



Text File

Introduced: 7/13/2018

Bill No: 2018-0701, **Version:** 3

Committee: Committee on Finance and Law

Status: Passed Finally

Ordinance amending and supplementing the Pittsburgh City Code, Title Two: Fiscal, Article IX: Property Taxes, Chapter 265 - Exemptions for Residential Improvements.
(Public Hearing held 10-10-18)

Whereas the Council of the City of Pittsburgh finds as follows:

1. Pittsburgh has provided tax abatements in recent years to spur single-family housing development and investment throughout the City. These abatements have always been structured to respond to current needs, however, those needs change over time.
2. Construction costs for new single-family homes exceed what is affordable to a household earning less than the area median income; the Inclusionary Housing Working Group found that there is a need and opportunity to leverage the tax abatement programs for the purposes of increasing affordable homeownership opportunities during largescale developments of new homeownership developments.
3. The City can use the tax abatement structure to increase the production of quality single-family housing, to spur redevelopment and homeowner investment in areas of low investment, and to ensure housing that is affordable to households with low incomes in areas of high opportunity throughout the city.
4. Both the work of this Council and of the Affordable Housing Task Force have identified the need to increase homeownership opportunities for households with low and moderate incomes throughout the city.
5. With the majority of the City's housing stock more than 70 years old, there is the continued need to encourage investment in preserving and improving the quality of the ample housing opportunities in many single-family communities.
6. Using tax abatements for the purposes of incentivizing affordable homeownership will bring opportunities to low income households in Pittsburgh and will ensure a mix of housing development throughout the City.
7. Creating a revised structure for tax abatements will allow for the City to provide greater oversight and accountability for the public.

SEE ATTACHMENT

Now, therefore, be it resolved that the Council of the City of Pittsburgh hereby enacts as follows:

Section 1.

CHAPTER 265: - EXEMPTIONS FOR RESIDENTIAL IMPROVEMENTS

§ 265.01 - DEFINITIONS.

As used in this Chapter, the following words and phrases shall have meanings set forth below:

- (a) **BOARD.** The Office of Property Assessments of Allegheny County, Pennsylvania or its successor(s), if any, responsible for assessing property in the City.
- (b) **DETERIORATING AREAS.** Those locations in the City which Council, after public hearing, has determined to be physically impaired on the basis of one (1) or more standards including, but not limited to, the following:
 - (1) The residential buildings, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and/or social liabilities.
 - (2) The residential buildings are substandard or unsanitary for healthful and safe living purposes.
 - (3) The residential buildings are overcrowded, poorly spaced, or are so lacking in light, space and air as to be conducive to unwholesome living.
 - (4) The residential buildings are faultily arranged, cover the land to an excessive extent or show a deleterious use of land, or exhibit any combination of the above which is detrimental to health, safety or welfare.
 - (5) A significant percentage of buildings used for residential purposes is more than twenty (20) years of age.
 - (6) A substantial amount of unimproved, overgrown and unsightly vacant land exists which has remained so for a period of five (5) years or more indicating a growing or total lack of utilization of land for residential purposes.
 - (7) A disproportionate number of tax exempt or delinquent properties exists in the area.

An area can be established as deteriorated even though it is not a slum; and any deteriorating area may include buildings which are not in and of themselves blighted or dilapidated.

- (c) **DETERIORATED NEIGHBORHOODS.** Any area containing unsafe, unsanitary or overcrowded buildings, vacant, overgrown and unsightly lots of ground; a disproportionate number of tax delinquent properties; excessive land coverage; defective design or arrangement of buildings, street or lot layouts; economically and socially undesirable land uses; impoverished, as certified to by the Department of Public Welfare and approved by the Department of Revenue under the "Neighborhood Assistance Act"; or blighted because of inadequate dwellings therein or because of inadequate planning of the area or the lack of proper light and air and open space.
- (d) **DETERIORATED PROPERTY.** Any dwelling unit located in a deteriorated neighborhood; or a dwelling

unit which has been, or, upon request, is certified by a health, housing or building inspection agency as unfit for human habitation for rent withholding, or other health or welfare purposes; or a dwelling unit which has been the subject of an order by an agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinances or regulations.

