

ORDINANCE NO. 56-2011

**AN ORDINANCE OF THE TOWNSHIP OF HARRISON,
COUNTY OF GLOUCESTER, STATE OF NEW JERSEY.**

**AN ORDINANCE AMENDING CHAPTER 196 ENTITLED "TAXATION" OF THE CODE OF THE
TOWNSHIP OF HARRISON**

WHEREAS, the Mayor and Committee, Township of Harrison, have determined that certain amendments to Chapter 196 entitled "Taxation" are necessary; and

WHEREAS, pursuant to Article VII, Section I, Paragraph 6 of the New Jersey Constitution and N.J.S.A. 40A:21-1, et seq., known as the "Five-Year Exemption and Abatement Law" (the "Act"), a municipality having within its corporate limits areas in need of rehabilitation may, by ordinance, provide for the exemption and/or abatement of real property taxes, to encourage and provide incentives for the construction and rehabilitation of single-family dwellings, multiple dwellings, industrial structures, commercial structures and mixed use structures; and

WHEREAS, the Act provides for exemption and/or abatement of property taxes for improvements to existing structures, conversion in the use of existing structures and/or for new construction for five years following completion of a project as defined in the statute.

WHEREAS, the Mayor and Committee, Township of Harrison, have designated certain areas within the Township of Harrison as areas in need of rehabilitation as the term is defined in N.J.S.A. 40A:21-3 (hereinafter "rehabilitation area"), and has designated certain other areas within the Township of Harrison as areas in need of redevelopment as the term is defined in N.J.S.A. 40A:21-3 (hereinafter "redevelopment area"); and

WHEREAS, the Mayor and Committee, Township of Harrison, believes the enactment of an ordinance authorizing certain tax exemptions and abatements will promote growth and redevelopment opportunities which will inure to the long-term benefit of the Township of Harrison, while affording taxpayers with short-term benefits as authorized pursuant to the Act; and

WHEREAS, in order to recommence this long-term growth and redevelopment process, the Mayor and Committee, Township of Harrison intends to enact this Ordinance to provide short-term real estate tax incentives for single-family dwellings, multiple dwellings, industrial structures, commercial structures and mixed use structures within the boundaries of any redevelopment area and/or rehabilitation area and establishing the terms and conditions under which said tax incentives shall be granted; and

WHEREAS, in all other respects Chapter 196 entitled "Taxation" shall remain in full force and effect;

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Committee of the Township of Harrison, in the County of Gloucester and State of New Jersey, and it is hereby enacted and ordained by the authority of same as follows:

Section 1.

Chapter 196 of the Code of the Township of Harrison entitled "Taxation" is hereby amended to read as follows:

Article 3

Abatement for Improvements and New Construction within designated Rehabilitation Areas and Redevelopment Areas in the Township of Harrison.

§196-8. Purpose and Scope.

- A. The intention of this Section is to effectuate and accomplish the purposes authorized by N.J.S.A. 40A:21-1 et seq., which permits municipalities to grant for periods of five (5) years exemptions and/or abatements, or both, from taxation in areas of the Township of Harrison in need of rehabilitation.
- B. The intended purpose of this Section are to:
 1. Promote the improvement, rehabilitation and or construction of dwelling, multiple dwelling, commercial structures, industrial structures and mixed use structures within designated rehabilitation areas of the Township of Harrison.
 2. Improve property values.
 3. Foster civic beauty.
 4. Protect and enhance the Township's attractions to residents, tourists and visitors and serve as a support and stimulus to business and industry.

§196-9. Exemptions Authorized; Constitutional authority.

The Township Committee hereby authorizes the utilization of tax exemptions and abatements in accordance with the authority granted under Article VIII, Section 1, paragraph 6 of the New Jersey Constitution and establishes the eligibility of dwellings, multiple dwellings, industrial structures, commercial structures, and mixed use structures for exemptions and abatements to the maximum degree permitted by N.J.S.A. 40A:21-1 et seq. throughout the area designated as in need of rehabilitation as defined in §196-10.a and/or properties located within the Township's Mullica Hill Historic District as defined in § 225-32 of the Harrison Township Code.

§196-10. Definitions.

