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ORDINANCE NUMBER 42 - 2008

**WASHINGTON TOWNSHIP
GLOUCESTER COUNTY**

**ORDINANCE AMENDING ORDINANCE NUMBER 37-1998 AND
CHAPTER 229 OF THE CODE OF THE TOWNSHIP OF WASHINGTON**

WHEREAS, effective November 4, 1998, the Township Council of the Township of Washington enacted Ordinance Number 37-1998 providing for exception from or abatement of local property taxes for certain industrial and/or commercial improvements and projects within the Township of Washington; and

WHEREAS, certain amendments have been made to N.J.S.A. 40A:21-1 et seq., the basis of Ordinance 37-1998; and

WHEREAS, said Ordinance is further required to be renewed at intervals of ten (10) years, and

WHEREAS, the entirety of the Township of Washington has been determined by the Department of Community Affairs to be an area in need of rehabilitation, as designated by regulations and specific criteria adopted by the Department; and

WHEREAS, the Mayor and Township Council (sometimes referred to herein as "Governing Body") have determined that the greater interest of the Township of Washington is served by encouraging the renovation and rehabilitation of existing commercial and industrial structures and by encouraging the construction of new commercial and industrial structures which, without Tax Abatement, might choose to locate in a community other than Washington Township; and

WHEREAS, the Township of Washington recognizes that the Township has a compelling interest in having building projects, benefiting from tax abatement which are supported by the then current taxpayers of the Township of Washington and County of Gloucester, constructed through the employment of local trades people and laborers and seeing that said projects will meet with the finest standards of safety and quality; and

WHEREAS, the Mayor and the Township Council have further determined that Ordinance 37-1998, which addressed the same issues and attempted to accomplish the same goals, was in need of clarification.

1 **NOW, THEREFORE, BE IT ORDAINED** by the Township Council of the
2 Township of Washington, County of Gloucester, State of New Jersey that Ordinance
3 Number 37-1998 is hereby amended by way of this Ordinance, as codified under
4 Chapter 229 of the Township Code of the Township of Washington, Taxation, Article
5 I to set forth the following procedures which shall govern Tax Abatements and
6 Exceptions:

7 SECTION I:

8
9 **ARTICLE I Exemption for Industrial and Commercial Improvements**

10 **§ 229-1. Improvements.**

- 11 A. Pursuant to N.J.S.A. 40A:21-7, all improvements as defined in N.J.S.A.
12 40A:21-3n, to commercial or industrial structures of 2,500 square feet or
13 more, being used as provided in § 229-2B below, shall be exempt from local
14 real property taxes, on the improved portion only, for a period of five years, if,
15 after proper, timely application has been made, the governing body determines
16 that the improvement meets the intent and criteria established by this article
17 without compromising the equity of the tax structure.
- 18 B. Applicants must apply for tax exemptions on improvements within 30 days of
19 completion of construction of the improvement.
- 20 C. All applications for improvements shall be filed with the Advisory Board of
21 Economic Development. Once approved by the Advisory Board of Economic
22 Development, the application shall be filed with the Tax Assessor who shall
23 deem the application complete prior to forwarding it to the governing body for
24 approval.
- 25 D. No applications will be approved for fit-outs to structures which were not
26 previously fully completed and occupied.
- 27 E. No applications will be approved for changing a structure from one
28 construction code use group to another.
- 29 F. For multi unit projects such as condominium ownership, the project as a
30 whole must be approved at the onset of development and not on a per unit
31 basis. The agreement for abatement may permit projects to be built in phases,
32 however, the five year time period commences with the occupancy of the first
33 unit in each phase.

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40 **§ 229-2. Projects.**

- 41 A. Pursuant to N.J.S.A. 40A:21-9, to be considered for tax abatement, a project
42 must contain a minimum of 5,000 square feet of floor space per use.
43 Applicants shall provide the governing body with an application setting forth:
- 44 (1) A general description of the project for which abatement is sought;
- 45 (2) A legal description of all real estate necessary for the project;
- 46
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2 (12) Such other pertinent information as the Tax Assessor, ABED or Governing
3 Body may require.
4

5 B. Tax abatement applications will be considered for approval for uses such as:
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7 (1) Electronics and small parts assembly and/or manufacture.
8

9 (2) Scientific or industrial research engineering laboratory, testing or
10 experimental laboratory or similar establishments for research or product
11 development.
12

