THE SCHOOL DISTRICT OF PHILADELPHIA
SCHOOL REFORM COMMISSION
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OFFICE OF GENERAL COUNSEL

July 11, 2017

Harold T. Epps
Director of Commerce
1515 Arch Street, 12th Floor
Philadelphia, PA 19102

RE: Keystone Opportunity Zones

Dear Director Epps:

As Interim General Counsel, I am Assistant Secretary to the School Reform Commission. Enclosed is my Certificate that Resolution SRC-2, as amended, was voted on and approved by the School Reform Commission of The School District of Philadelphia on July 6, 2017. The resolution concerns the Keystone Opportunity Zones, Expansion Zones and Improvement Zones and resolved to approve the abatements, exemptions, designations and extensions referenced in the resolution.

Very truly yours,

Miles H. Shore

Miles H. Shore

MHS/lmn

Enclosure

cc: Duane Bumb, Senior Deputy Director of Commerce
Sylvie Gallier-Howard, Chief of Staff
Uri Monson, Chief Financial Officer

THE SCHOOL DISTRICT OF PHILADELPHIA

SCHOOL REFORM COMMISSION

CERTIFICATE

I, Miles H. Shore, Assistant Secretary of the School Reform Commission of The School District of Philadelphia, certify that the attached is a true and correct copy of Resolution SRC-2, as amended, adopted by the unanimous vote of all the members of the School Reform Commission at a special public meeting on July 6, 2017.

Miles H. Shore

Miles H. Shore

Date: July 11, 2017

SRC-2
July 6, 2017
(As Amended)

RESOLUTION

Re: Authorization of Keystone Opportunity Zone

WHEREAS, the General Assembly has enacted Act No. 79 of 2008 (the "Act"), amending Act No. 92 of 1988, the Keystone Opportunity Zone Act authorizing certain exemptions, abatements, credits and deductions of certain state taxes in certain deteriorated areas of the Commonwealth, known as Keystone Opportunity Zones ("KOZ"), Expansion Zones ("KOEZ"), and Improvement Zones ("KOIZ"), in order to promote development and job formation; and

WHEREAS, the Act makes the foregoing exemptions, abatements, credits and deductions of state taxes contingent on the grant of certain exemptions, abatements, credits and deductions by all local taxing authorities with taxing jurisdiction over the affected deteriorated area; and

WHEREAS, the Mayor and the Director of Commerce of the City of Philadelphia previously applied to the Commonwealth, pursuant to the Act, to designate certain deteriorated areas of the city of Philadelphia Keystone Opportunity Zones, Expansion Zones and Improvement Zones, and to extend the duration of certain previously-designated zones, and to subject such areas to the exemptions, abatements, credits and deductions authorized by the Act; and

WHEREAS, the General Assembly has passed and the Governor has signed SB 1237, Act No. 16 of 2012, which modified the existing KOZ legislation by allowing for a ten (10) year extension of the term for unoccupied KOEZ and KOIZ; and

WHEREAS, the City Council has approved and the Mayor has signed Bill No. 170515 which provides for the exemptions, abatements, credits and deductions required by the Act in order to qualify for the designations and extensions referenced above and as specifically set forth on the attached property list, Schedule 1; and

WHEREAS, the Act requires that all taxing authorities with jurisdiction over a proposed Keystone Opportunity Zone, Expansion Zone or Improvement Zone enact an

ordinance or resolution to be included with the City's application to the Commonwealth, providing for exemptions, abatements, credits and/or deductions from certain taxes within the Zones; and

WHEREAS, the Act specifically requires that all real property tax imposed on real property within the Zones be abated, and that no tax shall be imposed on the use or occupancy of real property within the Zones, all subject to certain conditions set forth in the Act; and

WHEREAS, the School Reform Commission has determined that it is in the best interest of the City to implement the extensions referenced above and to provide for the aforementioned abatements, credits, exemptions and deductions; now, therefore, be it

RESOLVED, that, subject to and contingent upon approval by the Commonwealth of the extended designations, all real estate taxes imposed on real property located in the Zones are abated, and a person or business subject to realty use and occupancy tax with respect to real property located in the Zones may claim one hundred percent (100%) exemption from such tax, all subject to the conditions set forth in Bill No. 170515, and further subject to the agreement of the City of Philadelphia that, with respect to applications for extension pursuant to the Act, the City shall provide notice to the School Reform Commission at the time such application is submitted, of the date of the application and all properties for which exemptions and abatement are sought in such application; and be it

FURTHER RESOLVED, that the foregoing abatements and exemptions shall be effective and irrevocable for the periods set forth in Bill No. 170515, all contingent upon approval of the extended designations; and be it

FURTHER RESOLVED, that the Zones shall be defined as encompassing the geographical areas designated by the Commonwealth, in accordance with The City of Philadelphia's application for extension pursuant to the Act, which application shall include all or less than all of the geographical areas contained in the Ordinance, a copy of which is on file with the Commission; and be it

FURTHER RESOLVED, that, notwithstanding the preceding paragraph, no property shall be included in any Zone unless the owner of such property has entered into an agreement for "Payments in Lieu of Taxes" ("PILOT"), containing such terms and conditions as will provide for the maximum payment amount permissible under Section 310 of the Act, as amended; and further, the School Reform Commission hereby authorizes and directs the School District of Philadelphia, through the Superintendent or his designee, to execute, deliver and perform such PILOTs, which PILOTs shall be separate agreements between the School District and property owners and between the City and property owners.