- A. The definitions contained in N.J.S.A. 40A:21-3 are incorporated herein by reference as if set forth at length. As used in this article, those words shall have the meanings as so defined unless a different meaning is clearly expressed.
- B. Additional terms. As used in this article, the following definitions shall apply:
 - a. "Area in need of rehabilitation" means a portion or all of a municipality which has been determined to be an area in need of rehabilitation or redevelopment pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c. 79 (C. 40A:12A-1 et al.), a "blighted area" as determined pursuant to the "Blighted Areas Act," P.L.1949, c. 187 (C. 40:55-21.1 et seq.), or which has been determined to be in need of rehabilitation pursuant to P.L.1975, c. 104 (C. 54:4-3.72 et seq.), P.L.1977, c. 12 (C. 54:4-3.95 et seq.), or P.L.1979, c. 233 (C. 54:4-3.121 et seq.).

b. "Assessor" means the officer of a taxing district charged with the duty of assessing real property for the purpose of general taxation.

c. "Completion" means substantially ready for the intended use for which a building or structure is constructed, improved or converted. For purposes of determining the date of completion of the project, it will be presumed that the date of the issuance of a certificate of occupancy to the owner is the date that the building or structure is substantially ready for its intended use, unless the owner provides proof acceptable to the Assessor within thirty (30) days of the issuance of the certificate of occupancy that some other date is actually the date that the building or structure is substantially ready for its intended use.

d. "Mixed Use Structure" means a structure with two or more different uses, such as residential, commercial or industrial.

e. "Municipal Charges" means property taxes, assessments, water or sewer charges and any other charge for which a lien may be created, together with interest and penalties thereon, including all advertising fees and costs of sale.

f. "Project" means any improvement, construction or conversion undertaken by a single entity pursuant to a redevelopment plan, which may include the construction, reconstruction, conversion, structural alteration, relocation or enlargement of any building or other structure, or of any mining excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., except that in the case of dwellings, it shall mean the improvement, construction or conversion of any dwelling on a single parcel of land.

g. "The Act" means the Five Year Exemption and Abatement Law, N.J.S.A. 40A:21-1 et seq. enacted into law on or about January 18, 1992, as amended and supplemented.

h. "The Township" means the Township of Harrison.

C. Where consistent with the context used in this Article, words importing the singular shall include the plural, words importing the plural shall include the singular and words importing one gender shall include all other genders.

§196-11. When effective.

This article authorizes the Township of Harrison to grant exemptions and abatements to commence and take effect in the 2012 tax year and thereafter for a period of ten (10) years. Exemptions and abatements granted prior to the effective date are hereby ratified and shall continue in operation and effect according to the terms of said abatement and/or exemption.

§196-12. Power to enter into agreements.

A. The Mayor and Township Committee may enter into agreements with developers and/or owners of property that are in areas in need of redevelopment or rehabilitation within the Township of Harrison, as determined by the Mayor and Council in accordance with N.J.S.A. 40A:12A-1 et seq. providing tax abatements and/or exemptions for the construction and rehabilitation of dwellings, multiple dwellings, industrial structures, commercial structures and mixed use structures within the Township of Harrison pursuant to the Act and the requirements of this Article.

B. The Assessor may approve tax exemptions and/or abatements for the benefit of developers and/or owners of property that are in areas in need of redevelopment or rehabilitation within the Township of Harrison, as determined by the Mayor and Township Committee in accordance with N.J.S.A. 40A:12A-1 et seq. for the construction and rehabilitation of single-family dwellings, multiple dwellings, industrial structures, commercial structures and mixed use structures within the Township of Harrison pursuant to the Act and the requirements of this Article.

- C. All tax abatements and exemption agreements shall provide that the property owner is subject to all applicable Federal, State and local laws and regulations, including but not limited to laws and regulations governing pollution control, worker safety, discrimination in employment, housing provisions, zoning, planning and building code requirements.

§196-13. Exemption determined for residential dwelling improvements.

Subject to the approval of the Assessor, improvements made to dwellings shall be eligible for a tax exemption in accordance with the following:

1. Only improvements made to dwellings more than twenty (20) years old are eligible for tax exemption for a period of five (5) years. For purposes of eligibility under this section, a dwelling will be considered less than twenty (20) years old if in the last twenty (20) years, the dwelling has been demolished in its entirety or where less than sixty percent (60%) of the original square footage of the dwelling remains.
2. Upon approval, the Assessor in determining value shall regard the first twenty-five thousand dollars (\$25,000) of the full and true value of improvements for each dwelling unit primarily and directly affected by the improvements as not increasing the value of the property, notwithstanding that the value of the property to which the improvements are made is increased thereby.
3. The five (5) year exemption period shall not commence until the first full year following the tax year in which the improvements are completed.
4. During the exemption period, the assessment on the property shall not be less than the assessment thereon existing immediately prior to the improvements, unless there is damage to the dwelling through action of the elements sufficient to warrant a reduction, or an abatement in accordance with §4.B has been granted.

