

NORTHAMPTON COUNTY COUNCIL - EASTON, PA

Ordinance No.

SESSION

Bill No. 839

Introduced by Thomas A. Giovanni and John P. Goffredo on March 16, 2023

Enacted

Effective

Title: AN ORDINANCE BY NORTHAMPTON COUNTY COUNCIL CONCURRING WITH THE UPPER MOUNT BETHEL TOWNSHIP AND THE BANGOR AREA SCHOOL DISTRICT, AND PROVIDING FOR PROPERTY TAX EXEMPTION FOR CERTAIN DETERIORATED PROPERTY AS DEFINED IN ORDINANCE 2017-04 OF THE UPPER MOUNT BETHEL TOWNSHIP - PURSUANT TO ACT 76 OF 1977, OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, AS AMENDED (72 P.S. 4722 ET SEQ.)

WHEREAS, the General Assembly of Pennsylvania passed Act 76 of 1977, known as the Local Economic Revitalization Tax Assistance Law (LERTA), which authorizes local taxing authorities to provide for tax exemption for certain deteriorated industrial, commercial and other business property; and

WHEREAS, the Board of Supervisors of Upper Mount Bethel Township (Township) recognize the need to encourage development in certain deteriorated areas of the Township and believe that adopting this Ordinance is in the best interests of the Township and its residents; and

WHEREAS, the Township is a "municipal governing body" within the meaning of LERTA and the Board of Supervisors of the Township proposes to establish an area within the boundaries of the Township as an area in which such tax exemption (Tax Exemption) may be granted by the Local Taxing Authorities (as hereinafter defined); and

WHEREAS, the Board of Supervisors of the Township held a public hearing on October 30, 2017, for the purpose of determining the boundaries of the area in which the Tax Exemption may be granted by the Local Taxing Authorities; and

WHEREAS, the Board of Supervisors of the Township, with due consideration having been given to the recommendations and

comments made at such public hearing and as subsequently approved and adopted on December 11, 2017 by Township Ordinance 2017-04, determined that the area shown on Exhibit "A" attached hereto and identified by the tax parcel numbers listed in "Exhibit B" attached hereto meets the criteria under LERTA for the Tax Exemption.

WHEREAS, Upper Mt. Bethel Township by correspondence of October 24, 2022, Exhibit "C", has recommended and requested that Northampton County Council extend the existing LERTA designation in the Townships 1-2 and I-3 Zones for the remaining five years allowed by the local Economic Revitalization Tax Assistance Act and to match the expiration of the LERTA Ordinances of Upper Mt. Bethel Township and the Bangor Area School District.

WHEREAS, the County Council of Northampton County, in accordance with said Act, have held a public hearing.

NOW, THEREFORE, BE IT ORDAINED, by the County Council of Northampton County:

I. DEFINITIONS

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

(1) "Becomes assessable" means immediately following issuance of the state and local occupancy permits.

(2) "Deteriorated area" means that portion of the Township which Upper Mount Bethel Township has determined to be physically blighted pursuant to Act 76 of 1977 of the General Assembly of the Commonwealth of Pennsylvania, as amended (72 P.S. 4722 et seq.).

(3) "Deteriorated property" means any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorating area, as provided by Resolution of Council, or any such property which has been the subject of an order by the City requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations. Buildings wherein at least 30% of the usable gross floor area is utilized for industrial, residential,

commercial, or business use shall, if otherwise qualified, be considered a "deteriorated property" within this Article.

(4) "Improvement" means the construction of new building structures, new additions to existing structures or substantial renovations to existing structures which result in an increase in assessed valuation of the deteriorated property. Such improvements shall have 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.

(5) "Local taxing authority" means the Upper Mount Bethel Township, the Bangor Area School District, the County of Northampton, or any other governmental entity having the authority to levy real property taxes within Upper Mount Bethel Township.

(6) "Municipal governing body" means Northampton County.

II. ELIGIBLE AREAS

The Northampton County Council hereby determines that the following areas of the Upper Mount Bethel Township, Northampton County Pennsylvania, shown on Exhibit "A" attached hereto and identified by the tax parcel numbers listed in "Exhibit B" attached hereto as those areas in which Improvements are eligible for the Tax Exemption by the Local Taxing Authorities in accordance with this Ordinance.

III. 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 Division

of the Department of Fiscal Affairs of Northampton County (hereafter referred to as Assessment Division).