SCHEDULE 1

2017 KOZ EXTENSIONS

Parcel	*Owner*	*TAX ID #*	*Acres*	*Land/ Building*	*Tax Status*
1 Red Lion Road	Teva Pharmaceuticals USA	885821640	136.2	Vacant Land	Taxable
10098 Sandmeyer Lane	Teva Pharmaceuticals USA	884237645	1.39	Vacant Building	Taxable
205 Rouse Boulevard (Navy Yard Parcel 7LL)	PAID	788010014		Vacant Land	Exempt
1201 Normandy Place (Navy Yard Parcel 7NN)	PAID	885765060	1.26	Vacant Land	Exempt
300 Rouse Boulevard (Navy Yard 7SS)	PAID	788043300		Vacant Land	Exempt
400 Rouse Boulevard (Navy Yard Parcel 7UU)	PAID	788043500		Vacant Land	Exempt
4950 Basin Bridge Road (Navy Yard Parcel 2)	PAID	788001001		Vacant Land	Exempt

SCHEDULE 1

2017 KOZ EXTENSIONS

1401 Langley Avenue (Navy yard Parcel 3)	PAID	788002012		Vacant Land	Exempt
4490 R Basin Bridge Road (Navy Yard Parcel 3A)	PAID	788002101		Vacant Land	Exempt
4700 Basin Bridge Road (Navy Yard Parcel 4B)	PAID	788006502		Vacant Land	Exempt
1100 Flagship Drive (Navy Yard Parcel 7DD)	PAID	788044100		Vacant Land	Exempt
4801 S. 12th Street (Navy Yard Parcel 7K)	PAID	788032100		Vacant Land	Exempt
4901 S. 13th Street (Navy Yard Parcel 7L)	PAID	788034200		Vacant Land	Exempt
1200 Kitty Hawk Avenue (Navy Yard Parcel 7T)	PAID	788040200		Vacant Land	Exempt
5001 S. 13th Street (Navy Yard Parcel 7Y)	PAID	885764320		Vacant Land	Exempt
5000 S. 11th Street (Navy Yard Parcel 7Z)	PAID	885764060		Vacant Land	Exempt
4501 League Island Boulevard (Parcel 8)	PAID	885763280		Vacant Land	Exempt
2 Mustin Street (Navy Yard Parcel 8B)	PAID	875100920		Vacant Land	Exempt
5001 League Island Boulevard (Navy Parcel 9)	PAID	788015002		Vacant Land	Exempt
4621 Basin Bridge Road (Navy Yard Parcel 10)	PAID	78805501		Vacant Land	Exempt
5501 Tacony St.	PAID	874584730	35.5	Vacant Land	Exempt
9450 Ashton Rd.	PAID	885918440	6.5	Vacant Land	Exempt
9470 Ashton Rd.	PAID	885918840	2.0	Vacant Land	Exempt
1627-29 S. 49th St.	PAID	885891720	1.0	Vacant Land	Exempt
1633 S. 49th St.	PAID	885891580	10.6	Vacant Land	Exempt

SCHEDULE 1

2017 KOZ EXTENSIONS

1635 S. 49th St.	PAID	885891540	0.5	Vacant Land	Exempt
1700 S. 49th St.	PAID	885916780	1.0	Vacant Land	Exempt
3000 S. 56th St.	PAID	885904660	10.8	Vacant Land	Exempt
5736 Eastwick Ave.	PAID	884159000	10.6	Vacant Land	Exempt
2731 S. 58th St.	PAID	858479820	1.6	Vacant Land	Exempt
2830 S. 56th St.	PAID	885905080	0.4	Vacant Land	Exempt
2751 S. 58th St.	PAID	885905080	5.4	Vacant Land	Exempt
14000 Townsend Rd.	PAID	885924100	4.1	Vacant Land	Exempt
14515 McNulty Rd.	PAID	885923920	14.4	Vacant Land	Exempt
3025 Meetinghouse Rd.	PAID	884292903	15.5	Vacant Land	Exempt
15000 E. Roosevelt Blvd.	PAID	885754180	50.5	Vacant Land	Exempt
2021 Woodhaven Rd.	PAID	885074550	7.0	Vacant Land	Exempt
7411 Holstein Ave.	PAID	885905500	4.8	Vacant Land	Exempt
3309 S. Galloway St.	PAID	884463840	24.4	Vacant Land	Exempt
3401 S. Lawrence St.	PAID	884152200	4.0	Vacant Land	Exempt
11430 Northeast Blvd.	PAID	885752920	28.5	Vacant Land	Exempt
11450 Northeast Blvd.	PAID	885240560	38.6	Vacant Land	Exempt
4870 Jefferson St.	PAID	885712500	2.0	Vacant Land	Exempt
4900 Jefferson St.	PAID	885897405	5.2	Vacant Land	Exempt
4901 Jefferson St.	PAID	885897401	4.3	Vacant Land	Exempt
4800 Jefferson St. (Subdivision of 4700 Jefferson)	PAID	884897402	12.8	Vacant Land	Exempt