

Article VI Blighted Property Tax Abatement

Part I: Administrative Legislation

Chapter 51 Taxation

Article VI Blighted Property Tax Abatement

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Section 51-64 Program Goals / Intentions

The City of Latrobe Blighted Property Tax Abatement Program is a blight fighting program created with the goals to;

(A) Encourage owners of commercial and residential real property to complete improvements or repairs to the structure and premises resulting in the remediation and elimination of blight by providing a financial incentive to a qualifying owner.

(B) Result in business expansion that may encompass the reuse of existing buildings, or construction of new facilities providing new jobs for City residents.

(C) Generate new revenue for the City and the County at the end of the abatement period from the higher assessment value of the real property after improvements made to the structure and premises.

(D) Retain current tax revenue for the City and the County during the abatement period with the owner of the real property continuing to pay a real estate tax based on the original assessment of the structure and premises.

While the City and the County are the initial program partners, members of the City of Latrobe Council and the Westmoreland County Commissioners leave open the opportunity for the Greater Latrobe School District to join this valuable community and economic development program at any point during the tax abatement term. Participation by the School District will increase the financial incentive available to private property owners choosing to either construct new or renovate existing commercial and residential structure.

The intentions of the City of Latrobe are to implement a Blighted Program Tax Abatement Program that ensures vacant lots are developed into contributing properties, to create a sustainable funding mechanism that will continue to facilitate revitalization of the City, and blighted commercial and residential real properties are improved to a standard that meet the minimum requirements to provide a reasonable level of health, safety, property protection, and general welfare as required by the Code.

Section 51-65 Definitions

A. Terms defined in other codes. Where terms are defined in this Article and are defined in the International Building Code, Pennsylvania Uniform Construction Code, International Fire Code, Zoning Code, International Plumbing Code, International Mechanical Code, ASME A17.1 or the National Electric Code, such terms shall have the meanings ascribed to them in those codes.

B. General definitions. The definitions herein shall apply to all articles in this Article unless otherwise noted herein.

ARTICLE - Article V Blighted Property Tax Abatement

ASSESSMENT OFFICE – is the Westmoreland County Office of Property Assessments or such successor entity responsible by law or by ordinance for determining the assessed valuation of real estate for the assessment and levy of real estate taxes by a local taxing authority.

ASSESSED VALUE - The fair market value of all buildings upon a parcel of real property as established by the Assessment Office or, upon appeal, by the Court of Common Pleas of Westmoreland County pursuant to the provisions of Article 210 of the Administrative Code of the County, the Second Class County Assessment Law, 72 P.S. § 5452.1 et seq., the General County Assessment Law, 72 P.S. § 5450-101 et seq., and other applicable laws of the Commonwealth of Pennsylvania or ordinances or regulations of the County, for the purpose of the assessment and levy of real property taxes by a local taxing authority.

BOARD OF APPEALS - The Code Enforcement Appeals Board as set forth in the Code of Ordinances of the City of Latrobe.

CITY - The City of Latrobe, Westmoreland County, Pennsylvania.

CODE – The Code of Ordinances of the City of Latrobe, Westmoreland County, Pennsylvania.

COURT - An official institution or person with the authority to hear and resolve legal disputes between parties with jurisdiction within Westmoreland County, Pennsylvania.

DEPARTMENT - The City of Latrobe Code Enforcement Department.

DESIGNATED LOCAL AGENT - Any party designated by the Owner as responsible for building, maintaining, and repairing the real property as required in this Article.

ENFORCEMENT OFFICER - Any law enforcement officer, building official, zoning inspector, code enforcement officer, fire inspector, building inspector, or other person authorized by the City of Latrobe to enforce the applicable code(s).

EXEMPTION – a reduction of obligation to pay real estate tax by an owner of real property.

EXEMPTION PERIOD – is the 10-year period of time when the real property is approved to participate in the Blighted Property Tax Abatement Program with the due date of the first billing cycle being the start of the 10-year period.

