

Legislation Details (With Text)

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File created:	6/4/2020	In control:		Committee on Finance	
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Title:	Amending Chapter 19-3200 of The Philadelphia Code, entitled "Keystone Opportunity Zone, Economic Development District, and Strategic Development Area," to provide for additional extensions of certain benefits, for the purpose of facilitating economic recovery from the COVID-19 pandemic, all under certain terms and conditions.				
Sponsors:	Councilmember Johnson				
Indexes:	KEYSTONE OPPORTUNITY ZONE				
Code sections:	19-3200 - Keystone Opportunity Zone				
Attachments:	1. CertifiedCopy20034700.pdf				

Date	Ver.	Action By	Action	Result	Tally
6/26/2020	0	MAYOR	SIGNED		
6/25/2020	0	CITY COUNCIL	READ AND PASSED	Pass	16:1
6/18/2020	0	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL		
6/18/2020	0	CITY COUNCIL	ORDERED PLACED ON THIS DAY'S FIRST READING CALENDAR		
6/18/2020	0	CITY COUNCIL	ORDERED PLACED ON NEXT WEEK'S SECOND READING CALENDAR		
6/15/2020	0	Committee on Finance			
6/15/2020	0	Committee on Finance			
6/15/2020	0	Committee on Finance			
6/4/2020	0	CITY COUNCIL			

Amending Chapter 19-3200 of The Philadelphia Code, entitled "Keystone Opportunity Zone, Economic Development District, and Strategic Development Area," to provide for additional extensions of certain benefits, for the purpose of facilitating economic recovery from the COVID-19 pandemic, all under certain terms and conditions.

WHEREAS, A group of adjacent properties ("the Refinery Complex")-located on Passyunk, Penrose, and Essington Avenues in South and Southwest Philadelphia, straddling the Schuylkill River-was used as a petroleum refinery for over 150 years. It ceased operations after a massive explosion on June 21, 2019. Since then it has sat largely idle and vacant; and

WHEREAS, The Refinery Complex's new owner has proposed comprehensive redevelopment and environmental remediation, without resumption of any refining activity. That process will entail a multi-billion-dollar investment over the course of a decade, employing a projected 8,000 union construction workers and project professionals. Moreover, the redevelopment is projected to generate approximately 10,000 permanent jobs, which the owner has made a commitment to ensure are filled largely by local residents. At the same time, the owner will undertake environmental remediation, projected to cost at least a half-billion dollars, to address

heavy contamination resulting from prior refining activity. The redevelopment is projected to generate City tax revenues of approximately \$36 million during the construction phase and approximately \$41 million annually during full operations; and

WHEREAS, The proposed redevelopment is predicated upon the site's designation as a Keystone Opportunity Zone ("KOZ"). Most of the Refinery Complex is currently designated as a KOZ, but the designation for a portion of the site will expire at the end of this year. In order to meet deadlines for additional procedural requirements, and due to the significant uncertainties created by COVID-19, it is important that legislative authorization of an extension be completed by the end of June 2020; and

WHEREAS, The myriad economic benefits from the redevelopment-including a multi-billion-dollar investment, thousands of jobs for Philadelphia residents from low- and middle-income neighborhoods, and tens of millions in new tax revenue-are critically important to Philadelphia's recovery from the unprecedented economic crisis caused by the COVID-19 pandemic.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 19-3200 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-3200. KEYSTONE OPPORTUNITY ZONE, ECONOMIC DEVELOPMENT DISTRICT,
AND STRATEGIC DEVELOPMENT AREA

* * *

§ 19-3203. Authorization of Exemption, Abatement or Credits from Certain Taxes.

* * *

(5) The benefits provided for in subsection (1)(j) shall apply to:

Street Address

OPA Account Number

* * *

(M1) (3143 W. Passyunk Avenue	884097200
(N1)	3144 W Passyunk Avenue	884097045
(O1)	3403 Penrose Avenue	884096503
(P1)	3407 Penrose Avenue	884096507
(Q1)	3406 Penrose Avenue	884096506
(R1)	6902 Essington Avenue	884096702

* * *

SECTION 2. This Ordinance shall be effective upon approval by the Commonwealth Department of Community and Economic Development of an application for the extension of benefits with respect to certain parcels, and only with respect to such parcels for which an extension is granted, and only for such period of

time as the Commonwealth provides for exemptions, abatements or credits with respect to sales and use tax, personal income tax, corporate net income tax and capital stock franchise tax for businesses and residents on such parcels, all as set forth in Section 301.3(a)(1)(iii) of the Act of October 6, 1998 (P.L. 705, No. 92), known as the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone and Keystone Opportunity Improvement Zone Act, and related legislation.