§196-14. Additional abatement for improvements to residential dwellings.

Improvements made to dwellings shall be eligible to tax abatement for a period of five (5) years in accordance with the following:

1. Resolution required: Abatements for improvements to dwellings may only be approved by resolution of the Mayor and Township Committee.
2. Eligibility: In order to be eligible for a tax abatement:
 - a. An application must be filed with the Borough of Pitman in accordance with §196-27;
 - b. The dwelling shall be eligible for and be receiving an exemption under §196-13 of this article;
 - c. The improvements shall have been made to a dwelling more than twenty (20) years old. For purposes of eligibility under this section, a dwelling will be considered less than twenty (20) years old if in the last twenty (20) years, the dwelling has been demolished in its entirety or where less than sixty percent (60%) of the original square footage of the dwelling remains.
3. Amount of Abatement: Upon approval, the Township of Harrison shall grant an abatement of the assessed value of the property as it existed immediately prior to the improvement in the amount of thirty percent (30%) of the annual tax exemption of twenty-five thousand dollars (\$25,000) per dwelling for each year of the abatement period.

4. Abatement Period: Eligible improvements shall be entitled to a tax abatement for a period of five (5) years. The five (5) year abatement period shall not commence until the first full year following the tax year in which the improvements are completed.

§196-15. Exemption determined for new construction of residential dwellings.

Construction of new dwellings shall be eligible for tax exemption for a period of five (5) years in accordance with the following:

1. Tax exemptions for projects whose estimated tax assessment on the constructed dwelling would be less than one hundred thousand dollars (\$100,000.00) per annum are subject to approval of the Assessor.
2. Tax exemptions for projects whose estimated tax assessment on the constructed dwelling would be more than one hundred thousand dollars (\$100,000.00) per annum, may only be approved by resolution of the Mayor and Township Committee. In order to be eligible for a tax exemption, an application must be filed with the Assessor in accordance with §196-27.
3. Upon approval, the Assessor or Mayor and Township Committee, in determining value, shall regard a percentage of the Assessor's full and true value of the dwelling constructed as not increasing the value of the property for a period of five (5) years in accordance with the following schedule. This exemption is to be granted notwithstanding that the value of the property upon which the construction occurs is increased thereby.
 - A) In the first full tax year after completion, 30% of the tax assessor's full and true and full value of the new dwelling.
 - B) In the second tax year, 25% of the tax assessor's full and true and full value of the new dwelling.
 - C) In the third tax year, 20% of the tax assessor's full and true and full value of the new dwelling.
 - D) In the fourth tax year, 15% of the tax assessor's full and true and full value of the new dwelling.
 - E) In the fifth tax year, 10% of the tax assessor's full and true and full value of the new dwelling.
4. The five (5) year exemption period shall not commence until the first full year following the tax year in which the construction is completed.

§196-16. Exemption determined for conversions to residential dwelling use.

The conversion of other buildings and structures, including unutilized public buildings, to dwelling use shall be eligible for tax exemption for a period of five (5) years in accordance with the following:

1. Tax exemptions for projects whose estimated tax assessment on the converted dwelling would be less than one hundred thousand dollars (\$100,000.00) per annum are subject to approval of the Assessor.
2. Tax exemptions for projects whose estimated tax assessment on the converted dwelling would be more than one hundred thousand dollars (\$100,000.00) per annum, may only be approved by resolution of the Mayor and Township Committee. In order to be eligible for a tax exemption, an application must be filed with the Township of Harrison in accordance with §196-27.

3. Upon approval, the Assessor or Mayor and Township Committee, in determining value, shall regard a percentage of the Assessor's full and true value of the dwelling converted as not increasing the value of the property for a period of five (5) years, in accordance with the following schedule. This exemption is to be granted notwithstanding that the value of the property upon which the conversion occurs is increased thereby.
 - A) In the first full tax year after completion, 30% of the tax assessor's full and true and full value of the converted dwelling.
 - B) In the second tax year, 25% of the tax assessor's full and true and full value of the converted dwelling.
 - C) In the third tax year, 20% of the tax assessor's full and true and full value of the converted dwelling.
 - D) In the fourth tax year, 15% of the tax assessor's full and true and full value of the converted dwelling.
 - E) In the fifth tax year, 10% of the tax assessor's full and true and full value of the converted dwelling.
4. The five (5) year exemption period shall not commence until the first full year following the tax year in which the dwelling conversion is completed.

§196-17. Additional abatement for conversions to residential dwelling use.

