



Text File

Introduced: 1/30/2015

Bill No: 2015-1270, **Version:** 1

Committee: Committee on Finance and Law

Status: Passed Finally

Ordinance amending and supplementing the Pittsburgh Code, Title Two, Fiscal; Article IX, Property Taxes; Section 265, Exemptions for Residential Improvements by amending the schedule of exemptions in Section 265.03 as such schedule applies to properties located within the Lower Hill District (as hereafter defined).

Whereas, the City of Pittsburgh has been working with the Urban Redevelopment Authority of Pittsburgh (“URA”), Allegheny County, the Pittsburgh Public Schools, members of the Hill District community, Pittsburgh Arena Real Estate Redevelopment, LP, the Sports and Exhibition Authority of Pittsburgh and Allegheny County and others to find ways to support the objectives of the Community Collaboration and Implementation Plan dated September 11, 2014 (the “CCIP”) for the proposed development of an area comprised of approximately 28 acres within the Lower Hill District and identified more specifically on Exhibit A attached hereto (the “Lower Hill Site”); and

Whereas, one of the principle goals of the CCIP is to insure that the tax and other benefits expected to be realized by development of the Lower Hill Site are shared by the greater Hill District community and deployed in the manner and for purposes identified in the CCIP; and

Whereas, in furtherance of this CCIP goal, the URA has recommended that the City, the County and the Pittsburgh School District (collectively, the “Taxing Bodies”) participate in a plan of finance (the “Funding Plan”) that will provide funding for development, projects and programs within the Lower Hill Site as well as the greater Hill District, through the creation of a district pursuant to the Pennsylvania Local Economic Revitalization Tax Assistance Act, as amended (“LERTA”); and

Whereas, the Funding Plan contemplates that (i) each of the Taxing Bodies authorize exemptions from certain real estate taxes for properties within the Lower Hill Site pursuant to LERTA, (ii) the property owners who receive these exemptions make payments to accounts that will be established by URA (the “Reinvestment and Development Funds”) in amounts that are related to the exempted taxes, and (iii) the amounts deposited in the Reinvestment and Development Funds will be applied to pay for costs of development, projects and programs throughout the Hill District; and

Whereas, the Council of the City of Pittsburgh has determined to participate in the Funding Plan by amending certain provisions of the City’s LERTA legislation in the manner described herein.

Now, therefore, be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Pittsburgh Code, Title Two, Fiscal; Article IX, Property Taxes; Chapter 265, Exemptions for Residential Improvements is hereby amended as follows:

A. Section 265.01 - DEFINITIONS - is hereby amended by the addition of a new defined term, which shall be codified as new paragraph (x) to Section 265.01 and read as follows:

(x) LOWER HILL DISTRICT The area that includes the area within the City that begins at Chatham Square and Centre Avenue and continues east on Centre Avenue until reaching Crawford Street where it then travels northward (on Crawford Street) until reaching Bedford Avenue. The boundary line then turns westward on Bedford Avenue, continuing west until the intersection of Bedford Avenue and Washington Place. The boundary line then continues westward on Bigelow Boulevard to Chatham Square. The boundary line turns southward on Chatham Square and runs down Chatham Square until reaching Centre Avenue.

B. Section 265.03 -EXEMPTION FOR IMPROVEMENTS- is hereby amended in order to establish the schedule of exemptions with respect to improvements to deteriorated residential property within the Lower Hill District. Accordingly, the following new paragraph (f) is hereby added to the end of Section 265.03, to follow paragraph (e):

(f) In lieu of any other exemptions authorized pursuant to this Section 265.03, for properties within the Lower Hill District, one hundred percent (100%) of real estate taxes attributable to the cost of improvements to deteriorated property shall be exempted, provided, however, that the amount exempted from real estate taxes per property shall not exceed two hundred fifty thousand dollars (\$250,000) in any single year. The exemption from taxes with respect to properties within the Lower Hill District is granted for a period of ten (10) years.

C. Section 265.04 - EXEMPTION FOR RESIDENTIAL CONSTRUCTION - is hereby amended in order to establish the schedule of exemptions with respect to new residential construction within the Lower Hill District. Accordingly, the following new paragraph (c) added to the end of Section 265.04, to follow paragraph (b):

(c) In lieu of any other exemptions authorized pursuant to this Section 265.04, for properties within the Lower Hill District, one hundred percent (100%) of real estate taxes attributable to the cost of residential construction shall be exempted, provided, however, that the amount exempted from real estate taxes per property shall not exceed two hundred fifty thousand dollars (\$250,000) in any single year. The exemption from taxes with respect to properties within the Lower Hill District is granted for a period of ten (10) years. No applicant for Exemption shall structure the purchase or sale of any property within the Lower Hill District in a manner which attempts to avoid paying realty transfer taxes to the City. Exceptions from this requirement will be granted in the case of (a) sheriff or tax claim sales; (b) corrective deeds, and (c) a transfer to the holder of a bona fide mortgage in default in lieu of foreclosure, or a transfer pursuant to a judicial sale in which the successful bidder is the bona fide holder of a mortgage.

Finally, that any Ordinance or Resolution or part thereof conflicting with the provisions of this Resolution, is hereby repealed so far as the same affects this Resolution.

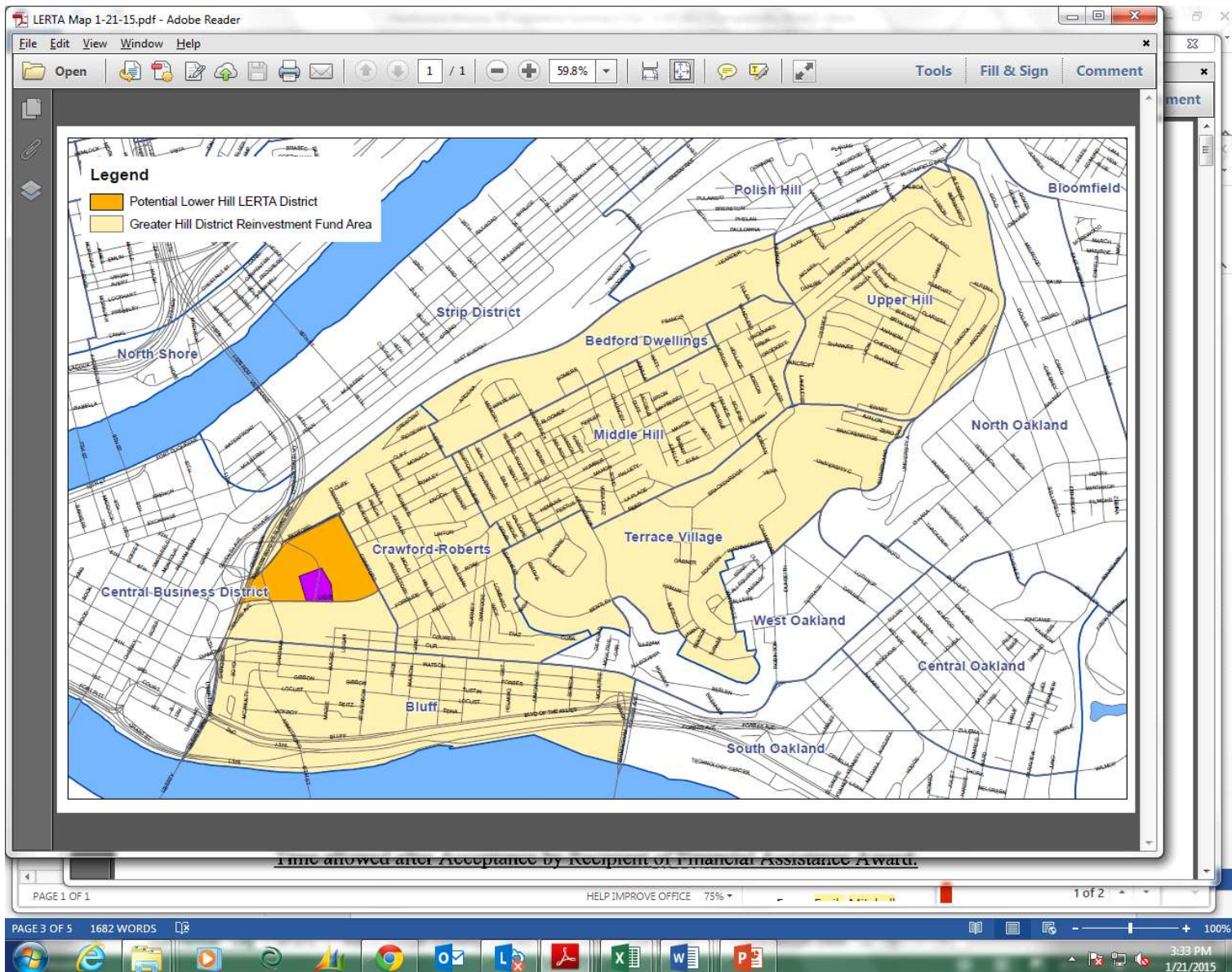
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Exhibit A



Lower Hill LERTA District Parcels

Address

Lot & Block

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EPIPHANY ST.	2-C-300
66 MARIO LEMIEUX PL	2-C-400
WASHINGTON PL	2-B-400
WEBSTER AVE.	2-B-257