IV. EXEMPTION SCHEDULE

Subject to the conditions, requirements and limitations set forth in this Ordinance, taxpayers making assessable improvements to deteriorated property located in the deteriorating area may apply for and may be granted a real estate tax exemption limited to the amounts in Sections III (A) and (B) as set forth above, subject to the following schedule:

A. New Construction Improvements

- (1) For the first year immediately following the date upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted.
- (2) For the second year immediately following the date upon which the improvement becomes assessable, 90% of the eligible assessment shall be exempted.
- (3) For the third year immediately following the date upon which the improvement becomes assessable, 80% of the eligible assessment shall be exempted.
- (4) For the fourth year immediately following the date upon which the improvement becomes assessable, 70% of the eligible assessment shall be exempted.
- (5) For the fifth year immediately following the date upon which the improvement becomes assessable, 60% of the eligible assessment shall be exempted.
- (6) For the sixth year immediately following the date upon which the improvement becomes assessable, 50% of the eligible assessment shall be exempted.
- (7) For the seventh year immediately following the date upon which the improvement becomes

assessable, 40% of the eligible assessment shall be exempted.

- (8) For the eighth year immediately following the date upon which the improvement becomes assessable, 30% of the eligible assessment shall be exempted.
- (9) For the ninth year immediately following the date upon which the improvement becomes assessable, 20% of the eligible assessment shall be exempted.
- (10) For the tenth year immediately following the date upon which the improvement becomes assessable, 10% of the eligible assessment shall be exempted.
- (11) After the tenth year the exemption shall terminate.
- (12) The exemption from taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

B. Substantial Rehabilitation Improvements

- (1) For the first year immediately following the date upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted.
- (2) For the second year immediately following the date upon which the improvement becomes assessable, 90% of the eligible assessment shall be exempted.
- (3) For the third year immediately following the date upon which the improvement becomes assessable, 80% of the eligible assessment shall be exempted.
- (4) For the fourth year immediately following the date upon which the improvement becomes assessable, 70% of the eligible assessment shall be exempted.

- (5) For the fifth year immediately following the date upon which the improvement becomes assessable, 60% of the eligible assessment shall be exempted.
- (6) For the sixth year immediately following the date upon which the improvement becomes assessable, 50% of the eligible assessment shall be exempted.
- (7) For the seventh year immediately following the date upon which the improvement becomes assessable, 40% of the eligible assessment shall be exempted.
- (8) For the eighth year immediately following the date upon which the improvement becomes assessable, 30% of the eligible assessment shall be exempted.
- (9) For the ninth year immediately following the date upon which the improvement becomes assessable, 20% of the eligible assessment shall be exempted.
- (10) For the tenth year immediately following the date upon which the improvement becomes assessable, 10% of the eligible assessment shall be exempted.
- (11) After the tenth year the exemption shall terminate.
- (12) The exemption from taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

V. NOTICE TO TAXPAYERS

(a) There shall be placed on the form application for building, zoning and alteration permits the following:

NOTICE TO TAXPAYERS

Under the provisions of TOWNSHIP ORDINANCE NO.2017-04, as

amended, you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Upper Mount Bethel Township and must be filed with the Township at the time a building permit is secured.

(b) At the time a building permit is secured for construction upon an existing deteriorated property for which an exemption is requested, the taxpayer shall apply to the Upper Mount Bethel Township or any successor agency thereto for the exemption provided for in this Ordinance. The taxpayer shall be permitted to apply for the exemption provided in this Ordinance up to a period of sixty (60) days from the date a final executed building permit is secured. Request for the exemption must be in writing certified in full as prescribed by the Township setting forth the following information:

- (1) The date a final executed building permit was issued for said improvement.
- (2) The type of improvement.
- (3) The summary of the plan of the improvement.
- (4) The cost of the improvement.
- (5) That the property has been inspected and verified by Upper Mount Bethel Township.
- (6) Any or all such additional information the Township may require.