Conversions to dwelling use shall be eligible to tax abatement for a period of five (5) years in accordance with the following:

1. Abatements for conversions to dwelling use may only be approved by resolution of the Mayor and Township Committee. In order to be eligible for a tax abatement, an application must be filed with the Township of Harrison in accordance with §196-27, and the dwelling shall be eligible for and be receiving an exemption under §196-17 of this article.
2. Upon approval, the Township of Harrison shall grant an abatement of the assessed value of the property in the amount of thirty percent (30%) of the total cost of the conversion for each year of the abatement period.
3. The five (5) year abatement period shall not commence until the first full year following the tax year in which the conversion is completed.

§196-18. Exemption determined for multiple dwelling improvements.

Improvements to multiple dwellings shall be eligible for tax exemption for a period of five (5) years in accordance with the following:

1. Tax exemptions for projects whose estimated tax assessment on the multiple dwellings would be less than two hundred thousand dollars (\$200,000.00) per annum are subject to approval of the Assessor.
2. Tax exemptions for projects whose estimated tax assessment on the multiple dwellings would be more than two hundred thousand dollars (\$200,000.00) per annum, may only be approved by resolution of the Mayor and Township Committee. In order to be eligible for a tax exemption, an application must be filed with the Township of Harrison in accordance with §196-27.
3. Upon approval, the Assessor or Mayor and Township Committee, in determining value, shall regard a portion of the Assessor's full and true value of the improvements as not increasing

the value of the property for a period of five (5) years, in accordance with the following schedule. This exemption is to be granted notwithstanding that the value of the property upon which the improvements to the multiple dwellings occur is increased thereby.

- A) In the first full tax year after completion, 100% of the Assessor's full and true value of the improvements.
 - B) In the second tax year, 80% of the Assessor's full and true value of the improvements.
 - C) In the third tax year, 60% of the Assessor's full and true value of the improvements.
 - D) In the fourth tax year, 40% of the Assessor's full and true value of the improvements.
 - E) In the fifth tax year, 20% of the Assessor's full and true value of the improvements.
4. The five (5) year exemption period shall not commence until the first full year following the tax year in which the improvements to the multiple dwelling is completed.
 5. During the exemption period, the assessment on the property shall not be less than the assessment existing thereon immediately prior to the improvement unless there is damage to the multiple dwelling through action of the elements sufficient to warrant a reduction or an abatement in accordance with §196-19 has been granted.

§196-19. Additional abatement for multiple dwelling improvements.

Improvements to multiple dwellings shall be eligible to tax abatement for a period of five (5) years in accordance with the following:

1. Abatements for improvements to multiple dwellings may only be approved by resolution of the Mayor and Township Committee. In order to be eligible for a tax abatement, an application must be filed with the Township of Harrison in accordance with §196-27, and the multiple dwelling shall be eligible for and be receiving an exemption under §196-18 of this article.
2. Upon approval, the Township of Harrison shall grant an abatement of the assessed value of the property in the amount of thirty percent (30%) of the total cost of the improvement for each year of the abatement period, provided however, that the total amount of the abatement over the five (5) year abatement period shall not exceed the total cost of the improvement.
3. The five (5) year abatement period shall not commence until the first full year following the tax year in which the improvement is completed.

§196-20. Exemption determined for commercial structure improvements.

Improvements to commercial structures are eligible for tax exemption for a period of five (5) years in accordance with the following:

- A. Tax exemptions for projects whose estimated property tax assessment on the property would be less than two hundred thousand dollars (\$200,000.00) per annum, are subject to the approval of the Assessor. Upon approval by the Assessor, in determining value the Assessor or Mayor and Township Committee shall regard up to the assessor's full and true value of the improvements as not increasing the value of the property for a period of five (5) years in accordance with the following schedule.
 - F) In the first full tax year after completion, no payment in lieu of taxes otherwise due.
 - G) In the second tax year, an amount not less than 20% of taxes otherwise due.

- H) In the third tax year, an amount not less than 40% of taxes otherwise due.
 - I) In the fourth tax year, an amount not less than 60% of taxes otherwise due.
 - J) In the fifth tax year, an amount not less than 80% of taxes otherwise due.
- B. Tax exemptions for projects whose estimated tax assessment on the property would be more than two hundred thousand dollars (\$200,000.00) per annum, may only be approved by Ordinance of the Mayor and Township Committee in accordance with the procedure set forth in §196-21 for new commercial construction.
- C. This exemption is to be granted notwithstanding that the value of the property to which the improvement is made is increased thereby. During the exemption period, the assessment on the property shall not be less than the assessment thereon existing immediately prior to the improvements, unless there is damage to the structure through action of the elements sufficient to warrant a reduction.
- D. The five (5) year exemption period shall not commence until the first full year following the tax year in which the improvement is completed.

