

MANHEIM CENTRAL SCHOOL DISTRICT

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF THIS SCHOOL DISTRICT,
AUTHORIZING THE GRANTING OF TAX EXEMPTIONS ON THE ASSESSED
VALUE OF CERTAIN IMPROVEMENTS AND NEW CONSTRUCTION TO
INDUSTRIAL, COMMERCIAL AND OTHER PROPERTIES IN MANHEIM
BOROUGH, LANCASTER COUNTY, PENNSYLVANIA, PREVIOUSLY
DESIGNATED FOR SUCH PURPOSE IN ACCORDANCE WITH THE LOCAL
ECONOMIC REVITALIZATION TAX ASSISTANCE ACT, AND REPEALING ALL
PRIOR RESOLUTIONS OR PARTS OF RESOLUTIONS THAT ARE INCONSISTENT
WITH THIS RESOLUTION

WHEREAS, The Local Economic Revitalization Tax Assistance Act ("LERTA") authorizes local taxing authorities to exempt from real property taxation, within certain limitations, the assessed valuation of improvements to, and new construction of, industrial, commercial and other property in areas designated for such purpose by the governing body of the appropriate city, borough, incorporated town or township; and

WHEREAS, the Borough of Manheim, being a "municipal governing body" within the meaning of LERTA established by Ordinance No. 615, on October 25, 2016, an area within the boundaries of this school district as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, the Manheim Central School District, being a "municipal governing body" within the meaning of LERTA, established by ordinance on October 25, 2016 an area within the boundaries of this Borough as an area in which such tax exemption may be granted by the local taxing authorities; and

WHEREAS, This School District (hereinafter referred to from time to time as "this Local Taxing Authority"), being a "local taxing authority" within the meaning of LERTA, in order to foster improvements and new construction in the designated area, desires to grant a tax exemption pursuant to the provisions of LERTA and in accordance with the LERTA District Resolution.

NOW, THEREFORE, BE IT RESOLVED By the governing body of this Local Taxing Authority as follows:

ARTICLE 1
Definitions

Section 1.01 Unless the context specifically and clearly indicates otherwise, the meaning of terms and phrases used in this Resolution shall be as follows:

Act. Individually or collectively, The Pennsylvania Local Economic Revitalization Tax Assistance Act (LERTA), 72 P.S. §4722, et seq. and the Improvement of Deteriorating Real Property or Areas Tax Exemption Act, Act No. 34 of 1971 (72 P.S. §4711, et seq.)

Borough. The Borough of Manheim, Lancaster County, Pennsylvania.

Borough Council. The governing body of the Borough.

County. The County of Lancaster, Pennsylvania

Deteriorated Area. The entire Borough.

Effective Date. December 5, 2016.

Exemption. The exemption from real property taxation established and obtained pursuant to the Resolution.

Improvement. Any repair, construction or reconstruction, including alterations and additions, having the effect of improving and rehabilitating a Property within the Deteriorated Area so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with all applicable laws, ordinances, codes, rules and regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an Improvement.

Local Taxing Authority shall mean and include the Borough, Lancaster County and the School District.

Ordinance shall refer to Ordinance number 651, passed by Manheim Borough on October 25, 2016.

Person. An individual, company, corporation, general partnership, limited partnership, association, limited liability company, trust, estate or other entity of any nature.

Property. Any industrial, commercial or other business or Residential property owned by any Person and located in the Deteriorated Area; excluding home occupations and home-based businesses.

Residential Property. A house, apartment, or group of rooms intended for occupancy as separate living quarters by family or other groups or a person living alone, containing a kitchen or cooking equipment for the exclusive use of the occupants in a Deteriorated Area.

School District shall mean the Manheim Central District, Lancaster County, Pennsylvania, acting by and through its Board of School Directors, or, in appropriate cases, acting by and through its authorized representatives.

Tax Exemption Program. The tax exemption program established by this Article in accordance with the Act.