IMPROVEMENT - means repair, construction or reconstruction, including alterations and additions, and construction of new structures having the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, use or amenity or is brought into compliance with laws, ordinances or regulations governing applicable standards. Ordinary upkeep and maintenance shall not be deemed an improvement. Improvements qualifying for exemption shall be those related to improvements to structures and related accessory uses.

LOCAL TAXING AUTHORITY - The City of Latrobe and Westmoreland County. In the event the Greater Latrobe School District takes action to join the program, the Greater Latrobe School District can be considered a Local Taxing Authority for purposes of this program without amendments being made to this ordinance.

OWNER - Every person, entity, or Mortgagee, who alone or severally with others, has legal or equitable title to any real property as defined by this Article; has legal care, charge, or control of any such real property; is in possession or control of any such real property; and/or is vested with possession or control of any such real property. The term "owner" shall be synonymous with the term "taxpayer."

PREMISES - a dwelling unit, its appurtenances and the building, and the grounds, areas, and facilities held out for the use of the owner or tenant.

REAL PROPERTY - Any commercial or residential land and/or buildings, leasehold improvements and anything affixed to the land, or portion thereof identified by a property parcel identification number, located in the City limits.

UNDER ACTIVE RENOVATION - A structure and premises shall be deemed under active renovation if ongoing, and continuous and substantive construction, renovation, and/or restoration where all such work is authorized by permits and any other necessary permissions and approvals granted by the Department.

VACANT - Any parcel of real property in the City that contains any structure that is not lawfully occupied and any parcel of land without a structure with evidence of vacancy.

Section 51-66 Eligible Areas

All parcels contained within the municipal boundaries of the City of Latrobe are eligible for participation in the Blighted Property Tax Abatement Program when the owner meets all qualifying criteria for participation stated within the Article. As stated in the Blight Reduction Plan for the City of Latrobe produced in April 2022 by the Westmoreland County Redevelopment Authority and Land Bank, and the Westmoreland County Planning Division, members of City Council and administration were introduced to the characteristics of blight through the blight inventory and a comprehensive property conditions analysis with one or more of the following criteria used to assess the physical condition of the structure and premises and identify low and high priority geographic areas for intervention. The County representatives evaluated the neighborhoods of the City and individual structures and premises considering:

- (A) The buildings within the area, by reason of their age, obsolescence, inadequate or outmoded design, or physical deterioration, have become economic and/or social liabilities.
- (B) The buildings within the area are substandard, unsanitary, unhealthy, or unsafe.
- (C) A significant percentage of buildings within the area are more than 20 years of age.
- (D) A substantial number of parcels within the area have remained vacant, unimproved, overgrown, or unsightly for a period of five or more years indicating a growing or total lack of utilization of land for economically desirable purposes.

Section 51-67 Exemption

The assessed value of the real property eligible for exemption of real estate tax is determined by using the following calculation method. The exempt assessed value of real property equals the new assessed value of the improvement on real property minus the original assessed value of the improvement on real property. The difference between these two (2) values is eligible for exemption of real estate tax following the program's exemption schedule. The assessed value of the land within the real property is not eligible for exemption.

- (A) the start date of the exemption period is the first due date for the spring or fall real estate billing period for a parcel approved to participate in the Blighted Property Tax Abatement Program.
- (B) The termination date of the exemption period will extend 10-years from the start date if the owner of the approved parcel has maintained exemption status by fulfilling all program criteria stated in Section 51-75 Termination of Exemption of this Article.
- (C) The termination date of the exemption cannot be extended beyond the 10-year period from the start date of the exemption.
- (D) The exemption can be assigned to a new owner of the real property approved to participate in the program during the exemption period if the owner fulfills all program criteria stated in Section 51-75 Termination of Exemption of this Article.

Section 51-68 Exemption Schedule

The Department will use the following exemption schedule to determine the annual real estate tax retained by the property owner, the annual donation to the Latrobe Blight Fund program by the property owner, and the annual real estate tax paid to the City and the County during the 10-year period of the exemption. The three taxing bodies will continue to collect tax generated from the original assessed value of the Land and the Improvement. The property owner retains 25% of the abated tax and donates 75% of the abated tax to the Blight Fund during the 10-year period.