- (e) **IMPROVEMENT.** Repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating an existing structure so that it becomes habitable or attains higher standards of housing, safety, health or amenity, or is brought into compliance with the laws, ordinances or regulations governing housing standards. Ordinary upkeep and maintenance shall not be deemed an improvement.
- (f) **RESIDENTIAL UNIT.** Any portion of property set aside and intended for use as living quarters for one (1) or more individuals, such portion having a separate kitchen and a minimum of one (1) bathroom for the use of its occupant or occupants. Residential units shall not include any units constructed pursuant to federally subsidized programs providing for rental units, including, but not limited to Section 804, Housing and Community Development Act of 1974, P.L. 93393; Section 236 U.S. Housing Act of 1937; and Section 202 U.S. Housing Act of 1959.
- (g) **TYPE OF UNIT.** House, apartment, duplex, semi-detached house or other dwelling place.
- (h) **RESIDENTIAL CONSTRUCTION.** The erection of a building or buildings on formerly unoccupied land or on land which buildings which formerly existed have been demolished or razed, which erection consists of a residential unit or units designed to bring about higher standards of housing, safety, health or amenity. **RESIDENTIAL CONSTRUCTION** shall not be construed to include improvements, repairs, maintenance or any rehabilitation of existing units.
- (i) **LOCAL TAXING AUTHORITIES.** Any county, city, township, incorporated town or borough or school district enacting implementary legislation pursuant to Act 42 of 1977 and which imposes taxes on the basis of real property assessments.
- (j) **PERSON.** Any individual, corporation, association, partnership or nonprofit corporation, other than a developer, sponsor, real estate investment trust or other investor receiving subsidy or aid under a federal program who owns or develops new residential units or who is liable for real estate taxes on new residential construction; taxpayer.
- (k) **MUNICIPAL GOVERNING BODIES.** Any city, township, incorporated town or borough enacting implementary legislation pursuant to Article III of Act 42 of 1977 in which maximum actual costs for exemption are set.
- (l) **ACTUAL COST.** The amount of money expended in the construction of a new residential unit or units, or in the rehabilitation of an existing unit.
- (m) **ASSESSED VALUATION.** The worth assigned to a residential unit or units or dwelling unit as certified to the City by the Board of Property Assessment, Appeals and Review. The term **ASSESSED VALUATION** shall not apply to the worth as signed to land exclusive of buildings.
- (n) **VISITABILITY.** The presence of architectural design features, as outlined in this Section, which allow basic access and use of a residential dwelling by people with significant mobility impairments, and which minimize the cost of full accessibility modifications, if necessary, at a later time.

- (o) **CIRCULATION PATH.** An exterior or interior way of passage from one place to another for pedestrians.
- (p) **SIGNIFICANT MOBILITY IMPAIRMENT.** The disability of a person who needs assistive mobility technology in the form of a wheelchair, walker, crutches or similar device to move along a circulation path.
- (q) **POWDER ROOM.** A toileting room having at a minimum, a water closet and a lavatory.
- (r) **PEDESTRIAN SITE ARRIVAL POINT.** A place where pedestrians may enter a dwelling unit site from a public right-of-way. These typically include sidewalks, driveways, streets, alleys, or paths.
- (s) **NO-STEP ENTRY.** An entry to a housing unit that has no step or other barrier to people who have significant mobility impairment.
- (t) **ACCEPTABLE SLOPE.** A variable grade measured by rise over distance.
- (u) **DWELLING.** A structure used as a place of habitation by a natural person. The term shall include new residential construction, existing residential construction or any commercial or industrial building that is converted to residential use.
- (v) **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.

§ 265.02 - BOUNDARIES.

Council has determined as a fact that Wards Nos. 1 through 32 of the City of Pittsburgh, respectively, constitute "deteriorated neighborhoods" within the purview of Act 42 of 1977; and the wards also constitute "deteriorating areas" under that same act and within the definitions contained in this Chapter.

