

# **FOREST CITY BOROUGH RESOLUTION #2 - 2020**

**A RESOLUTION EXTENDING THE TERM OF EXEMPTIONS, DEDUCTIONS, ABATEMENTS AND CREDITS FOR REAL PROPERTY, EARNED INCOME TAX, NET PROFITS MERCANTILE, AND BUSINESS PRIVILEGE TAXES WITHIN A SPECIFIC GEOGRAPHIC AREA IN SUSQUEHANNA COUNTY DESIGNATED AS A KEYSTONE OPPORTUNITY ZONE (“KOZ”), KEYSTONE OPPORTUNITY EXPANSION ZONE (“KOEZ”) OR KEYSTONE OPPORTUNITY IMPROVEMENT ZONE (“KOIZ”) IN ORDER TO FOSTER ECONOMIC OPPORTUNITIES, STIMULATE INDUSTRIAL, COMMERCIAL, AND RESIDENTIAL IMPROVEMENTS AND PREVENT PHYSICAL AND INFRASTRUCTURE DETERIORATION WITHIN AREAS OF FOREST CITY BOROUGH, COMMONWEALTH OF PENNSYLVANIA, UPON CERTAIN TERMS AND CONDITIONS.**

**WHEREAS, FOREST CITY BOROUGH,** Pennsylvania recognizes the need to encourage investment in a defined geographical area of Forest City Borough bounded as follows as set forth in Attachment ‘A’ known locally as THE GREATER FOREST CITY INDUSTRIAL PARK VISION 2000 that is experiencing distress characterized by one or more of the following: high unemployment, low investment of new capital, blighted conditions, underutilized, obsolete or abandoned industrial commercial and residential structures, deteriorated tax base;

**AND**

**WHEREAS,** the Extended Parcel consists of an unoccupied portion (s) of a KOZ, KOEZ or KOIZ within Forest City Borough which KOZ, KOEZ or KOIZ expires in 2020

**AND**

**WHEREAS,** the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone and Keystone Opportunity Improvement Zone Act (Act of October 6, 1998, P.L. 705, No. 92), as amended, hereinafter referred to as the “Act,” authorizes political subdivisions to apply to the Pennsylvania Department of Community and Economic Development (DCED) for an extension of the term of the applicable benefits within the respective unoccupied portion(s) of the KOZ, KOEZ or KOIZ, granting exemptions, deductions, abatements or credits from all local taxes identified in the Act;

**AND**

**WHEREAS,** approval of extending the term of the benefits for the Extended Parcel as provided in the Act will result in improving the economic, physical, and social conditions within

the subject KOZ, KOEZ or KOIZ by stimulating existing businesses employment, creating new employment and diminishing blight;

**AND**

**WHEREAS**, it is expected that increased private and public-sector investors will reverse the disinvestment and conditions of blight of the Extended Parcel by the termination date of the extended term.

**NOW, THEREFORE, BE IT RESOLVED** by the Forest City Borough of Susquehanna County that effective as of this date 02/3/2020, contingent only upon DCED's approval of the application for the proposed term of the Extended Parcel of the existing KOZ, KOEZ or KOIZ:

The term of the Extended Parcel is extended for a period of **ten (10)** years from the date of occupancy of the Extended Parcel or expiration of the KOZ/KOEZ/KOIZ, whichever occurs first as determined by the Department.

The following provisions shall apply to the extended term once the Extended Parcel is occupied:

1. Real Property Tax on the Extended Parcel is 100% exempt, such exemption to terminate 12/31/2030.
2. The following shall be exempt, in accordance with the provisions and limitations set forth within the Act, relative to the Extended Parcel:
  - a. Business gross receipts tax for operations conducted by a Qualified Business within the Extended Parcel.
  - b. Business privilege tax.
  - c. Tax on the earned income received by a resident of the Extended Parcel.
  - d. Tax on the net profits of a Qualified Business attributable to business activity conducted within the expansion zone
  - e. Mercantile license tax attributable to business activity by a Qualified Business conducted within the Extended Parcel.
  - f. Tax on occupancy or use within the Extended Parcel
  - g. Sales and use tax (for purchases used and consumed by a Qualified Business within the Extended Parcel)

**Benefits to begin on January 1, 2021 and to end on December 31, 2030**

3. The provisions of the Act not herein enumerated, shall, nevertheless, be incorporated as part of this Ordinance by reference.

4. This resolution shall be effective upon execution, conditioned upon the approval of DCED of the application.

RESOLVED AND ENACTED by the Council of the Forest City Borough of Susquehanna County, Pennsylvania, this 3rd day of February, 2020.

ATTEST:

  
Sharon M. Vannan, Secretary/Treasurer

BY:   
Nicholas H. Cost, Council President

  
Christopher D. Ginton, Mayor

**GREATER FOREST CITY INDUSTRIES, INC.**

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Patricia Striefsky, Secretary  
Greater Forest City Industries, Inc.

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Robert M. McGraw, President  
Greater Forest City Industries, Inc.

**BEING** all of those same premises Granted and Conveyed to Forest City Industries, Inc. By Deed from Linde Corporation filed to Susquehanna Deed Book 547at Page 599.

**ALSO BEING** all of those same premises conveyed to Lackawanna River Basin Sewer Authority by deed of Pennsylvania Coal Company recorded in Wayne County Record Book 256, Page 783.

**ALSO BEING** further described as shown on a set of drawings entitled “Preliminary/Final Land Developments and Major Subdivision Plans for Vision 200 Industrial Park of Greater Forest City Industries, Inc., Forest City, Susquehanna County, Pennsylvania”, dated December, 1996, Job Number 4228.92, prepared by Quad Three Group, Inc., 37 North Washington Street, Wilkes-Barre, Pennsylvania.

**ALSO BEING** all of Commerce Boulevard passing through lands of the grantor herein described as shown on a plat entitled “Plat of Proposed Commerce Boulevard Through Lands of Lackawanna River Basin Sewer Authority”, dated December 9, 1996, Job Number 4228.92, Drawing Number 4228V513, prepared by Quad Three Group, Inc., 37 North Washington Street, Wilkes-Barre, Pennsylvania 18701.

## **EXHIBIT A**