

**CHELTENHAM TOWNSHIP
ORDINANCE NO. 2022-02**

**AN ORDINANCE AUTHORIZING TAX ABATEMENTS
FOR PROPERTY TAX ON CERTAIN
COMMERCIAL, INDUSTRIAL, RETAIL, OR
OTHER BUSINESS PROPERTIES WITHIN THE
TOWNSHIP OF CHELTENHAM'S FIVE
COMMERCIAL DISTRICTS WHERE IT IS
DESIROUS TO ENCOURAGE AND ACHIEVE
REVITALIZATION AND PHYSICAL
ENHANCEMENTS TO DETERIORATED
PROPERTIES.**

WHEREAS, the General Assembly of Pennsylvania passed Act 76 of 1977 (72 P.S. 4722 et seq.) known as the Local Economic Revitalization Tax Assistance Law (LERTA), which authorized local taxing authorities to provide tax abatements for certain deteriorated commercial, industrial, retail, and other business property; and

WHEREAS, the Board of Commissioners of Cheltenham Township, in accordance with said Act, held a public hearing on October 23, 2000 and adopted the Commercial District Enhancement Plan, which describes a long range comprehensive vision plan for economic development, community enhancements, revitalization, public improvements, tax incentives aimed at achieving business retention, tax base stabilization, and economic growth within five commercial districts: Glenside, Elkins Park East, Elkins Park West, East Cheltenham Avenue, and Cheltenham Village.

NOW, THEREFORE, be it Ordained and Enacted by the Commissioners of Cheltenham Township, an Ordinance as follows:

SECTION I. Definitions: As used in this Ordinance, the following words and phrases shall have the meaning set forth below:

- (a) **“Board of Assessment ”** is Montgomery County Board of Assessment.
- (b) **“Deteriorating property”** means any commercial, industrial, retail or other non-residential business property owned by an individual, association or corporation and located in areas as hereinafter provided, that has fallen into a state of degeneration, decline or disrepair causing a downward turn and consequent loss in quality, physical character, vitality, or energy in the designated areas.

- (c) **“Improvement”** means repair, construction or reconstruction, including alterations or additions, having 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 for purposes of this Ordinance. Repair or construction of buildings containing a majority of apartment units shall not constitute an improvement eligible for a real estate tax abatement under provisions of this Ordinance.
- (d) **“Local Taxing Authorities”** means the Cheltenham Township School District and the Township of Cheltenham.
- (e) **“Office of Engineering, Zoning and Inspections”** means the Office of the Cheltenham Township Engineer.

SECTION II. Designated Areas

By this Ordinance, the Cheltenham Township Board of Commissioners designates all commercial, industrial, retail or local business properties located within the following areas in need of enhancement in accordance with the boundaries of the five commercial districts identified in the Commercial District Enhancement Plan attached as Exhibit A, to be eligible to participate in the provisions of this Ordinance:

1. Glenside Commercial District
2. Elkins Park East Commercial District
3. Elkins Park West Commercial District
4. East Cheltenham Avenue Commercial District
5. Cheltenham Village Commercial District

SECTION III. Abatement Amount

- (a) The amount to be abated shall be limited to additional assessment valuation attributable to the actual costs of improvements to deteriorating property.
- (b) The abatement shall be limited to the improvement for which an abatement has been requested in the manner set forth below and for which a separate assessment has been made by the Board of Assessment.

SECTION IV. Abatement Schedule

- (a) First year - 100%
- (b) Second year - 100%
- (c) Third year - 75%
- (d) Fourth year - 50%
- (e) Fifth year - 25%

SECTION V. Conditions of Abatement

A property participating in this tax abatement Ordinance shall be subject to the following conditions of abatement:

- (a) The tax valuation of the property established by the Board of Assessment prior to this Ordinance shall remain free from assessment appeal during the time period outlined in the abatement schedule as set forth in Section IV of this ordinance.
- (b) The tax abatement period shall become applicable when a building permit is issued for the qualifying improvement.
- (c) Building permits issued to qualifying properties prior to the adoption of this Ordinance shall not be applicable to this provision.

SECTION VI. Notice to Taxpayers

- (a) There shall be attached to the application forms for building, zoning and occupancy permits the following:

“Notice to Taxpayers

Under the provisions of Ordinance No.2022–02, you may be entitled to a property tax abatement on your contemplated alteration or new construction. An Application for abatement may be secured from the Office of Engineering, Zoning and Inspections, and must be filed with same, at the time a building permit is issued.”

- (b) At the time a building permit is issued for the construction of an improvement for which an abatement is requested, the taxpayer shall apply to the Township’s Office of Engineering, Zoning &

Inspections for the abatement provided for in this Ordinance. Requests for the abatement must be made in writing on application forms as prescribed by the Township of Cheltenham, setting forth the following information:

- (1) The date of the building permit issued for said improvements.
- (2) The type of improvement proposed.
- (3) The summary of the plan of the improvement.
- (4) The cost of the improvement.
- (5) Any additional information required.

SECTION VII. Procedure for Obtaining Abatement

A copy of the Application for abatement shall be forwarded by the Township's Office of Engineering, Zoning & Inspections to the Board of Assessment. Upon completion of the improvement or new construction, the taxpayer shall notify the Township's Engineering, Zoning & Inspections Office and the Board of Assessment so that the Board of Assessment can establish a separate assessment for the qualifying improvements for the purpose of calculating the amount of assessment eligible for the tax abatement in accordance with the limits established in this Ordinance. The Board of Assessment will then set the amount of assessment eligible for abatement, record the same on its assessment rolls and notify the taxpayer of the assessment eligible for abatement. Appeals from the assessment and the amount eligible for the abatement may be taken by the taxpayer or the Township of Cheltenham as provided by law.

SECTION VIII. Termination/Continuance

- (a) Unless otherwise repealed by the Board of Commissioners of the Township of Cheltenham, this Ordinance shall terminate two years after the adoption date.

- (b) Any property tax abatements granted under the provisions of this Ordinance shall be permitted to continue according to the abatement schedule, even if this Ordinance expires or is repealed.
- (c) This Ordinance may be renewed and/or modified after the termination date, by resolutions of the Board of Directors of the Cheltenham School District and the Board of Commissioners of Cheltenham Township, describing the renewal and/or modified terms.

SECTION IX. 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.

SECTION X. Effective Date

This Ordinance shall become effective immediately upon ordination and enactment.

ORDAINED AND ENACTED by the Township of Cheltenham, this 17th day of **December, 2002.**

TOWNSHIP OF CHELTENHAM

BY: 
Michael J. Swavola
President

ATTEST: 
David G. Kraynik, Secretary