§ 265.03 - EXEMPTION FOR IMPROVEMENTS.

Any persons making improvements to deteriorated residential property may apply for and receive tax exemption upon the improvements in the manner and in the amounts hereinafter provided.

- (a) The exemption from taxes shall be limited to the additional assessed valuation attributable specifically to the actual cost of improvements to deteriorated property not to exceed the maximum cost per dwelling unit specified in subsection (b) hereof or up to any lesser multiple of one thousand dollars (\$1,000.00). The exemption from taxes shall be limited to that portion of the increased assessment attributable to the improvement or improvements and for which a separate assessment has been made by the Board of Property Assessment Appeals and Review and for which an exemption has been specifically requested. If the actual cost of improvements, as determined by the Board, exceeds the

maximum cost per dwelling unit, the Board shall decrease the additional assessment valuation eligible for exemption from taxation in the same proportion as the actual cost of improvements exceeds the maximum cost.

- (b) The maximum cost per dwelling unit shall be one hundred seventy-five thousand dollars (\$175,000) for improvements made during 2018. Maximum costs for improvements made during each subsequent year shall be determined by the Director of the Department of Finance (“Finance Director”). It shall be the maximum cost for the preceding year multiplied by the ratio of the United States Bureau of the Census New One-Family Houses Price Index for the current year to the Index for the preceding year. The date of making the improvement shall be the date of the issuance of the building permit improvement record or other required notification of construction. No tax exemption shall be granted under the provisions of this Chapter for any improvements to any dwelling unit in excess of the maximum cost specified herein.
- (c) If a deteriorated property is granted tax exemption pursuant to this Chapter, the improvement shall not, during the exemption period, be considered as a factor in assessing other properties.
- (d) If the exemption request authorized pursuant to paragraph (a) is approved by the Finance Director, the exemption shall be in force only in the three (3) consecutive years in which additional taxes are imposed upon the increased assessment attributable to the improvements for which the exemption was requested, and the exemption shall terminate thereafter.
- (e) In lieu of the exemption authorized pursuant to subsection (a) of this Section, for improvements to deteriorated properties that adhere to the Program Enhancement Guidelines, as defined in Section 265.06(c), exemption applications filed on or after March 31, 2018, the exemption from taxes shall be limited to the additional assessed valuation attributable specific all to the actual cost of improvements to deteriorated property not to exceed the maximum cost per dwelling unit of two hundred fifty thousand dollars (\$250,000.00), or up to any lesser multiple of one thousand dollars (\$1,000.00). The exemption from taxes shall be limited to that portion of the increased assessment attributable to the improvement or improvements and for which a separate assessment has been made by the Board of Property Assessment Appeals and Review and for which an exemption has been specifically requested. If the actual cost of improvements, as determined by the Board, exceeds the maximum cost per dwelling unit, the Board shall decrease the additional assessment valuation eligible for exemption from taxation in the same proportion as the actual cost of improvements exceeds the maximum cost. If an exemption request is approved by the Finance Director, or his/her designee, pursuant to this subsection, the exemption shall be in effect for the ten (10) consecutive years in which additional taxes are imposed upon the increased assessment attributable to the improvements for which the exemption was requested, and the exemption shall terminate thereafter.
- (f) In lieu of any other exemptions authorized pursuant to this Section 265.03, for properties within the Lower Hill District, one hundred (100) percent 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 (\$250,000.00) 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.

§ 265.04 - EXEMPTION FOR RESIDENTIAL CONSTRUCTION.