§196-21. Exemption determined for new commercial construction.

- A. New construction of commercial structures is eligible for tax exemption and abatement for a period of five (5) years. This exemption may only be approved by Ordinance of the Mayor and Township Committee on a project by project basis.
- B. Applicants for tax exemption and abatement shall provide the Mayor and Township Committee with an application setting forth all of the following information:
1. A general description of a project for which exemption and abatement is sought.
 2. A legal description of all real estate necessary for the project.
 3. Plans, drawings and other documents as may be required by the Mayor and Township Committee to demonstrate the structure and design of the project.
 4. A description of the number, classes and type of employees to be employed at the project site within two (2) years of completion of the project.
 5. A statement of the reasons for seeking tax exemption and abatement on the project and a description of the benefits to be realized by the applicant if a tax agreement is granted.
 6. A Good Faith estimate of the cost of completing such project, together with the expected method or plan of financing the improvements.
 7. A construction time schedule and projected completion schedule.
 8. A statement showing the real property taxes currently being assessed at the project site, the proposed method of computing the payment in lieu of taxes, the estimated tax payments that would be made annually by the applicant on the project during the period of the agreement, and the estimated tax payments that would be made by the applicant on the project during the first full year following the termination or expiration of the tax agreement.
 9. A description of any lease agreement between the applicant and proposed users of the project and a history and description of the users' businesses.

10. A disclosure statement of the interests of all parties, including subsidiary companies, in the property project.
 11. The owner's certification that the improvement as proposed meets the requirements of the redevelopment plan or the Township of Harrison's zoning ordinance, Chapter 225.
 12. The signature of the owner and the owner's certification as to the truth and accuracy of the contents contained in the application.
 13. Such other pertinent information as the Mayor and Township Committee may require on a case-by-case basis.
- C. The owner shall enter into a written agreement with the Township of Harrison, which shall provide for the owner to pay to the Township of Harrison a payment in lieu of full property taxes on the newly constructed commercial structures to be computed in accordance with one, but in no case a combination, of following three formulas set forth in N.J.S.A. 40A:21-10 et seq.: the "Cost basis," the "Gross revenue basis" or the "Tax phase in basis." The agreement shall provide that the tax shall be billed and collected in the same manner as any conventional taxes, and any arrearages shall accrue at the rate of interest charged for delinquent real estate taxes.
- D. The five (5) year exemption and abatement period shall not commence until the first full year following the tax year in which the construction of the commercial structures is completed.
- E. The Mayor and Township Committee shall be responsible for the administration and enforcement of the tax agreement in accordance with the following:
1. In the event that a property owner subject to a tax agreement ceases to operate or disposes of the property or fails to meet the conditions for qualifying for the exemption and abatement, the local property taxes due for all the prior years subject to exemption and abatement and for the current year shall be payable as if no exemption and abatement had been granted.
 2. In the event that the subject property has been transferred to a new owner and it is determined that the new owner will continue to use the property pursuant to the qualifying conditions, no additional tax shall be due, the exemption shall continue and the agreement shall remain in effect.
 3. The Mayor and Township Committee shall notify the property owner and the Assessor of the amount of taxes due within fifteen (15) days of the date of disqualification.
- F. The Township of Harrison Clerk shall forward a copy of all tax exemption and abatement agreements to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of the date of execution of said agreement.

§196-22. Exemption determined for improvements to industrial structures.

Improvements to industrial structures are eligible for tax exemption for a period of five (5) years in accordance with the following:

- A. Tax exemptions for projects whose estimated property tax assessment on the property would be less than two hundred thousand dollars (\$200,000.00) per annum, are subject to the approval of the Assessor. Upon approval by the Assessor, in determining value the Assessor or Mayor and Township Committee shall regard up to the assessor's full and true value of the improvements as not increasing the value of the property for a period of five (5) years in accordance with the following schedule.
 - A) In the first full tax year after completion, no payment in lieu of taxes otherwise due.
 - B) In the second tax year, an amount not less than 20% of taxes otherwise due.