13 (3) Warehouse facilities.
14

15 (4) Administrative activities and offices.
16

17 (5) Light manufacturing of beverages, cosmetics, pharmaceuticals, printing and
18 publishing, confections, food projects (exclusive of meat and fish packing,
19 sauerkraut, vinegar, yeast and the rendering or refining of fats and oils),
20 ceramics, clothing, plastics, electrical goods, furniture and wood products,
21 hardware, tools, dies, patterns, professional and scientific instruments,
22 handcraft products, electronics and small parts assembly and/or manufacture.
23

24 (6) Wholesale business establishment.
25

26 (7) Indoor storage building or warehouse.
27

28 (8) Intentionally left blank.
29

30 (9) Intentionally left blank.
31

32 (10) Contractors equipment storage yard or building or rental of equipment
33 commonly used by contractors.
34

35 (11) Intentionally left blank.
36

37 (12) Intentionally left blank.
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39 (13) Frozen food lockers and indoor storage.
40

41 (14) Intentionally left blank.
42

43 (15) Milk or soft drink distribution station or storage house.
44

45 (16) Intentionally left blank.
46

47 (17) The manufacture, compounding, processing, packaging or treatment of the
48 following previously prepared materials: cork, feathers, cellophane, ceramics,
49 felt, fur, glass, hair, horn, paper, pharmaceuticals, plastics, shells, iron and
50 steel, aluminum, leather, plaster, metals, precious and/or semiprecious stones,
51 wood, yarns, containers or novelties from paper or cardboard, natural or
52 synthetic rubber, tobacco, textiles, or textile products and perfumes.
53

54 (18) The manufacture of musical instruments, toys, novelties and electrical or
55 electronic devices; home, commercial and industrial appliances and
56 instruments, including the manufacture of accessory parts or assemblies dental
57 and medical equipment; watches and clocks; optical goods drafting equipment
58 and canvas products.
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60 (19) Experimental, research or testing laboratories.
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62 (20) Carpet or rug cleaning; laundry, dry-cleaning and dyeing plant.

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- (21) Wholesaling and distributing activities.
- (22) Light metal processing as follows: cleaning, finishing, grinding, heat treating, plating, polishing, rustproofing and sharpening; metal stamping and extrusion of small products; similar metal working processes.
- (23) Job printing and newspaper or book publishing.
- (24) Baking and food and dairy processing.
- (25) Intentionally left blank.
- (26) Intentionally left blank.
- (27) Intentionally left blank.
- (28) Intentionally left blank.
- (29) Corporate and professional offices.
- (30) Recreational facilities, including, but not limited to, theaters and bowling alleys.
- (31) Artists' and photographers' studios.
- (32) Motels-hotels and related facilities such as restaurants, meeting rooms and auditorium spaces and swimming pools.
- (33) Intentionally left blank.
- (34) General service and repair shops, including carpenter, cabinet making, furniture repair, plumbing or similar shop.
- (35) Office of a builder, carpenter, caterer, cleaner, contractor, decorator, electrician, furrier, mason, painter, plumber, roofer, upholsterer and similar nonnuisance business, excluding open storage of materials and excluding open storage of motor vehicles.
- (36) Veterinary hospital, provided that all animals are kept in a permanent enclosed structure and are not within 150 feet of any existing residential use or zone.
- (37) Laboratory, dental and medical.
- (38) Catering establishment.
- (39) Business and instructional school, including trade school.
- (40) Nursing homes, rest home or home for the aged.
- (41) Intentionally left blank.

§229-3. Redevelopment Zones

A. The Township of Washington by ordinance enacted by the Township Council has designated and may continue to designate, as its sole discretion, certain areas defined as "Redevelopment Zones". Proposed projects in active Redevelopment Zones shall comply with all of the polices and procedures set forth in this Ordinance in order to be considered for tax abatement.

1 B. In order to provide opportunities for growth and to encourage development
2 within the designated Redevelopment Zones, the following exceptions to the
3 aforementioned policies and procedures shall be in effect only for those
4 projects located within a recognized Redevelopment Zone:

- 5
- 6 (1) There shall be no minimum square footage requirement for any project
7 located in a current Redevelopment Zone in order to be considered for
8 abatement;
- 9
- 10 (2) Retail uses that conform with the rules and guidelines of the
11 Redevelopment Zone where the proposed project is located shall be
12 considered for tax abatement at the discretion of ABED and the
13 Governing Body.
14

15 **§229-4. Written agreement.**

16 Upon approval of an ordinance authorizing an agreement for tax abatement for a
17 particular project or projects, the Governing Body may enter into written agreements
18 (the "Agreements") with the applicants for abatement of local property taxes. The
19 agreement shall provide for the applicant to pay to the municipality, in lieu of full
20 property tax payments, an amount to be computed pursuant to N.J.S.A. 40A:2 1-10.