Persons responsible or liable for the payment of taxes due on residential units in any of the deteriorated areas enumerated in § 265.02, may apply for and receive tax exemption on new residential construction in accordance with the procedures and schedules as herein provided:

- (a) Any exemption from taxes shall be limited to the assessed valuation attributable to the cost of construction of the new residential unit, not in excess of the uniform maximum cost per dwelling unit specified in subsection (b) hereof. If the actual cost of construction, as determined by the Board, exceeds the maximum cost per dwelling unit, the Board shall decrease the assessment valuation eligible for exemption in the same proportion as the actual cost of the construction exceeds the maximum cost.
- (b) The uniform maximum cost per dwelling unit shall be one hundred seventy-five thousand dollars (\$175,000) for ~~2018~~ **2020**. For subsequent years, the uniform maximum cost per dwelling unit shall be determined by the Finance Director. It shall be the amount produced when the maximum cost for the preceding year is multiplied by the ratio of the U.S. Bureau of the Census New One-Family Houses Price Index for the current year to the Index for the preceding year. The date of the construction shall be the date of receipt by the Board of the notification of completion of construction from the applicant in writing on a form prescribed by the Board.

EXAMPLE:

Multiplicand -	Maximum cost for the preceding year
× Multiplier -	Ratio of U.S. Bureau of Census New One-Family Houses Price Index for the current year to the Index for the preceding year
= Product -	Maximum cost for current year

This product shall be determined by the Finance Director.

- (c) The maximum assessment eligible for the exemption of taxes shall be the assessed valuation attributable to the uniform maximum cost of construction.
- (d) Any exemption from taxes on the eligible amount of assessed valuation attributable to new construction shall commence in the tax year immediately following the year in which the occupancy permit is issued, providing that an assessment valuation attributable to the new construction has been certified by the Board. If no certification has been made in the year following issuance of the occupancy permit, then exemption shall commence in the first year in which real property taxes are assessed and imposed on residential units following construction.
- (e) Except as to exemption applications filed pursuant to paragraph (g) of this section, for the first, second and

third year for which newly constructed residential unit or units would otherwise be taxable, one hundred (100) percent of the eligible assessment on buildings shall be exempt from taxation; after the third year the exemption from taxation shall terminate.

- (f) If a residential unit is granted exemption from taxes under this Chapter, that property shall not be considered as a factor in assessing the value of other properties in the same area during the period in which the exemption exists.
- (g) For exemption applications filed on or after ~~September 1, 2018~~, **January 1, 2020**, on new residential construction that adhere to the Program Enhancement Guidelines, as defined in Section 265.06(c), the uniform maximum cost per dwelling unit shall be two hundred fifty thousand dollars (\$250,000.00) per year for a period of ten (10) years. Subject to said uniform maximum cost per dwelling unit, one hundred (100) percent of the eligible assessment on buildings shall be exempt from taxation; after the tenth year, the exemption from taxation shall terminate.
- (h) In lieu of any other exemptions authorized pursuant to this Section 265.04, for properties within the Lower Hill District, one hundred (100) percent 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 (\$250,000.00) 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.

265.04.1 - TAX CREDIT FOR VISITABLE DESIGN.

(1) *Title and Purpose.*

- (a) *Pittsburgh Visitability Design.* This Section shall be known as " Tax Credit for Visitability Design."
- (b) The purpose of this Section is to provide visitable housing to all individuals, with or without disabilities, by offering a tax credit to encourage that new and renovated single-family dwellings and duplexes, tri-plexes, town houses and row houses and adapted reuses of industrial and commercial buildings that are renovated or converted for multi-family residential use, contain the visitability features set forth in this section, which will enhance both visitability and usability for visitors and residents.

(2) *Visitability.*

(a) *Applicability.*

- (1) This Ordinance applies to new construction of, and substantial renovation to, single-family dwellings and duplexes, tri-plexes, town houses and row houses; and adapted reuses of residential, industrial, and commercial buildings that are renovated or converted for residential

use.