- C) In the third tax year, an amount not less than 40% of taxes otherwise due.
 - D) In the fourth tax year, an amount not less than 60% of taxes otherwise due.
 - E) In the fifth tax year, an amount not less than 80% of taxes otherwise due.
- B. Tax exemptions for projects whose estimated tax assessment on the property would be more than two hundred thousand dollars (\$200,000.00) per annum, may only be approved by Ordinance of the Mayor and Township Committee in accordance with the procedure set forth in §196-23 for new construction of industrial structures.
- C. This exemption is to be granted notwithstanding that the value of the property to which the improvement is made is increased thereby. During the exemption period, the assessment on the property shall not be less than the assessment thereon existing immediately prior to the improvements, unless there is damage to the structure through action of the elements sufficient to warrant a reduction.
- E. The five (5) year exemption period shall not commence until the first full year following the tax year in which the improvement is completed.

§196-23. Exemption determined for new construction of industrial structures.

- A. New construction of industrial structures is eligible for tax exemption and abatement for a period of five (5) years. This exemption may only be approved by Ordinance of the Mayor and Township Committee on a project by project basis.
- B. Applicants for tax exemption and abatement shall provide the Mayor and Township Committee with an application setting forth all of the following information:
1. A general description of a project for which exemption and abatement is sought.
 2. A legal description of all real estate necessary for the project.
 3. Plans, drawings and other documents as may be required by the Mayor and Township Committee to demonstrate the structure and design of the project.
 4. A description of the number, classes and type of employees to be employed at the project site within two (2) years of completion of the project.
 5. A statement of the reasons for seeking tax exemption and abatement on the project and a description of the benefits to be realized by the applicant if a tax agreement is granted.
 6. A Good Faith estimate of the cost of completing such project, together with the expected method or plan of financing the improvements.
 7. A construction time schedule and projected completion schedule.
 8. A statement showing the real property taxes currently being assessed at the project site, the proposed method of computing the payment in lieu of taxes, the estimated tax payments that would be made annually by the applicant on the project during the period of the agreement, and the estimated tax payments that would be made by the applicant on the project during the first full year following the termination or expiration of the tax agreement.
 9. A description of any lease agreement between the applicant and proposed users of the project and a history and description of the users' businesses.

10. A disclosure statement of the interests of all parties, including subsidiary companies, in the property project.
 11. The owner's certification that the improvement as proposed meets the requirements of the redevelopment plan or the Township of Harrison's zoning ordinance, Chapter 225.
 12. The signature of the owner and the owner's certification as to the truth and accuracy of the contents contained in the application.
 13. Such other pertinent information as the Mayor and Township Committee may require on a case-by-case basis.
- C. The owner shall enter into a written agreement with the Township of Harrison to pay a tax on the newly constructed industrial structures to be computed in accordance with one, but in no case a combination, of following three formulas set forth in N.J.S.A. 40A:21-10 et seq.: the "Cost basis," the "Gross revenue basis" or the "Tax phase in basis." The agreement shall provide that the tax shall be billed and collected in the same manner as any conventional taxes, and any arrearages shall accrue at the rate of interest charged for delinquent real estate taxes.
- D. The five (5) year exemption and abatement period shall not commence until the first full year following the tax year in which the construction of the industrial structures is completed.
- E. The Mayor and Township Committee shall be responsible for the administration and enforcement of the tax agreement in accordance with the following:
1. In the event that a property owner subject to a tax agreement ceases to operate or disposes of the property or fails to meet the conditions for qualifying for the exemption and abatement, the local property taxes due for all the prior years, subject to exemption and abatement and for the current year shall be payable as if no exemption and abatement had been granted.
 2. In the event that the subject property has been transferred to a new owner and it is determined that the new owner will continue to use the property pursuant to the qualifying conditions, no additional tax shall be due, the exemption shall continue and the agreement shall remain in effect.
 3. The Mayor and Township Committee shall notify the property owner and the Assessor of the amount of taxes due within fifteen (15) days of the date of disqualification.
- F. The Township of Harrison Clerk shall forward a copy of all tax exemption and abatement agreements to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of the date of execution of said agreement.

§196-24. Exemption determined for new construction of mixed use structures.

New construction of mixed use structures are eligible for tax abatement and exemption in accordance with the requirements set forth in this Article for the various components of the mixed use.

§196-25. Previous exemptions or abatements.

The Township Committee hereby determines that an additional improvement, conversion or construction completed on a property already granted a previous exemption or abatement pursuant to this article during the period in which the previous exemption or abatement is in effect shall be eligible for an additional exemption or abatement. The additional improvement, conversion or construction shall be considered as separate for purposes of calculating the exemption and abatement, except that the assessed value of any previous improvement, conversion or construction shall be added to the assessed valuation as it was prior to that improvement, conversion or construction for the purpose of determining the assessed value of the property for which any additional abatement is to be subtracted.