Year	Abatement %	Donated %	Retained %
1	100	75	25
2	100	75	25
3	100	75	25
4	100	75	25
5	100	75	25
6	100	75	25
7	100	75	25
8	100	75	25
9	100	75	25
10	100	75	25
11	0	0	0

Section 51-69 Procedure for Obtaining Exemption; Appeals

It is the responsibility of the commercial or residential real property owner or the owner's agent to request the Blighted Property Tax Abatement Program informational packet including the program guidelines, applications, and forms from the Department prior to the date of issuing a repair or building permit by the Enforcement Officer. The steps in the process include but are not limited to the following.

(A) The Department shall provide the application for abatement in both digital and printed formats upon which the property owner will provide requested information including, but are not limited to, names of individuals holding ownership of the real property, contact information for the primary owner, contact information for the general contractor, and a property renovation plan.

(B) Any person desiring a tax exemption pursuant to this article must apply, in writing, to the Enforcement Officer on the form furnished by the Department at the same time a building or repair permit is issued by the Department for construction or improvements to the real property. The

application must be in writing upon form(s) specified by the Department, setting forth the following information:

(1) A statement from the taxing authorities indicating the real property noted on the application for tax exemption is not delinquent in payment of real estate tax.

(2) A list of all other properties owned by the property owner in the County of Westmoreland along with a certification that none of these properties are subject to a tax delinquency.

(3) Verification that the property has been inspected by the Enforcement Officer prior to the start of the renovation or improvement project.

(4) Copy of the building or repair permit issued by the Department.

(5) Such additional information as may be necessary to process such application for exemption.

(C) Within 21 days after submission of the application was made for an exemption of real estate tax, the Enforcement Officer shall have completed the inspection, documented the existing condition of the structure or vacant lot prior to the start of construction or renovation, and shall have issued a condition report and letter to the owner of the premises. This period of time may be extended by the code enforcement officer if a delay is caused by any matter beyond the reasonable control of that official.

(D) Owner or Owner's Agent submits required documents to receive a repair or a building permit. Depending on the type and extent of construction or repairs, documentation can be written statements of processes and methods or plans created by an architect or MEP engineer. These documents will be submitted to the Department along with the appropriate form(s).

(E) Owner or the Owner's Agent requests an appraisal of value for the new or renovated structure based on the physical condition of the structure when the construction or repairs are completed. The appraisal of value report must be submitted by a PA licensed real estate appraiser. The report will be submitted to the Department along with the Westmoreland County Office of Property Assessments.

(F) Owner or the Owner's Agent requests a reassessment of the structure by the Westmoreland County Board of Assessment Appeals. The Westmoreland County Board of Assessment Appeals requires a copy of the real estate appraisal of value report to determine the new assessed value. With this new assessed value, the Westmoreland County Office of Property Assessments will calculate the value of the abatement and report to the Department.

(G) Owner or the Owner's Agent requests a final inspection of the new or renovated structure by the Enforcement Officer to verify the improvements were made as stated in the building or repair permit.

(H) The Department completes an annual review of the participating property to confirm the Owner or the Owner's Agent is in compliance with Blighted Property Tax Abatement Program requirements. The annual compliance criteria include, but are not limited to; the content stated in Section 51-75 Termination of Exemption of this Article.

Any person aggrieved by a decision or order of the Enforcement Officer shall have the right to appeal that matter to the City of Latrobe Code Enforcement Hearing Board. To file an appeal, a printed or typed written notice of appeal must be signed by that person and filed with the office of the City

Manager within 14 days after the date of the issuance of the notice of rejection to participate in the program or termination of the exemption of real estate tax.