(b) *Design requirements.*

- (1) *Building Entrances:* The residence shall provide at least one (1) no-step entrance approachable by a firm, stable and slip-resistant path with an acceptable slope. The no-step entrance shall have a threshold of no greater than three-fourths ($\frac{3}{4}$) of an inch. The no-step entrance to the residence may be located on any exterior side of the house or an entrance through the integral garage to the visitable level of the residence.
 - (i) Entry doors must have a minimum clear open width of at least thirty-two (32) inches and be equipped with lever handle hardware.
- (2) *Interior Doorways:* All interior doorways, excluding closets and doors to basement stairs, on the visitable entry floor must have a minimum clear open width of thirty-two (32) inches.
- (3) *Interior Circulation Paths:* Circulation paths into and throughout the visitable entry level floor of the dwelling must be at least thirty-six (36) inches wide.
- (4) *Powder Rooms and Bathrooms:* Each housing unit must have a minimum of one (1) powder room on the visitable entry level floor, with a thirty-inch by forty-eight-inch minimum clear floor space contiguous to the water closet and the lavatory. The clear space under a lavatory can be included in this measurement and clear spaces contiguous to the water closet and lavatory are permitted to overlap. Powder room doors on the visitable floor must have lever door hardware. All bathrooms and powder rooms through-out the residential unit shall have reinforcement of at least two (2) inches by eight (8) inches of blocking between the studs placed inside the walls for easy installation of grab bars if needed. Reinforcement shall be capable of supporting grab bars that resist shear and bending forces of two hundred fifty (250) pounds or greater. Blocking should be centered at thirty-four (34) inches from and parallel to the finished floor. In renovated homes only the walls in the powder room or bathrooms on the visitable floor and those on floors that have the stud walls exposed as part of the renovation process need to comply with this paragraph.
- (5) *Light Switches:* Light switches may not be higher than forty-eight (48) inches above the finished floor. If there are two (2) controls for the same light, only one (1) need be compliant with these standards. In renovated homes only the switches on the visitable floor need to comply with this paragraph unless the electrical renovations extend beyond the visitable floor.
- (6) The path from either a vehicle parking area or a pedestrian entrance to the lot: The path to the no step entrance shall be firm, stable and slip-resistant. The grade of the path shall not exceed the following acceptable slopes: 1:8 for slope length of five (5) feet or less with a maximum rise of seven and one-half (7.5) inches; 1:10 for slope length twelve (12) or less with a maximum rise of 14.4 inches; and 1:12 for slope length more than twelve (12) feet. If the average slope of the property line along and contiguous to the public right-of-way exceeds the slope of 1:12, the slope of the exterior path may be greater, if necessary, to provide access to the no-step entry, but it may not exceed the average slope of the property line.

(3) *Tax Credits for visitability design.*

- (a) Any persons installing the design features contained in this Section, upon review and certification by

the Bureau of Building Inspection, may apply for and receive tax credit upon the improvements above that which is authorized in Section 265.04.

- (b) Persons responsible or liable for the payment of taxes due on a dwelling unit which contains visitable design features, as outlined herein, may apply for and receive a tax credit for property taxes assessed upon the eligible improvements to a dwelling unit in an amount not to exceed two thousand five hundred dollars (\$2,500.00).

(4) *Procedures for obtaining tax credit.*

- (a) The request for tax credit must be in writing on a form prescribed by the Treasurer for the City of Pittsburgh, and made available by the Development and Administration Review Division of the Department of City Planning.
- (b) Development and Administration Review Division of the Department of City Planning, Bureau of Building Inspection and Treasurer's Office upon request shall provide anyone applying for a building permit general information, written in a form easily understood by the general public that details the benefits of visitability design and the City's incentives for installing the principle features.
- (c) At the time a person applies for a building permit for new residential construction or improvement, the applicant shall notify the Development and Administration Review Division of the Department of City Planning of the applicant's intent to install the visitable design features required in this Chapter, including the submission of drawings and specifications documenting such intention. When the visitable design improvements or proper construction has been completed, the property owner must notify the Bureau of Building Inspection so that an inspection of the improvements or construction may be made. When the Bureau has completed its inspection and verified the installation of the visitability design features, it shall provide a certificate of completion in addition to any other certificates as may be required by this Code.
- (d) The eligible property owner shall apply for the tax credit with the Development and Administration Review Division of the Department of City Planning, on a form obtained from the Development and Administration Review Division of the Department of City Planning, within thirty (30) days of receipt of the certificate of completion.

