

TOWNSHIP OF HAMILTON
ORDINANCE NO. 1825—2016

AN ORDINANCE AUTHORIZING A TAX AGREEMENT BETWEEN
DF EQUITIES OF NJ LLC AND THE TOWNSHIP OF HAMILTON,
PROVIDING FOR A FIVE YEAR EXEMPTION FROM TAXATION AND
PAYMENT IN LIEU OF TAXES REGARDING THE CONSTRUCTION PROJECT
DESCRIBED HEREIN LOCATED ON BLOCK 994, LOT(S) 2 & 3

WHEREAS, Township Code Chapter 269, Article II authorizes the Township to enter into Tax Agreements for Construction Projects on certain properties within the Township; and

WHEREAS, such Tax Agreements provide for an exemption from certain taxation and require that the taxpayer make payments in lieu of taxes over a five year period with said payments being equal to a gradually increasing percentage of taxes otherwise due on the value of the improvements created by the Construction Project; and

WHEREAS, DF Equities of NJ, LLC (“Applicant”) is the owner of Block 994, Lots (s) 2 & 3, 5230 Atlantic Avenue (the “Property”), at which property is presently located a warehouse and office building providing construction testing, geotechnical, soil test borings and install geothermal ground couplings; and

WHEREAS, the Township Committee has reviewed the application materials and held a hearing on June 6, 2016 at which Applicant was present; and

WHEREAS, the Township Committee has made the following findings of fact and conclusions of law:

- (a) The Property is qualified for an exemption from taxation for the increase in property value resulting from a Construction Project under the terms of Township Code § 269-10;
- (b) The Applicant proposes to build an addition which will allow the company to expand. The expansion will employ additional people who will live in the community and service the existing businesses in the community on the Property;
- (c) The Applicant’s proposed Project qualifies as a Commercial or Industrial Construction Project pursuant to Township Code § 269-9;
- (d) The Applicant has submitted a complete Application for Five-Year Tax Exemption & Abatement, Checklist, and all other documents required thereby;
- (e) The Township Committee credits the application materials submitted by the Applicant as well as the Applicant’s testimony and the testimony of the persons speaking in support of the application; and

(f) The Project will tend to maintain or provide gainful employment within the Township; assist in the economic development of the Township; maintain or increase the tax base of the Township; and maintain, or diversify and expand, commerce with the Township.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Hamilton, County of Atlantic and State of New Jersey, that:

SECTION I. AUTHORIZATION TO ENTER TAX AGREEMENT

The Mayor is hereby authorized to execute, and the City Clerk to attest to, the attached Five Year Tax Exemption Agreement between the Township of Hamilton and DF Equities of NJ, LLC. Said Agreement provides for DF Equities of NJ, LLC to pay to the Township a payment in lieu of taxes as follows:

- (a) The full amount of taxes due upon the land and any structures and improvements pre-existing the commencement of the Construction Project;
- (b) Payments in lieu of taxes on the fully-assessed value of the completed Construction Project, as determined by Township Code § 269-16, as follows:
 - In the first full year after Completion: no payment;
 - In the second full year after Completion: 20% of taxes otherwise due;
 - In the third full year after Completion: 40% of taxes otherwise due;
 - In the fourth full year after Completion: 60% of taxes otherwise due;
 - In the fifth full year after Completion: 80% of taxes otherwise due.
- (c) If the Construction Project has separate dates of completion for different phases of the Project, the payments in lieu of taxes shall not be triggered for a particular phase until January 1st in the year after that phase is completed.

SECTION II. NON-SEVERABILITY and REPEALER

- (a) If any section, subsection, sentence, clause or phrase of this Ordinance (not including the Tax Agreement itself) is for any reason held to be unconstitutional, invalid, or unenforceable by a court of competent jurisdiction, the remaining portions of this Ordinance shall also be void.
- (b) Any Ordinance inconsistent with the terms of this Ordinance is hereby repealed to the extent of such inconsistency.

SECTION III.

EFFECTIVE DATE

This Ordinance shall take effect upon its final passage and publication as provided by law.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective on the date of this Agreement.

ATTEST:

TOWNSHIP OF HAMILTON

Rita Martino, Township Clerk

By: Roger Silva, Mayor

| COMMITTEE MEMBER | MOTION | YES | NO | ABSTAIN | ABSENT |
|-------------------------|---------------|------------|-----------|----------------|---------------|
| GATTO | | | | | |
| GUISHARD | | | | | |
| KURTZ | | | | | |
| SCHENKER | | | | | |
| MAYOR SILVA | | | | | |

FIRST READING AND INTRODUCTION: June 20, 2016

FINAL READING AND ADOPTION: