

TOWNSHIP OF ABERDEEN

ORDINANCE NO. 9-2019

AN ORDINANCE APPROVING AN APPLICATION FOR 5-YEAR TAX ABATEMENT AND AUTHORIZING A TAX AGREEMENT BETWEEN THE TOWNSHIP OF ABERDEEN AND SOMERSET DEVELOPMENT, LLC FOR CERTAIN FOR-SALE, MARKET-RATE TOWNHOME UNITS TO BE DEVELOPED AT PROPERTY LOCATED AT BLOCK 155, LOT 1 (GLASSWORKS REDEVELOPMENT AREA)

WHEREAS, pursuant to New Jersey's Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, et. seq. (the "**Five-Year Exemption Law**"), a municipality having within its corporate limits areas in need of rehabilitation or redevelopment may, by ordinance, utilize the authority granted to municipalities under Article VIII, Section I, paragraph 6 of the New Jersey Constitution to provide for the exemption and/or abatement of real property taxes of dwellings, multiple dwellings, or commercial and industrial structures, or all of these; and

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "**Redevelopment Law**") provides statutory authority for a municipality to designate an area within its corporate limits as an "area in need of redevelopment;" and

WHEREAS, on February 21, 2006, the Township Council of the Township of Aberdeen by resolution established that the real property identified as Block 155, Lot 1 on the Tax Map of the Township of Aberdeen (the "**Glassworks Redevelopment Area**"), met the requirements of an "area in need of redevelopment" in accordance with the Redevelopment Law; and

WHEREAS, also on February 21, 2006, the Township by resolution designated Somerset Development, LLC ("**Somerset**") as the "redeveloper" of the Glassworks Redevelopment; and

WHEREAS, Somerset and the Township entered into that certain Master Redevelopment Agreement dated August 2006 (the "**MRA**"), as amended by that certain First Amendment to MRA dated April 14, 2016 and that certain Second Amendment to MRA dated August 3, 2016 (all, collectively, the "**Redevelopment Agreement**"); and

WHEREAS, the Redevelopment Agreement provides that the Township will implement the provisions of the Five-Year Exemption Law in the Glassworks Redevelopment Area to provide for the exemption and/or abatement of real property taxes of the for-sale market-rate residential units developed within the Glassworks Redevelopment Area (each a "**Unit**" and, collectively, the "**Units**"); and

WHEREAS, by Ordinance 9-2019 (the "**Five-Year Exemption Ordinance**"), the Township of Aberdeen implemented the provisions of the Five-Year Exemption law to provide for the exemption and/or abatement of real property taxes of the Units; and

WHEREAS, Somerset Development, LLC, a New Jersey limited liability company, (the “Applicant”) has submitted an application to the Township Council of the Township of Aberdeen for tax exemption and abatement for the Units (the “Application”); and

WHEREAS, the Township Council has reviewed the Application, which application conforms to the requirements set forth in N.J.S.A. 40A:21-9; and

WHEREAS, the Township Council has determined that it would be in the best interests of the residents of the Township to enter into a tax agreement with the Applicant pursuant to N.J.S.A. 40A:21-10 and the Redevelopment Agreement to provide for a tax exemption and abatement of local real property taxes relating to the new construction of the Units.

NOW, THEREFORE, BE IT ORDAINED by the Township Council of the Township of Aberdeen, County of Monmouth, and State of New Jersey as follows:

1. The Township Council is hereby authorized to negotiate and enter into a tax agreement with the Applicant setting forth the terms by which the Applicant shall pay to the Township an annual amount in lieu of full property tax payments as authorized by N.J.S.A. 40A:21-10.

2. The tax agreement to be executed by the Applicant and the Township shall be approved by Resolution of the Township Council in accordance with Ordinance 9-2019.

3. A copy of the form of tax agreement to be executed by the Applicant and the Township is attached as Exhibit A.

4. In the event that any provision of this Ordinance or the application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction, such declaration of invalidity shall not affect any other provision or application of this Ordinance which may be given effect, and, to realize this intent, the provisions and applications of this Ordinance are declared to be severable.

NOTICE OF PENDING ORDINANCE

PLEASE TAKE NOTICE that the foregoing ordinance was introduced by the Township Council of the Township of Aberdeen at a meeting on and the same was then ordered to be published according to law with a public hearing and a vote scheduled for the meeting of Beginning at 7:30 p.m. at , New Jersey at which time all interested parties will be heard.

, RMC/CMC

Township Clerk