(5) *Application of tax credit.*

- (a) The Office of Property Assessment shall review the application for completeness, and if done so in accordance with this Section, shall notify the Taxing Bodies that the property qualifies for the Visitability The Treasurer shall give a credit in the amount designated herein toward property taxes levied by the City on the visitable residence. Such credit shall be in addition to those exemptions or credits granted in other Sections of this Chapter. Tax Credits applications not processed by November 30 will not take effect until the year following the next year.
- (b) Any tax credit shall be limited to the assessed valuation attributable to the cost of the new construction or renovation.
- (c) The credit shall not exceed two thousand five hundred dollars (\$2,500.00) in total over five (5) years, or the total amount of the increased amount of property taxes owed during the first five (5) years from

when the tax credit is approved, whichever is less.

(6) *Reporting on impact.*

- (a) The Department of City Planning will submit an annual report to City Council outlining both the cost and effectiveness of this tax credit on visitable housing.

(7) *Effective date.*

- (a) The effective date of this Ordinance shall be the later of ninety (90) days after passage, or following said ninety-day period the date upon which there is enacted into law a statute passed by the General Assembly of the Commonwealth enabling the City of Pittsburgh to authorize the tax credits herein provided for.

§ 265.05 - INTER-GOVERNMENTAL CO-OPERATION.

- (a) The City may join co-existing local taxing authorities for the purpose of setting up procedures that will implement the intention of this Chapter, and the City may cooperate with such co-existing taxing bodies to encourage the residential construction in deteriorating areas of the City which this Chapter is intended to bring about, except as restricted by this Chapter or any other ordinance, act of legislature, or law of the Federal government. The City may also cooperate with other municipal governing bodies to establish uniform maximum exemption.
- (b) To help ensure the Local Taxing Authorities are able to meet the objectives outlines above and encourage better alignment among the respective bodies, the Mayor shall appoint a three-member committee, made up of one (1) representative from each of the Local Taxing Authorities. This committee will meet monthly to review the efficiency of the programs in this chapter, issue annual reports to City Council on the same, and make recommendations, as necessary, to ensure better alignment and coordination among the taxing bodies.

§ 265.06 - PROCEDURES FOR OBTAINING EXEMPTION.

Within one hundred eighty (180) days from the date when a person secures the initial building permit for making the improvements to deteriorated residential property or for the construction of a new residential unit or units in a deteriorated area, for which that person intends to request exemption from taxation, that person may apply to the Finance Director, or his/her designee, for exemption of the taxes that would otherwise be imposed on the basis of the assessed valuation of that property in the following manner:

- (a) At the time the building permit is obtained, an application form prescribed by the Finance Director, and approved as to form by the Board may be obtained from the Department of Finance or the Department of Permits, Licenses, and Inspections and submitted to the Finance Director, or his/her designee.
- (b) The request for exemption must be in writing and certified on that application form setting forth the following information, along with payment of an application fee, as determined by the Finance Director:

- (1) The date the building permit was issued for construction or rehabilitation.
 - (2) The type of improvements or the number and type of residential units for which exemption is requested.
 - (3) The summary of the plan of the improvements or the plan of the construction of the new residential units.
 - (4) The actual cost of the improvements or the actual cost of residential units.
 - (5) Any additional information as the Finance Director may require.
- (c) For the purposes of determining eligibility for the enhanced exemptions in Section [265.03(g)] **265.04(g)** the Finance Director will use the following Program Enhancement Guidelines:
- (1) Improvements to owner-occupied housing in CDBG-eligible Census Tracts.
 - (2) Inclusion of at least ten percent (10%) of the total residential units that are affordable to and occupied by households earning at or below eighty percent (80%) of the area median income, as determined by annually by the U.S. Department of Housing and Urban Development, for multi-unit for-sale developments.
- (d) The Finance Director, or his/her designee, will determine approval based upon the criteria in this chapter and provide notification to each applicant and Local Taxing Authority of the determination.
- (1) The tax exemption and schedule of taxes exempted shall be consistent with the applicable tax exemption and schedule of taxes exempted in effect at the time that the building permit for the project is issued.**
- (e) When the improvements or proper construction has been completed, the property owner must notify the Department of Permits, Licenses, and Inspections that an inspection of the improvements or construction may be made. When the Department of Permits, Licenses, and Inspections has completed its inspection and issued an occupancy permit, the Board will assess the property in question for purposes of calculating the amount of the assessment eligible for tax exemption under this Chapter.
- (f) The Assessor shall send a form to the Finance Director certifying the amount of the increase in assessment attributable to the improvement or to the new construction, and the amount of the assessment eligible for exemption. The Finance Director shall then exonerate that portion of the increase and refund the amount of the taxes attributable to the exemption up to the eligible maximum amount.
- (g) Appeals from the assessment may be taken by the taxpayer or by the City as provided by law.
- (h) The Director of the Department of Permits, Licenses, and Inspections is hereby authorized and directed to make available to all persons obtaining a building permit for improvements to or the construction of a residential dwelling unit(s) the following information which shall be prescribed by the Finance Director:
- (1) An application form for the exemption