VI. PROCEDURES FOR OBTAINING EXEMPTIONS

A copy of the request for exemption, on forms prescribed by the Northampton County Director of Fiscal Affairs, shall be forwarded to the Assessment Division, the Northampton County Board of Assessment Appeals and the Bangor Area School District by the Township. Upon completion of the improvement, the taxpayer shall notify the Township and the Assessment Division so that the Assessment Division may assess the improvements separately for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established in this Ordinance. The Township will then obtain from the Assessment Division the amount of the assessment eligible for exemption and will notify the taxpayer. The

Director of the Department of Fiscal Affairs is authorized to make refunds, if applicable, only after the Assessment Division has notified the Director of Fiscal Affairs of its separate assessment upon the improvement for which an exemption is requested. Appeals from the reassessment and the amount eligible for the exemption may be taken by the taxpayer of the Township as provided by law.

VII. TERMINATION

Unless otherwise repealed by the Northampton County Council, this Ordinance shall terminate on December 31, 2027. No later than December 31, 2027, the Chairperson of Upper Mount Bethel Township Board of Supervisors shall submit a written report to the Northampton County Council which shall inform the Northampton County Council as to how this Ordinance has been administered, the effects of this Ordinance on the community and include any suggestions or recommendations for this Ordinance's re-enactment, modification or repeal. Nothing contained herein shall act to prohibit the Northampton County Council from enacting a similar ordinance after December 31, 2027. Any property tax exemptions granted under the provisions of this Ordinance shall be permitted to continue according to the exemption schedule found in Section IV unless any such property tax exemption is rescinded in accordance with the default provisions of this Ordinance, even if this Ordinance expires or is repealed.

VIII. HEARING BOARD

A Tax Abatement Hearing Board (hereafter referred to as Board) shall consist of the Township Manager of the Upper Mount Bethel Township, the Director of Fiscal Affairs of the County of Northampton and the Business Administrator of the Bangor Area School District, for resolution of differences between the approving authority and the owner-taxpayer of the improved property on matters concerning interpretation and execution of the provisions of this Ordinance and shall serve until December 31, 2027.

The Hearing Board shall have the following powers:

- (1) To hear appeals from any person aggrieved by the application of this Ordinance.
- (2) To make rules with regard to conducting its hearings.

- (3) To make such findings of fact as may be required by the application of this Ordinance.
- (4) To decide questions presented to the Board.
- (5) To affirm, revoke or modify the decision of Upper Mount Bethel Township as to the eligibility of a particular property for the Property Tax Abatement as provided for in this Ordinance.
- (6) The Board shall meet upon notice of the Chairman within thirty (30) days of the filing of an appeal and shall render its decision within thirty (30) days after the appeal hearing.
- (7) Every action of the Board shall be by resolution and certified copies furnished to the appellant.
- (8) All hearings shall be public; and the appellant or any other person whose interests may be affected by the matter on appeal shall be given an opportunity to be heard.
- (9) For the purposes of this Ordinance, every action of the Board shall require a simple majority of the members in attendance. Attendance at the hearing by three (3) members of the Board shall be required to constitute a quorum for a meeting and for action on an appeal.

IX. RULES AND REGULATIONS

In accordance with the provisions of the Northampton County Home Rule Charter, Section 302, the County Executive of Northampton County is authorized and empowered to prepare, promulgate, execute and enforce rules and regulations made pursuant to the provisions of this Ordinance.

X. 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. It is hereby declared to be the intent of the Northampton County Council that this Ordinance would have been adopted if such illegal, invalid or unconstitutional sections, clauses or sentences had not been included herein.

XI. DEFAULT

Tax abatement under this ordinance shall be available only for those properties for which real estate taxes are promptly paid and discharged when due. Any property that is declared delinquent as established by the statutes of the Commonwealth of Pennsylvania shall lose the LERTA benefits and any and all currently due and future taxes shall be due and payable at the full unabated assessment and tax rate.

342.12 APPEAL OF DEFAULT

Properties that have been declared delinquent may appeal the rescission of the LERTA benefits by providing a written request to the Hearing Board providing a basis for the appeal and the justification for the waiver of the requirements of Section X.

XII. EFFECTIVE DATE

This Ordinance shall take effect on thirty (30) days after the date of enactment, retroactive to January 1st, 2023 and shall remain in effect thereafter from year to year, unless repealed, until December 31, 2027.

XIII. All ordinances, and parts of ordinances, inconsistent herewith be, and the same are hereby repealed.

This ordinance was advertised on the ___ day of _____ 2023 and was adopted by the Northampton County Council on the ___ day of _____ 2023.

