, agrees to engage in the exemption provision of the aforesaid Act, and in order to do so develops the procedure and practice in the granting of exemptions as set forth in the Act, and more specifically as follows:

**SECTION 1. TITLE**

This Ordinance shall be known as the “Hanover Township LERTA Ordinance of 2016”.

**SECTION 2. PURPOSE**

The purpose of this Ordinance is to encourage economic development by providing property tax exemption in certain circumstances as set forth herein.

**SECTION 3. DEFINITIONS**

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

Assessment Agency – the Tax Assessment Office of Washington County, Pennsylvania

Board of Supervisors – the Board of Supervisors of Hanover Township, Washington County, Pennsylvania

Economic Investment Area – those areas within Hanover Township, the boundaries of which have been fixed by the Hanover Township Supervisors to include all areas in the Industrial and Business District (I-B), Highway Commercial (C-1), and Special Development District (S-D), plus any other business or industrial use approved by the Board of Supervisors in any other zoning district, in which improvements to deteriorated property are eligible for tax exemption.

Economic Investment Property – any industrial, commercial or other business property owned by an individual, association or corporation, and located in an Economic Investment Area, 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 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.

Local Taxing Authority – the Township of Hanover, the County of Washington, the school districts, or any other governmental entity having the authority to levy real property taxes within Washington County, Pennsylvania.

#### **SECTION 4. 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 assessment agency.

No tax exemption shall be granted if the property owner does not secure the necessary and proper permits for the improving the property.

C. In any case, after the effective date of this Ordinance where deteriorated property is damaged, destroyed or demolished, by an cause or for any reason, and the assessed valuation of the property affected has been reduced as a result of the said damage, destruction or demolition, the exemption from real property taxation authorized by this Ordinance shall be limited to that portion of new assessment attributable to the actual cost of improvements or

construction that is in excess of the original assessment that existed prior to damage, destruction or demolition of the property.

D. The Improvement to be considered for exemption shall be strictly limited to Economic Investment Property as defined herein and to the Economic Investment Area designated as designated as I-B, S-D and C-1 also defined in this Ordinance.

**SECTION 5. EXEMPTION SCHEDULE**

A The schedule of real property taxes to be exempted shall be in accordance with the below portion of improvements to be exempted each year:

<u>Length</u>	<u>Portion</u>
First Year	100%
Second Year	100%
Third Year	100%
Fourth Year	100%
Fifth Year	100%

After the fifth year, the exemption shall terminate.

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

**SECTION 6. PROCEDURE FOR OBTAINING EXEMPTION**

A. The Assessment Agency has been or shall be notified of the boundaries of the Economic Investment Area.

B. A copy of each complete exemption request shall be forwarded to the assessment agency by the local taxing authority.

C. Upon completion of the improvement, the taxpayer shall notify the local taxing authority and the assessment agency. The assessment agency shall then assess separately the improvement for the purpose of calculating the amount of assessment eligible for the tax exemption in accordance with the limits established by this ordinance and shall notify the taxpayer and the local taxing authorities of the reassessment and amounts of the assessment eligible for exemption. The Treasurer is authorized to make refunds, if applicable, only after the assessment agency has notified the Treasurer of its separate assessment upon the improvement for which an exemption is requested.

D. The cost of 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 amendments to this Ordinance, if any, shall not apply to requests initiated prior to the adoption of such amendments.

E. Appeals for the reassessment and for the exemption eligibility may be taken by the local taxing authorities or by the taxpayer as provided by law.

**SECTION 7. AMENDMENTS**

No amendment to this Ordinance shall be effective unless consented to by resolution or ordinance of each local taxing authority (Washington County and the Burgettstown Area School District) which has consented to be bound by the terms of this Ordinance.

**SECTION 8. TERMINATION**

A. Unless sooner repealed by the Board of Supervisors of Hanover Township, Washington County, this Ordinance shall automatically expire and terminate four (4) years following the effective date hereof; provided, however, that any taxpayer who has received or applied for the exemption granted by this Ordinance prior to the expiration date herein provided, shall, if said exemption is granted, be entitled to the full exemption authorized herein.

B. Nothing contained herein shall act to prohibit the Board of Supervisors from enacting a similar ordinance after the expiration of this Ordinance.

**SECTION 9. SEVERABILITY**

In the event that any provision, section, sentence or portion of this Ordinance shall be held invalid, such invalidity shall not effect or impair any of the remaining provision of this Ordinance, as the provision are severable and would have been enacted had not such invalid provisions been included herein. All Ordinances or part of Ordinances, which are inconsistent herewith, are hereby repealed.

**SECTION 10. REPEALER**

Any ordinance containing any provision inconsistent herewith to the extent that such provision is inconsistent, that provision is also hereby repealed.

**SECTION 11. EFFECTIVE DATE**

This Ordinance shall become effective upon enactment therein.

**ORDAINED AND ENACTED INTO LAW** by the Board of Supervisors of Hanover

Township, *Washington* County, Pennsylvania, this 19 day of May, 2016.

**ATTEST:**

**HANOVER TOWNSHIP  
BOARD OF SUPERVISORS**

\_\_\_\_\_  
Wendy M. Turrentine, Secretary/Treasurer

By: \_\_\_\_\_  
Dale Handick, Chairman

(SEAL)

By: \_\_\_\_\_  
Herbert Grubbs, Vice Chairman

By: \_\_\_\_\_  
Kevin Lemmi