21 **§229-5. Reports.**

22 Pursuant to N.J.S.A. 40A:21-21, the Township shall provide timely reports, as
23 required therein, to the Department of Community Affairs and the Department of the
24 Treasury.

25 **SECTION II:**

26
27 To the extent that this Ordinance changes or modifies the existing Ordinance of the
28 Township of Washington, and as codified under Chapter 229 of the Township Code,
29 the previous Ordinance/Code is hereby repealed.
30

31 **SECTION III:**

32 To the extent that any part of this Ordinance is deemed void, the remaining portions
33 of the Ordinance shall remain in full force and effect.

34
35 This Ordinance shall take effect thirty (30) days after final passage by Council
36 or twenty (20) days after approval by the Mayor, whichever comes first.

37 Introduced: November 25, 2008

38

39

	TIMMONS	LAPIERRE	SCARPATO	FRATTALI	MARTIN
YES	✓		✓	✓	✓
ABSTAIN					
NO					
ABSENT		✓			

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- 1 (3) Plans and drawings and other documents as may be required by the Tax
2 Assessor ABED or Governing Body to demonstrate the structure and design
3 of the project;
- 4
5 (4) A description of the number, classes and types of employees to be employed
6 at the project site within two years of the completion of the project;
- 7
8 (5) A statement of the reasons for seeking tax abatement on the project, why
9 applicant is choosing Washington Township for their project, and a
10 description of the benefits to be realized by the applicant if abatement is
11 granted;
- 12
13 (6) Estimates of the cost of completing such project;
- 14
15 (7) A statement showing the real property taxes currently being assessed at the
16 project site; estimated tax payments that would be made annually by the
17 applicant on the project during the period of tax abatement; and estimated tax
18 payments that would be made by the applicant on the project during the first
19 full year following the termination of the tax abatement agreement;
- 20
21 (8) A description of any lease agreements between the applicant and proposed
22 users of the project, and a history and description of the user's business. Any
23 lease and/or agreement must contain a clause which shows the owner of the
24 premises will pass through any benefits achieved from the proposed
25 abatement;
- 26
27 (9) A check in the amount of \$250.00 payable to the Township of Washington
28 representing a non-refundable application fee, shall be paid to the Clerk of the
29 Township of Washington;
- 30
31 (10) Proof of payment of taxes through the current quarter;
- 32
33 (11) A certification to be filed with the Office of the Township Clerk, signed by
34 the owner and developer of the property/project which is the subject of the tax
35 abatement application certifying, under the penalty of perjury, and later to be
36 placed in the Tax Abatement Agreement, the following information:
- 37
38 (i) That the person making the certification has the authority, or is vested
39 with the authority, to make the representations;
- 40
41 (ii) That a percentage of actual trades people/workforce/labor to be
42 employed for the construction of all improvements, including all new
43 buildings, additions to existing structures, and all additional site
44 improvements, shall be domiciled in the County of Gloucester and
45 shall be not less than 30% of the total trades people/workforce/labor
46 utilized for construction of the project during its entire duration, which
47 will be defined as from the date of the issuance of the first construction
48 permit, through the date of the issuance of a final Certificate of
49 Occupancy;
- 50
51 (iii) An acknowledgement that a breach of this provision by the
52 owner/developer will result in a forfeiture of tax abatement status for
53 said property, and that the discovery of such breach, during the course
54 of the tax abatement, shall also require a repayment of all abated taxes
55 in full to the Township of Washington;
- 56
57 (iv) This provision stating that this requirement shall also be binding upon
58 all successors-in-interest to said property/project which is the subject
59 of the tax abatement application, and that written notification of this
60 provision must be provided to all successors-in-title or interest to said
61 property, including the repayment requirement upon discovery of the
62 breach of this provision by the Township.

Public Hearing held: December 11, 2008

	TIMMONS	LAPIERRE	SCARPATO	FRATTALI	MARTEN
YES	<input checked="" type="checkbox"/>				
ABSTAIN	<input type="checkbox"/>				
NO	<input type="checkbox"/>				
ABSENT	<input type="checkbox"/>				

TOWNSHIP OF WASHINGTON

Michelle Martin

BY:

MICHELLE MARTIN
Council President

ATTEST:

Jennica Bileci
JENNICA BILECI, Township Clerk

On this 18th day of DEC. 2008 I hereby approve the
above Ordinance.

Paul Moriarty
PAUL MORIARTY, MAYOR