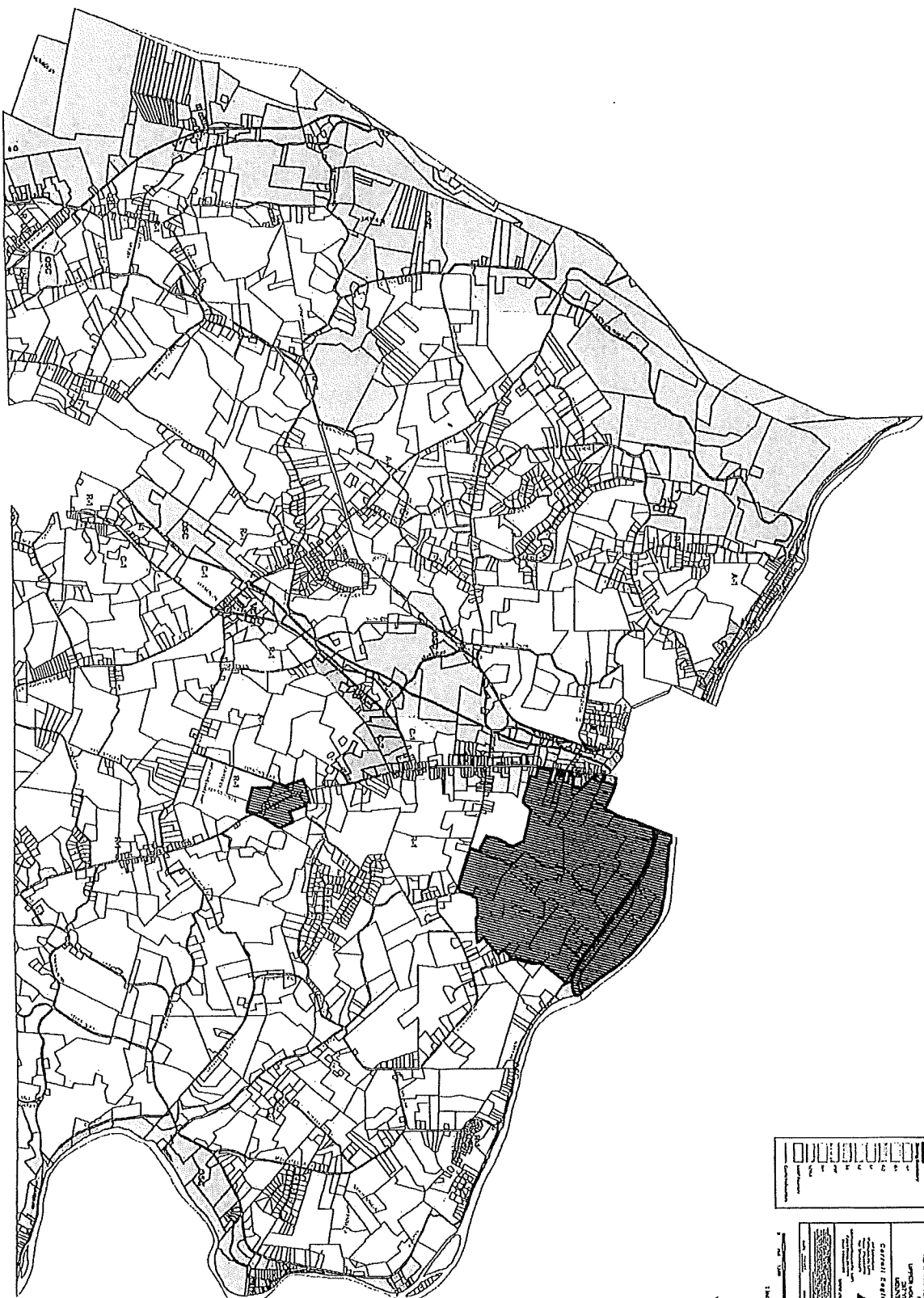
ATTEST:

Linda M. Zembo
Clerk to Council

Kerry L. Myers
County Council President

Lamont G. McClure
County Executive

EXHIBIT "A"