- (2) Instructions to complete the application, written in a form easily understood by the general public.
- (3) General information written in a form easily understood by the general public that details the benefits to be derived from this exemption.
- (i) No exemption shall be granted and any existing exemption shall be revoked if and for so long as there exists any tax delinquency, any code violations, or non-compliance with agreed upon conditions for receiving the exemption, pursuant to the Program Enhancement Guidelines with respect to the property or property owner. The Finance Director may set an annual administrative fee, payable by grantees of the tax exemptions, for the purposes of the Finance Director, or his/her designee, monitoring compliance of the conditions set forth in this paragraph.

§ 265.07 - TRANSFERABILITY.

The exemption from taxes authorized by this Chapter shall be upon the property exempted and shall not terminate upon the sale, exchange or other alienation of such property unless otherwise provided.

§ 265.08 - MAINTENANCE OF ACCRUED RIGHTS.

Nothing contained in this Chapter shall be construed to waive, alter or terminate any rights which have accrued under Ordinance No. 596 of 1972; nor shall the repeal of Ordinance No. 596 of 1972 by this Chapter terminate, by operation of law, any matter presently pending or in litigation pursuant to its provisions.

§ 265.09 - EFFECTIVE DATE.

The provisions of this Chapter shall become effective January 1, 1980 and shall remain in effect from year to year thereafter. The revisions to the Chapter at § 265.03, § 265.04, § 265.06, and § 265.10 through Ordinance Number [XXX-20182019], as assigned by the City Clerk, shall become effective ~~September 1, 2018~~ January 1, 2020, and remain in effect from year to year thereafter.

§ 265.10 - PROSPECTIVE APPLICATION.

It is the intent of Council that this Chapter not be applied retroactively, and that no improvements or construction for which a building permit has already been issued be eligible for an exemption not codified at such a time.

§ 265.11 - REPORTS TO COUNCIL.

Reports containing information relative to the amount of each exemption and the property owner received each exemption shall be presented by the Finance Director to Council on annual basis each calendar year in which this Chapter is in effect.

§ 265.12 - AUDIT BY CITY CONTROLLER.

(a) The City Controller shall perform a yearly audit of the administering agencies, departments, authorities, and entities within the Controller's jurisdiction to do so, pursuant to the powers outlined in the Home Rule Charter.

(b) The scope of this audit should include an accounting of all the projected and catalogued value of all assessment reductions, tax credits, and tax abatements issued through this Chapter, as well as projections of incoming revenue upon expiration of any assessment reductions, tax credits, and tax abatements issued through these programs in the most recent calendar year prior to the commencement of the audit.

(c) This audit shall document the total production, conversion, and removal of residential, commercial, and industrial units that result from projects or properties granted tax abatements described herein, including those associated with program compliance for the purposes of determining eligibility for exemptions, as delineated on a per-project basis.

(d) This audit shall be submitted to City Council and filed with the City Clerk.

§ 265.12 - SEVERABILITY.

If any section, subsection, sentence, clause, phrase or portion of this chapter is held to be invalid or unconstitutional by a court of competent jurisdiction, then that decision shall not affect the validity of the remaining portions of this chapter.