Section 51-70 Termination of Exemption

The Enforcement Officer has the authority to terminate the real estate tax exemption and Blighted Property Tax Abatement Program participation of approved parcels for reasons including:

- (A) The property owner is 3-months delinquent in payment of real estate tax.
- (B) The property owner fails to correct deficiencies in the Code listed in the notice of violation from the Enforcement Officer.
- (C) The property owner fails to make the annual donation to the Latrobe Blight Fund.
- (D) The property owner is 3-months delinquent in payment of sanitation and stormwater fees.
- (E) The real property is classified as a public nuisance that threatens the public health, safety or welfare, or does damage to community resources but can also be based on accumulation of citations issued or significant number of visits or frequency of responses to calls by the City of Latrobe Police Department.
- (F) The property owner files an appeal to lower the assessed value of the real property with the Westmoreland County Board of Assessment Appeals after the completion of the improvements to structure and premises and during the 10-year exemption schedule assigned to the approved parcel.

Section 51-71 Prior Tax Exemption Schedule or Agreements

Real property subject to a prior tax exemption schedule or agreement with the Westmoreland County Land Bank approved by the City and the County will remain valid for the period of the exemption or agreement. The exemption provided by the Blighted Property Tax Abatement program will apply when a difference in new and old assessed values exists and when the prior tax exemption schedule or agreement terminates.

Section 51-72 Administrative Enforcement

Compliance with the Blighted Property Tax Abatement Program shall be overseen by the Department, who shall be assisted in its implementation, administration and enforcement by the Enforcement Officer. They may be assisted as needed by other city staff, including but not limited to the City Solicitor and contracted third-party inspection firm.

Section 51-73 Authorized Agent

The City Administrator or the Code Enforcement Officer is hereby designated as authorized agent to sign all necessary forms, permits or other written documents to implement any and all provisions of this Article.

Section 51-74 Effective Date

The effective date of this article is March 1, 2026.

Section 51-75 Termination Date

The provisions hereof shall become effective on March 1, 2026, and its terms shall continue in effect without annual reenactment for a period of 10 years from the effective date and shall apply to any real property permitted for construction or renovation at any time during that ten-year period.

Section 51-76 Legislative Authority

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT

Act of Dec. 1, 1977, P.L. 237, No. 76 Cl. 53

AN ACT - Authorizing local taxing authorities to provide for tax exemption for certain deteriorated industrial, commercial and other business property and for new construction in deteriorated areas of economically depressed communities; providing for an exemption schedule and establishing standards and qualifications. (Title amended July 13, 1988, P.L.518, No.90)

(A) Section 1. Short title. This act shall be known and may be cited as the "Local Economic Revitalization Tax Assistance Act."

(B) Section 2. Construction. This act shall be construed to authorize local taxing authorities to exempt new construction in deteriorated areas of economically depressed communities and improvements to certain deteriorated industrial, commercial and other business property thereby implementing Article VIII, section 2(b)(iii) of the Constitution of Pennsylvania. (2 amended July 13, 1988, P.L.518, No.90)

IMPROVEMENT OF DETERIORATING REAL PROPERTY OR AREAS TAX EXEMPTION ACT

Act of Jul. 9, 1971, P.L. 206, No. 34 Cl. 72

(Reenacted and amended Aug. 5, 1977, P.L.167, No.42)

AN ACT - Authorizing local taxing authorities to provide for tax exemption for certain improvements to deteriorated dwellings and for improvement of deteriorating areas by the construction of new dwelling units; and providing for exemption schedules and other limitations.

(A) ARTICLE I General Provisions, Section 101. Short Title. – This act shall be known and may be cited as the "Improvement of Deteriorating Real Property or Areas Tax Exemption Act."

(B) Section 102. Construction. – This act shall be construed to authorize local taxing authorities to exempt improvements to certain deteriorated residential property and areas thereby implementing clause (iii) of subsection (b) of section 2 of Article VIII of the Constitution of Pennsylvania.

Section 51-77 Repealer

Any ordinance or part of any ordinance which conflicts with the provisions of this Article is hereby repealed.

Section 51-78 Severability

The provisions of this Article 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.