Legend

[Symbol]	Lot
[Symbol]	Block
[Symbol]	Section
[Symbol]	Water
[Symbol]	Other

**UPPER MOUNT BETHEL TOWNSHIP
LERTA OVERLAY MAP**

UPPER MOUNT BETHEL TOWNSHIP
LOCAL GOVERNMENT
1000 N. 10TH ST.
BETHEL, PA 17814

Geisler Engineering Corporation
1000 N. 10TH ST.
BETHEL, PA 17814

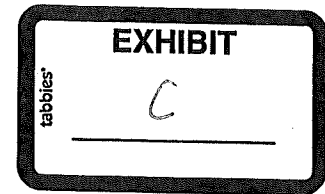
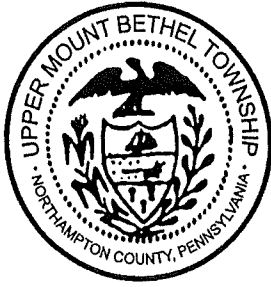
DATE: 10/1/2014
SCALE: 1" = 100'



EXHIBIT "B"

PARCEL_ID	ASMT_ACREA	DEED	LOCATION	SALE_DATE
C12 5 4	128.68	1999-1 178763	5027 RIVER RD	12/2/1999
C12 2 1	0.23	2010-1 103682	RIVER RD	6/2/2010
C12 4 1	16.85	2003-1 434659	RIVER RD	10/17/2003
C12 5 6	51.98	1999-1 178763	EQ DELAWARE AVE	12/2/1999
D12 1 1C-4	4.5	2003-1 498580	206 PINE TREE LN	12/1/2003
C11 31.1A	6.095	367 000004	1199 POTOMAC ST	1/1/1979
C12 6 6	16.67	1999-1 178617	PINE TREE LN	12/2/1999
C11 31.1	59.7	1999-1 178617	1221 POTOMAC ST	12/2/1999
C11 31.3	9	1999-1 178617	MARSHFIELD DR	12/2/1999
C12 6 3	3.85	1999-1 178617	RIVER RD	12/2/1999
C12 6 8	60.62	1999-1 178617	MARSHFIELD DR	12/2/1999
C12 6 4	23.35	1999-1 178617	4584 RIVER RD	12/2/1999
C11 31.4	3.85	1999-1 178617	MARSHFIELD DR	12/2/1999
C12 6 4D	1.09	1999-1 178617	RIVER RD	12/2/1999
C12 6 7	90.04	1999-1 178617	PINE TREE LN	12/2/1999
C12 6 4C	9.1	1999-1 178617	RIVER RD	12/2/1999
C12 6 4E	2.69	1999-1 178617	RIVER RD	12/2/1999
C12 6 5	46.63	1999-1 178617	PINE TREE LN	12/2/1999
C12 6 4B	3.58	1999-1 178617	RIVER RD	12/2/1999
C12 6 4A	10.03	1999-1 178617	RIVER RD	12/2/1999
C12 6 2	1.033	1999-1 178617	RIVER RD	12/2/1999
C12 3 8A	0.97	2006-1 070269	RIVER RD	2/20/2006
C11 26 2	96.23	1999-1 178617	160 MARSHFIELD DR	12/2/1999
C12 3 5	20	1999-1 178617	652 MARSHFIELD DR	12/2/1999
C11 26 8	39.41	19981 021005	2747 -2795 N DELAWARE DR	2/1/1998
C11 26 9	9.23	2009-1 206866	2845 N DELAWARE DR	3/11/2009
C11 26 10	4.02	19981 152268	2869 N DELAWARE DR	11/1/1998
C12 3 3	35.88	2006-1 070269	5000 RIVER RD	2/20/2006
C11NE3 2 1	2.49	2000-1 062820	N DELAWARE DR	5/26/2000
C11 26 11	13.75	1999-1 178617	N DELAWARE DR	12/2/1999
C11 26 15	5.37	1997-1 098871	DEMI RD	9/1/1997
C11 26 12	23.4	2012-1 319952	303 DEMI RD	12/28/2012
C11 26 15D	7.26	1997-1 098871	222 DEMI RD	9/1/1997
C12 3 4	108.5	1999-1 178617	MARSHFIELD DR	12/2/1999
C12 3 2	46.27	2009-1 142338	5010 RIVER RD	6/9/2009
C11 26 14	1	2010-1 106634	201 DEMI RD	6/4/2010
C12 3 1	27.75	2017-1 002721	103 DEMI RD	1/5/2017
C11NE3 2 16	8.94	2005-1 027980	3025 N DELAWARE DR	1/21/2005
C12 6 1	78.43	1999-1 178617	631 MARSHFIELD DR	12/2/1999
C12 6 1A	1.17	1999-1 178617	637 MARSHFIELD DR	12/2/1999
C11 26 10A	2.43	1999-1 178617	2847 N DELAWARE DR	12/2/1999
C11 26 10B	0.92	19981 152268	2849 N DELAWARE DR	11/1/1998
C11 31 5	26.81	1999-1 178617	MARSHFIELD DR	12/2/1999
D11 10 15	2	2000-1 164317	S DELAWARE DR	12/7/2000
D11 9 2A	1.0003	19981 023166	1320 S DELAWARE DR	3/1/1998
D11 9 2A-1	1	2002-1 348060	1328 S DELAWARE DR	12/9/2002