§196-26. Determination of true value by Assessor.

The Assessor shall determine, on October 1st of the year following the date of the completion of any improvement, conversion or construction the true taxable value thereof. The amount of tax to be paid for the first full tax year following completion of any improvement, conversion or construction for any portion thereof not subject to an assessment or abatement shall be based on the valuation of the property by the Assessor pursuant to this section and shall continue in the appropriate manner for each of the five (5) full tax years of the abatement and/or exemption period.

§196-27. Application; copies of agreements.

A. Applicants are encouraged to apply for tax exemption on improvements prior to the commencement of construction of the improvement, conversion or new construction. However, Applicants for tax abatement and/or exemption shall submit an application to the Assessor on a form prescribed by the Director of the Division of Taxation in the Department of Treasury no later than 30 calendar days, including Saturdays and Sundays, following the completion of the improvement, new construction or conversion. Such forms are available on the Department of Treasury's website at <http://www.state.nj.us/treasury/taxation/prntlpt.shtml> or by contacting the Department of Treasury as follows:

1. By telephone at 609-292-6400.
2. By mail at the following address:

State of New Jersey
New Jersey Division of Taxation
Information and Publications Branch
PO Box 281
Trenton, NJ 08695-0281

B. Upon receipt, the Assessor shall forward a copy of the completed application to the Mayor and Township Committee within thirty (30) days of the receipt of same for all tax exemption and/or abatement requests requiring Mayor and Township Committee approval within a rehabilitation area. Following receipt of a completed application as set forth above, the Mayor and Township Committee or the Assessor, as applicable, shall review same to determine whether an abatement and/or exemption shall be granted. If the application seeks an abatement or exemption for the Mullica Hill Historic District, the procedure for approval shall be as follows:

1. Review the application. When the Tax Assessor deems the application complete and that the improvement(s) meet the intent and criteria established by N.J.S.A. 40A:21-1 et seq., it shall be forwarded to the Historic Preservation Commission, a public agency created by authorization of the State of New Jersey.
2. The Historic Preservation Commission shall forthwith review the application consistent with the goals and objectives of the Mullica Hill Historic District (Chapter 225, Article V of the Harrison Township Code). Upon the issuance of a Certificate of Appropriateness, pursuant to §225-36A, the Historic Preservation Commission shall forward to the Township Committee an advisory report requesting the project be approved.
3. The Township Committee, upon receipt of the report set forth above, shall consider passage of an appropriate tax abatement ordinance for said project.

C. All tax abatements and/or exemptions and all tax agreements shall be recorded and made a permanent part of the official tax records of the Township of Harrison, which records shall contain a notice of termination date thereof.

- D. The Clerk of the Township of Harrison is authorized to forward a copy of all executed abatement agreements entered into pursuant to this article to the Director of the Division of Local Government Services in the Department of Community Affairs within 30 days of the date of execution.
- E. Any tax exemption and/or abatement approved pursuant to this Article shall apply to the property taxes levied for Township of Harrison purposes, school purposes, county government purposes and for the purposes of funding any other property tax exemptions or abatements.
- F. Every application for exemption and/or abatement shall be subject to the provisions of this Article as well as the provisions of N.J.S.A. 40A:21-1 et seq., and all rules and regulations promulgated thereunder.

§196-28. Effective date of exemption or abatement.

An exemption and/or abatement that is granted shall take effect on January 1 of the first fill tax year following the date of completion of the project.

§196-29. Disqualification of owner prior to termination of agreement.

In the event that a property owner subject to a tax agreement shall become delinquent on local property taxes, municipal charges, ceases to operate, disposes of the property or fails to meet the conditions for qualifying for the abatement during the abatement period, the local property taxes due for all the prior years subject to abatement and for the current year shall be payable as if no exemption or abatement had been granted. The Tax Collector of the Township of Harrison shall notify the property owner within 15 days of the date of disqualification of the amount of taxes due. In the event that the subject property has been transferred to a new owner and it is determined that the new owner will continue to use the property pursuant to the qualifying conditions, no tax shall be due, the exemption and abatement shall continue and the agreement shall remain in effect.

§196-30. Delinquent taxes; waiver of tax appeals.

No exemption or abatement shall be granted or tax agreement entered into pursuant to this article for any property for which property taxes or other municipal charges, including interest thereon, are delinquent or remain unpaid or for which penalties for nonpayment of taxes are due. As a further condition to granting an exemption or abatement, a property owner shall be required to waive the filing of any tax appeal for the subject property for the life of the exemption/abatement.

