

**HATFIELD TOWNSHIP
RESOLUTION #15-35**

A RESOLUTION OF THE TOWNSHIP OF HATFIELD TOWNSHIP, MONTGOMERY COUNTY, PROVIDING FOR AN EXEMPTION SCHEDULE AND ESTABLISHING STANDARDS AND QUALIFICATIONS FOR PARTICIPANTS PURSUANT TO PURSUANT TO THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (“LERTA”).

WHEREAS, Hatfield Township (“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; and

WHEREAS, the Board of Commissioners of Hatfield Township (“Board of Commissioners”) held a public hearing on November 18th, 2015 for the purpose of determining the boundaries of deteriorated areas within the Township and enacted Resolution No. 15-34; and

WHEREAS, the Board of Commissioners desires to encourage new industrial, commercial, and business development in these deteriorated areas through the use of tax exemptions;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Hatfield Township, Montgomery County, Pennsylvania, as follows:

SECTION I. Definitions. As used in this Resolution, the following words and phrases shall have the meaning set forth below:

Deteriorated Property - any industrial, commercial or other business property owned by an individual, association, or corporation, and located in a deteriorating area, as provided by ordinance or resolution 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.

SECTION II. Designated Area. In accordance with Resolution No. 15-34, the Designated Area to which this Resolution applies is as attached as Exhibit “A”.

SECTION III. Exemptions. The following shall apply to the Designated Area:

- A. The amount to be exempted from real estate taxes shall be limited to that portion of the additional assessment attributable to the actual cost of new construction or improvements to deteriorated property in accordance with the exemption schedule established by this Resolution.
- B. The exemption from real estate taxes shall be limited to that improvement for which an exemption has been requested in the manner set forth in this Resolution and for which a separate assessment has been made by the Montgomery County Board of Assessment Office.

SECTION IV. Exemption Schedule. The following shall apply to the Designated Area:

- A. The schedule of real estate taxes to be exempted shall be in accordance with the below portion of improvements to be exempted each year.

<u>Length (Year)</u>	<u>Portion (Percent)</u>
First	100
Second	90
Third	80
Fourth	70
Fifth	60
Sixth	50
Seventh	40
Eighth	30
Ninth	20
Tenth	10

- B. If an eligible property is granted a tax exemption pursuant to this Resolution, the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.
- C. The exemption from taxes granted under this Resolution shall be upon the property and shall not terminate upon the sale or exchange of the property.

SECTION V. Procedure for Obtaining Exemption.

- A. Any person desiring tax exemption under this Resolution shall notify the Manager and Treasurer of the Township, as well as the Business Manager of North Penn Area School District in writing on a form provided to the Applicant at the time a building permit is secured for new construction or an improvement, or if no building permit or other notification of new construction or improvement is required, at the time construction commences. A copy of the exemption request shall be forwarded to the Montgomery County Board of Assessment Office. The Montgomery County Assessor shall, upon notice by 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 Resolution 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 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.
- C. Any property with a tax delinquency is not eligible for the relief set forth in this Resolution.

SECTION VI. 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, the Township Treasurer shall discontinue the LERTA exemption.

SECTION VII. The provisions of this Resolution are declared to be severable. If any provision of this Resolution is declared by a court of competent jurisdiction to be invalid or unconstitutional, such determination shall have no effect on the remaining provisions of this Resolution or on the provisions of the Hatfield Township Code.

SECTION VIII. All ordinances or parts thereof and all resolutions or parts thereof inconsistent with the provisions of this Resolution are hereby repealed to the extent of the inconsistency.

SECTION IX. This Resolution shall become effective immediately.

DULY PRESENTED AND ADOPTED by the Hatfield Township Board of Commissioners, Montgomery County, Pennsylvania, in a public meeting held this _____ day of _____, 2015.

ATTEST:

**HATFIELD TOWNSHIP
BOARD OF COMMISSIONERS**

Aaron Bibro
Township Manager

Thomas C. Zipfel, President