

**TOWNSHIP OF CHESTERFIELD**

**ORDINANCE NO. 2019-21**

**AN ORDINANCE AUTHORIZING A TAX ABATEMENT AGREEMENT PURSUANT TO N.J.S.A 40A:21-1 et seq.**

**WHEREAS**, Article VIII, Section 1, paragraph 6 of the New Jersey Constitution permits municipalities to grant tax exemptions or abatements, or both, in areas in need of redevelopment or rehabilitation; and

**WHEREAS**, the Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1 et seq., requires that municipalities, seeking to utilize such abatements or exemptions, shall adopt an ordinance setting forth the eligibility or non-eligibility of dwellings, multiple dwellings, or commercial and industrial structures, or all of the above, for exemptions or abatements from taxation in areas in need of redevelopment; and

**WHEREAS**, the Township Committee has previously enacted Resolution 2019-6-9, designating certain lands as “an area in need of rehabilitation,” including Block 1103, Lot 8.01; and

**WHEREAS**, 2019 Monmouth Wrightstown LLC (“Redeveloper”) seeks to redevelop Block 1103, Lot 8.01, with development consistent with its rehabilitation; and

**WHEREAS**, the Redeveloper has agreed and sworn to file a timely application for the utilization of a Five Year Exemption Agreement pursuant the Tax Exemption Law; and

**WHEREAS**, after careful analysis and deliberation, the Township Committee has determined that the redevelopment of the Property will provide new development and jobs to the Township and be of benefit to the public interest; and

**WHEREAS**, pursuant to and in accordance with the Tax Exemption Law, the Township desires to conclude an agreement with the Redeveloper to bring these and other benefits to the Township, and has agreed to enter into a Five Year Tax Exemption Agreement.

**NOW THEREFORE, BE IT ORDAINED**, by the Township Committee of the Township of Chesterfield, County of Burlington, State of New Jersey authorizes a Five Year Tax Abatement Agreement with the Redeveloper to be prepared by the Township Attorney and to be approved by Resolution of the Township Committee at the appropriate time.

**BE IT FURTHER ORDAINED AND ENACTED**, that the development of Block 1103, Lot 8.01 is hereby approved for the grant of a tax exemption pursuant to the Tax Exemption Law and in conformity with the provisions of the same.

**BE IT FURTHER ORDAINED AND ENACTED**, that the exemption contemplated herein shall be applicable by way of the provisions of N.J.S.A. 40A:21-10(c), the Township choosing a "tax phase-in basis," pursuant to which the Redeveloper shall pay to the municipality, full taxes on the land component of the property, and then, a separate payment on the improvements, in an amount equal to a percentage of taxes which would otherwise be due, according to the following schedule:

- (a) In the first full year after completion, no payment due;
- (b) In the second tax year, an amount equal to 20% of the taxes otherwise due;
- (c) In the third tax year, an amount equal to 40% of taxes otherwise due;
- (d) In the fourth tax year, an amount equal to 60% of taxes otherwise due;
- (e) In the fifth tax year, an amount equal to 80% of taxes otherwise due.

The Township Committee makes such determinations and findings by virtue of, pursuant to, and in conformity with the Tax Exemption Law.

**BE IT FURTHER ORDAINED AND ENACTED**, that this Ordinance shall take effect upon proper passage in accordance with the law;

**BE IT FURTHER ORDAINED AND ENACTED**, that within thirty (30) days after the execution of the Agreement to be signed by and between the parties, the Township Clerk shall forward a copy of the Agreement to the Director of the Division of Local Government Services and the Department of Community Affairs.

**CHESTERFIELD TOWNSHIP COMMITTEE**

Introduced: August 29, 2019

Adopted: September 26, 2019

RECORD OF VOTE													
INTRODUCTION							ADOPTION						
TWP COMMITTEE	AYE	NAY	NV	AB	ORD	SEC	TWP COMMITTEE	AYE	NAY	NV	AB	ORD	SEC
S. Dhopte	X				X		S Dhopte	X				X	
A Katz				X			A Katz	X					
J. Liedtka	X					X	J. Liedtka	X					X
D Koetas-Dale	X						D Koetas-Dale	X					
R. Romeu				X			R Romeu	X					
X – Indicates Vote    NV – Not Voting    AB – Absent    ORD – Motion    SEC - Seconded													