ARTICLE 2 Exemption Area

Section 2.01 Each Property located in the Deteriorated Area shall be eligible to participate in the Tax Exemption Program so long as it meets all of the requirements for the Tax Exemption Program as set forth in this Resolution.

ARTICLE 3 Exemption Amount

Section 3.01 The Exemption Amount shall be determined as follows:

A. The amount to be exempted from School District real property taxes shall be limited to that portion of the additional assessment valuation attributable to the actual costs of the Improvements to the Property constructed after the effective date of this Resolution up to any maximum costs uniformly established by the District from time to time and must be actually incurred by the owner of the Property who is requesting and will be responsible for the payment of School District real property taxes assessed for such Property.

B. The Exemption shall be limited to the Improvements for which the Exemption has been requested in the manner set forth in this Article and for which a separate tax assessment has been made by the Lancaster County Board of Assessment Appeals. The Exemption shall only be granted if the Improvements have been completed in compliance with all applicable laws, ordinances, codes, rules, regulations, and a land development plan, if required, was approved by Borough Council, prior to construction of such Improvements.

C. In the case where a Property in the Deteriorated Area is damaged, destroyed or demolished by any cause or for any reason and the assessed valuation of the Property affected has been reduced as a result of such damage, destruction or demolition, the Exemption from School District real property taxation shall be limited to the actual cost of the Improvements or construction that is in excess of the original assessment that existed prior to such damage, destruction or demolition. In the event a Property has been fully demolished in accordance with a demolition permit issued by the Borough and such property remained vacant of any structure for more than one (1) year from the date of issuance of such demolition permit, the Exemption from Borough real property taxation shall be the actual cost of the Improvements or construction.

D. The Exemption from School District real property taxes granted pursuant to this Resolution shall be upon the Improvements on the Property and shall run with the land, and shall not terminate upon the sale or exchange of the Property.

ARTICLE 4 Exemption Schedule

Section 4.01 The length and the amount of the Exemption provided for in this Article shall be a declining percentage over a ten (10) year period, calculated as follows:

A. For the first (1st) year immediately following the date upon which the Improvements become assessable, in an amount equal to one hundred percent (100%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

B. For the second (2nd) year immediately following the date upon which the Improvements become assessable, in an amount equal to ninety percent (90%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

C. For the third (3rd) year immediately following the date upon which the Improvements become assessable, in an amount equal to eighty percent (80%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

D. For the fourth (4th) year immediately following the date upon which the Improvements become assessable, in an amount equal to seventy percent (70%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

E. For the fifth (5th) year immediately following the date upon which the Improvements become assessable, in an amount equal to sixty percent (60%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

F. For the sixth (6th) year immediately following the date upon which the Improvements become assessable, in an amount equal to fifty percent (50%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

G. For the seventh (7th) year immediately following the date upon which the Improvements become assessable, in an amount equal to forty percent (40%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

H. For the eighth (8th) year immediately following the date upon which the Improvements become assessable, in an amount equal to thirty percent (30%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

I. For the ninth (9th) year immediately following the date upon which the Improvements become assessable, in an amount equal to twenty percent (20%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

J. For the tenth (10th) year immediately following the date upon which the Improvements become assessable, in an amount equal to ten percent (10%) of the assessed valuation of the eligible Improvements shall be exempted from School District real property taxation.

K. The Exemption shall terminate on the eleventh (11th) year immediately following the date upon which the Improvements become assessable.

ARTICLE 5

Term of Tax Exemption Program

Section 5.01 Term of Tax Exemption Program/Sunset Provision. This Resolution shall become effective on the effective date and shall be applicable for a period of ten (10) calendar years from the date of the Borough's Ordinance, at which time it shall automatically expire.

ARTICLE 6

Exemption After Termination

Section 6.01. Any Person timely applying for and receiving an Exemption in accordance with the provisions of this Article shall be entitled to the Exemption in accordance with the Exemption Schedule set forth in Article 4 of this Resolution even if such Exemption Schedule extends beyond the termination of the Tax Exemption Program, and for this purpose the Tax Exemption Program shall continue in force and effect until the last such Exemption amount granted pursuant hereto has expired. In the event of any dispute regarding the timeliness or completion of any such application, the determination of the School District made at a public meeting shall be final and binding.

