

## WILLIAM PENN SCHOOL DISTRICT

### RESOLUTION

A RESOLUTION OF THE WILLIAM PENN SCHOOL DISTRICT, IMPLEMENTING THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (“LERTA”) PROGRAM PROVIDING FOR TAX EXEMPTION FOR CERTAIN DETERIORATED AREAS WITHIN DARBY BOROUGH, PROVIDING FOR AN EXEMPTION SCHEDULE AND ESTABLISHING STANDARDS AND QUALIFICATIONS FOR PARTICIPANTS.

WHEREAS, William Penn School District (“School District”) 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 Borough Council of Darby held a public hearing for the purpose of determining the boundaries of deteriorated areas within Darby Borough and enacted Ordinance No. 795 on December 22, 2020; and

WHEREAS, the Board of School Directors of the William Penn School District desires to encourage new residential, industrial, commercial, and business development in these deteriorated areas through the use of tax exemptions;

NOW, THEREFORE, BE IT RESOLVED, by the Board of School Directors of the William Penn School District, 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 Darby Borough Council Ordinance No. 795, the Designated Area to which this Resolution applies is identified as the following tax parcel numbers, as designated by the Delaware County Board of Assessment Appeals:

14000257700	901 Quarry Street, Darby, PA
14000257900	901 Quarry Street, Darby, PA
14001257700	901 Quarry Street, Darby, PA
14000258500	901 Quarry Street, Darby, PA
14000258600	901 Quarry Street, Darby, PA
14000032000	901 Quarry Street, Darby, PA

**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 Delaware 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. The First year shall begin July 1 after Requester receives a Certificate of Occupancy.

<u>Length (Year)</u>	<u>Portion (Percent)</u>
First	50
Second	50
Third	70
Fourth	60
Fifth	50
Sixth	40
Seventh	30
Eighth	20
Ninth	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.
- D. If the use of the property at the time the exemption is granted is modified, terminated or changed during the five (5) year period which in any way would have affected the exemption if the property had been so used when the exemption was granted, then at the election of the School District, the exemption shall terminate as of the date the use was modified or terminated or the School District determines that the continuation of the exemption would be inconsistent with the purposes of this Part.

**SECTION V. Procedure for Obtaining Exemption.**

- A. Any person desiring a tax exemption under this Resolution shall notify the Manager of Darby Borough, as well as the Business Manager of William Penn 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 Delaware County Board of Assessment Office. The Delaware 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 Borough and the School District of the reassessment and the amount of the assessment eligible for the exemption.
- B. The portion of the assessment 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 failing to pay any nonexempt real estate taxes by the last day of the time period to pay such taxes in the penalty period. In the event that the exemption from real estate taxes is forfeited, the Applicant or subsequent owner of the real estate shall pay to the School District within thirty (30) days the amount of all real estate taxes previously exempted under this Resolution. Said amount shall include interest of 6 percent per annum. Upon receipt of the notice of nonpayment of nonexempt real estate taxes the School District shall discontinue the LERTA exemption. The School District agrees that it also will not file a tax assessment appeal of the Designated Area during the five-year period of exemption under this Resolution.

**SECTION VII.** An Applicant who is granted an exemption under this Resolution will covenant and agree that in the event it wishes to challenge the assessed value of the improvements, the Applicant, the School District and the Borough will each select a qualified appraiser, and the average of the three resulting appraisals will be accepted by the Parties as the proper assessed value.

**SECTION VIII.** 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.

**SECTION IX.** All resolutions or parts thereof inconsistent with the provisions of this Resolution are hereby repealed to the extent of the inconsistency.

**SECTION X.** This Resolution shall become effective immediately.

**DULY PRESENTED AND ADOPTED** by the Board of School Directors of the William Penn School District, in a public meeting held this 25<sup>th</sup> day of January 2021.

**ATTEST:**

**WILLIAM PENN SCHOOL DISTRICT  
BOARD OF SCHOOL DIRECTORS**

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A. Jeff Cuff  
Business Administrator/Board Secretary

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Jennifer Hoff, President