D11 9 2	16.3	2000-1 164317	1296 S DELAWARE DR	12/7/2000
D11 9 1A	7.54	2000-1 086707	479 EVERGREEN RD	7/11/2000
D11 9 1	6.11	2000-1 084160	1880 S DELAWARE DR	7/6/2000
D11 10 16A	29.2	2017-1 040208	1979 S DELAWARE DR	2/24/2017
D11 4 11A	2.07	2013-1 165520	EVERGREEN RD	6/28/2013
D11 4 10A	4.92	2013-1 165520	1560 S DELAWARE DR	6/26/2013
D11 5 8	2.69	2001-1 279791	1537 S DELAWARE DR	12/26/2001



Upper Mount Bethel Township

387 Ye Olde Highway

P.O. Box 520 Mount Bethel, PA 18343-5220

(570) 897-6127 Fax: (570) 897-0108

www.umbt.org

October 24, 2022

The Chairperson of Upper Mount Bethel Township Board of Supervisors respectfully submits the following report to Northampton County Council in accordance with their obligations as set forth in NCC Ordinance 633-2018.

The LERTA was recognized by Upper Mount Bethel Township, the Bangor Area School District, and Northampton County, unanimously, to provide tax relief to the taxpayers of all three local taxing authorities to encourage development in the best interest of the Township and its residents. Since the LERTA was passed by Northampton County Council in April of 2018, Upper Mount Bethel has begun to identify potential economic growth, however, it has yet to administer the LERTA program to any of the 53 parcels listed in Exhibit B. This is partially due to the disruption caused by the pandemic, and partially due to the time required to process land development plans and approvals.

However, several land development plans have received preliminary approvals on properties located within the LERTA district. In addition, Ultra-Poly, an existing corporation in the LERTA Zone is building a new building. The savings they will experience will allow them to create an additional 8+ jobs, increase their production by 10%, and reduce the landfills by 30 mm pounds. Furthermore, since the inception of the LERTA district, Upper Mount Bethel Township engaged Rich Roberts with RDR PR LLC to assist the UMBT Economic Development Committee with developing strategies to identify and encourage the growth of the municipality's tax base to offset its dependence on residential real estate taxes. Between the work performed by the consultant, land development plans submitted to the township, and discussions with businesses within the LERTA district it is clear that the parcels in the LERTA district do possess the potential to realize positive economic growth prior to December of 2027, which is when the Upper Mount Bethel township ordinance expires. Based upon an analysis utilizing current new construction costs, the parcels in the LERTA district have the potential to realize an increase in assessment values of over \$86.8 million. However, it is unlikely that all the properties that have the potential to receive the benefits of the LERTA will be developed prior to the expiration of the LERTA ordinances of Upper Mount Bethel Township and the Bangor Area School District. The LERTA increases the probability and assists in the commencement of the economic betterment of Upper Mount Bethel Township and Bangor Area School District.

Sustaining the LERTA will continue to aid Upper Mount Bethel Township in attracting and retaining industries that recognize this area of Northampton County as a viable location, not only to succeed in business but also to be an active partner in the community at large.

Going forward, the revenue that will be afforded by the Township, School District, and County will enable substantial relief to all taxpayers. Therefore, it is recommended and requested that the Northampton County Council extend the existing LERTA designation in the Townships I-2 and I-3 zones for the remaining five years allowed by the Local Economic Revitalization Tax Assistance Act and to match the expiration of the LERTA ordinances of Upper Mount Bethel Township and the Bangor Area School District.

Respectfully,

Martin L. Pinter

Martin Pinter, Chairman
Upper Mount Bethel Township Board of Supervisor