ARTICLE 7

Procedure for Obtaining Exemption.

Section 7.01 The procedure for obtaining an exemption are set forth as follows:

A. Each application for Exemption shall be in writing on a form established from time to time by Resolution of Manheim Borough Council. Application for Exemption forms may be obtained from the Borough at the Borough offices located at 15 East High Street, Manheim, Lancaster County, Pennsylvania 17545.

B. Each Person desiring an Exemption in accordance with this Article shall fully complete and submit to the Borough at 15 East High Street, Manheim, Lancaster County, Pennsylvania 17545, an application for Exemption at the time of application for a building permit or construction permit for such Improvements. Failure to timely apply for the Exemption shall disqualify the Improvements from the Exemption provided for in this Article.

C. Upon receipt by the Borough of a fully completed application for Exemption, the Borough shall forward a copy thereof to the Lancaster County Board of Assessment Appeals and instruct the Lancaster County Board of Assessment Appeals to separately assess the eligible

Improvements after completion of construction of such Improvements, calculate the amount of the assessment eligible for tax Exemption in accordance with the limits established by the ordinance from time to time, if any, and notify the Local Taxing Authorities and the taxpayer thereof. Appeals from the assessments and the amount eligible for the Exemption may be taken by the owner of such property or the Local Taxing Authority, as provided by law; provided, however, after the initial assessment, the applicant waives the right to appeal the assessment for the term of the Tax Exemption Program or Exemption. Upon receipt of such notification from the Lancaster County Board of Assessment Appeals, the Exemption may be taken in accordance with the Exemption Schedule set forth in Article 4 of this Resolution.

ARTICLE 8 Revocation of Exemption

Section 8.01. The Exemption from School District real property taxes provided for in this Resolution shall be forfeited by the applicant and/or any subsequent owner of the Property and such Exemption shall be revoked by the School District upon the occurrence of any of the following.

- A. The failure to pay in full any non-exempt 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 non-exempt real property taxes, the School District Business Manager shall immediately terminate the Exemption.
- B. The failure to pay when due any amount due and owing to the School District or Borough. Upon receipt of notice of nonpayment of any such amount, the School District Business Manager shall immediately terminate the Exemption.
- C. The failure to obtain and pay in full all fees for all necessary and proper permits, licenses and certificates prior to commencement of construction of the Improvements to, or occupancy of, the Property.
- D. The failure to comply with the minimum standards established by all applicable laws, ordinances, codes, rules and regulations.
- E. The failure to comply with the provisions of this Resolution or LERTA Ordinance.

ARTICLE 9
Rules and Regulations

Section 9.01. The School District is hereby authorized and empowered to adopt, promulgate, amend, implement and enforce, by Resolution of the Manheim Central Board of School Directors, from time to time, reasonable rules and regulations to carry out the terms and provisions of this Article.

ARTICLE 10
Severability

Section 10.01. If any provision, sentence, clause, section, subsection or portion of this Resolution is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections, subsections or portions of this Resolution. It is hereby declared as the intent of the Board of Directors of Manheim Central School District that this Resolution would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section, subsection or portion thereof not been included herein.

ARTICLE 11
Repealer

Section 11.01. All resolutions or parts of resolutions that conflict with this Resolution are hereby repealed insofar as they are inconsistent with this Resolution

ARTICLE 12
Involved Political Bodies

Section 12.01. The approval of this LERTA resolution is conditioned upon approval by the Borough of Manheim and the County of Lancaster, Pennsylvania.

DULY ADOPTED, this 5TH Day of December, 2016, by the Board of Manheim Central School District, of the county of Lancaster, Pennsylvania in a lawful session duly assembled.

MANHEIM CENTRAL SCHOOL DISTRICT
Pennsylvania

By: Kimberly Allmar
School Board President

ATTEST

Bryn K. Howell
School Board Secretary