§196-31. Termination.

Upon termination of any tax exemption and/or abatement or any tax agreement approved pursuant to this Article, a project shall be subject to all applicable real property taxes as provided by State law and regulation, as well as local ordinances. However, nothing herein shall prohibit a project, upon termination of a tax exemption and/or abatement or any tax agreement, from qualifying for and receiving the full benefits of any other tax preferences provided by law.

§ 196-32. Time for Completion.

All construction that is subject to the approved abatements and exemptions shall be completed within two (2) years after the date of the Assessor or Township Committee approval, as applicable.

§ 196-33. Planning and Zoning Board of Adjustment approvals required where applicable.

Applicants for abatements and/or exemptions pursuant to this Article are in no way relieved from securing the necessary approvals from the appropriate land use board, where applicable, pursuant to Chapter 192, Subdivision of Land, Chapters 174 and 176 regarding site plan review, Chapter 225, Zoning, of the municipality in accordance with the provisions of said ordinances and the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

§ 196-34. Notice to be mailed.

During the first year following adoption of this Article, the Assessor shall include an appropriate notice in the mailing of the annual property tax bills to property owners advising them of the availability of tax exemptions under this ordinance.

§ 196-35. Report of real property taxes.

- A. The Assessor, on behalf of the Mayor and Township Committee, shall report on or before October 1 of each year, to the Director of the Division of Local Government Services in the Department of Community Affairs, the Director of the Division of Taxation in the Department of the Treasury, and to the Mayor and Township Committee, the total amount of real property taxes exempted within the Township of Harrison in the current tax year for each of the following:
1. Improvements of dwellings.
 2. Construction of dwellings.
 3. Improvements of multiple dwellings.
 4. Improvements of commercial or industrial structures.
 5. Construction of commercial or industrial structures under tax agreements.
- B. In the case of Subsections A.4 and A.5 above, the report shall state instead the total amount of payments made in lieu of taxes according to each formula utilized by the Township of Harrison, and the difference between that total amount and the total amount of real property taxes which would have been paid on the project had the tax agreement not been in effect, for the current tax year.

§ 196-36. Appeal

Appeal of any determination made by the Township of Harrison under the terms of this Ordinance shall be made to the Gloucester County Board of Taxation.

§ 196-37. Expiration (Sunset Provision).

No application for tax exemption shall be filed for an exemption to take initial effect for tax year 10 years from adoption of this Ordinance or any tax year thereafter, unless this ordinance is readopted by the Mayor and Council in accordance with N.J.S.A. 40A:21-4.

§196-38. Captions.

Captions contained in this Article have been inserted only for the purposes of facilitating reference to the various sections and are not intended and shall not be utilized to construe the intent and meaning of the text of any section.

Section 2.

Severability.

The various parts, sections and clauses of this Ordinance are hereby declared to be severable. Should any section, clause, sentence, phrase or provision of this Ordinance be declared unconstitutional or invalid by a Court of competent jurisdiction, such decision shall not affect the remaining portions of this Ordinance.

Section 3.

Repealer.

All prior Ordinances or parts of Ordinances inconsistent with this Ordinance be and the same are hereby repealed to the extent of such inconsistencies, including but not limited to Chapter 196, Article III.

Section 4.

In all other respects, §196 entitled “**Taxation**” shall remain in full force and effect.

Section 5.

When effective.

This Ordinance shall take effect immediately upon final passage and publication in accordance with law, provided that any exemptions and/or abatements approved thereafter shall not take effect until the 2012 tax year and thereafter.

TOWNSHIP OF HARRISON

BY: _____
DENNIS CLOWNEY, DEPUTY MAYOR

ATTEST:

CAROL L. PUSZTAY, Deputy Municipal Clerk

NOTICE

The Ordinance published herein was introduced and passed upon first reading at a meeting of the Mayor and Committee of the Township of Harrison, in the County of Gloucester and State of New Jersey, held on December 16, 2011 at 7:30 P.M.. It will be further considered for final passage, after public hearing hereon, at a meeting of said Mayor and Committee to be held in the Township's Municipal Building, 114 Bridgeton Pike, Mullica Hill, New Jersey 08062, in the Township, on December 28, 2011, at 7:30 P.M. During the week prior and up to and including the date of such meeting, copies of said Ordinance will be made available at the Clerk's office at the Municipal Building, 114 Bridgeton Pike, in the Township, to the members of the general public who shall request the same.

DIANE L. MALLOY, Deputy Municipal Clerk