Meeting called to order at 7:00 p.m. by President Kern with a salute to the flag.

Roll call was recorded as follows:

Present:	Dill, Gerety, McGuigan, Smith, Tapp & Kern
Also Present:	Mayor Glasser, Administrator Swain, Atty. Franklin & Clerk
	Degrassi & Deputy Clerk Samuelsen

Absent: D'Adamo

Open Public Meetings Act

Pursuant to the Open Public Meetings Act, adequate notice of this meeting has been provided. Agenda for this meeting has been provided to two local newspapers and posted in the City Clerk's Office

Communications

Proclamation - Municipal Clerk's Week

Municipal Clerks Week May 3 - 9, 2015

WHEREAS, The Office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world; and

WHEREAS, the Office of the Municipal Clerk is the oldest among public servants; and

WHEREAS, The Office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels; and

WHEREAS, Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

WHEREAS, The Municipal Clerk serves as the information center on functions of local government and community; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, province, county and international professional organizations; and

WHEREAS, It is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

NOW, THEREFORE, I, John L. Glasser, Jr., Mayor of the City of Somers Point, do recognize the week of May 3, 2015 through May 9, 2015, as

Municipal Clerks Week

and further extend appreciation to our Municipal Clerk, and to all Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

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Mayor's Report

Mayor Glasser reported on the success of Bayfest on April 25th stating that it was a beautiful day and that coming up next will be our beach concerts starting in June, and our Memorial Day Parade on May 25th. He invited the Council to walk with him in the parade, ending at the ceremony at Patriot's park. He also reported that the Egg Harbor River Council is donating a bike rack for Kennedy Park.

Administrator's Report

Administrator Swain reported that the handicapped parking ramp project at the Library was actually started today and the building will be power washed as the muralist will be there on Monday.

Committee Reports

Councilman Dill stated that the AM Vets are having their convention shortly and he wanted to thank Public Works for getting the flags up along Shore Road in time for this. He stated that he knows it is a busy time of year for them.

Minutes

Minutes of the March 26th regular meeting were approved unanimously by those present. Executive Session minutes of April 16, 2015 were approved as to content only.

ORDINANCES

Ordinance No. 9 - Final Reading

M/S - Gerety/Dill Meeting was opened to the public and duly closed. Ordinance No. 9 was then adopted on final reading by a unanimous vote of those present.

CITY OF SOMERS POINT ORDINANCE No. 9 of 2015

CALENDAR YEAR 2015 ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK (N.J.S.A. 40A: 4-45.14)

FIRST READING:	03/26/15
PUBLICATION:	04/01/15
FINAL READING:	04/16/15
PUBLICATION:	04/30/15

Page 3 Ordinances (Continued)

Ordinance No. 10 - Final Reading

M/S - Dill/Gerety Meeting was opened to the public and duly closed. Ordinance No. 10 was then adopted on final reading by a unanimous vote of those present.

CITY OF SOMERS POINT Ordinance No. 10 of 2015

An Ordinance Enacted Under Authority of N.J.S.A. 39:4-197 Regulating the Speed Limits on Certain Streets and Portions Thereof Supplementing and Amending Article I Section 250-42 Schedule XVIII Restricted Speed Limits; and Repealing All Ordinances Heretofore Adopted, The Provisions of Which Are Inconsistent Herewith.

FIRST READING:April 16, 2015PUBLICATION:April 22, 2015FINAL PASSAGE:April 30, 2015

Ordinance No. 11 - Final Reading

M/S - Gerety/Dill Meeting was opened to the public and duly closed. Ordinance No. 11 was then adopted on final reading by a unanimous vote of those present.

CITY OF SOMERS POINT Ordinance No. 11 of 2015

An Ordinance Amending Article V of Section 202-36 V General Regulations of the Somers Point Municipal Code; and Repealing All Ordinances Heretofore Adopted, The Provisions of Which Are Inconsistent Herewith.

FIRST READING:	April 16, 2015
PUBLICATION:	April 22, 2015
FINAL PASSAGE:	April 30, 2015

Ordinance No. 12 - Final Reading

M/S - Gerety/Dill Meeting was opened to the public and duly closed. Ordinance No. 12 was then adopted by a unanimous vote of those present.

Page 4 Ordinance No. 12 (Continued)

ORDINANCE NO. 12 of 2015

AN ORDINANCE AUTHORIZING THE CITY OF SOMERS POINT TO CREATE A DRAINAGE EASEMENT LOCATED ON A PORTION OF LOTS 4, 5, AND 7 IN BLOCK 510 IN THE CITY OF SOMERS POINT

FIRST READING:	April 16, 2015
PUBLICATION:	April 22, 2015
PASSAGE:	April 30, 2015

Ordinance No. 13 - Final Reading

M/S - Dill/Gerety Meeting was opened to the public and duly closed. Ordinance No. 13 was then adopted on final reading by a unanimous vote of those present.

ORDINANCE NO. 13 of 2015

BOND ORDINANCE PROVIDING FOR VARIOUS IMPROVEMENTS AND ACQUISITIONS IN AND BY THE CITY OF SOMERS POINT, IN THE COUNTY OF ATLANTIC, NEW JERSEY APPROPRIATING \$893,000 THEREFOR AND AUTHORIZING THE ISSUANCE \$848,350 OF BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF.

First Reading:	April 16, 2015
Publication:	April 22, 2015
Second Reading:	April 30, 2015

Ordinance No. 14 - Final Reading M/S - Gerety/Dill Meeting was opened to the public and duly closed. Ordinance No. 14 was then adopted on final reading by a unanimous vote of those present.

CITY OF SOMERS POINT ATLANTIC COUNTY, NEW JERSEY

ORDINANCE NO. 14 OF 2015

BOND ORDINANCE PROVIDING FOR VARIOUS SEWER UTILITY CAPITAL IMPROVEMENTS IN AND BY THE CITY OF SOMERS POINT, IN THE COUNTY OF ATLANTIC, NEW JERSEY, APPROPRIATING \$500,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$500,000 BONDS OR NOTES OF THE CITY FOR FINANCING THE COST THEREOF.

Page 5 Ordinance No. 14 (Continued)

FIRST READING:April 16, 2015PUBLICATION:April 22, 2015FINAL READING:April 30, 2015

Ordinance No. 15 - First Reading (As Amended)

M/S - Dill/Gerety

Atty. Franklin commented that at the last meeting Council recommended that cooperatives and condos be added to the ordinance, and this has been done. Ordinance No. 15 was then approved on first reading by a unanimous vote of those present.

ORDINANCE NO. 15 OF 2014 AN ORDINANCE PROVIDING FOR THE IMPLEMENTATION IN THE CITY OF SOMERS POINT OF THE "FIVE YEAR TAX EXEMPTION AND ABATEMENT LAW" PURSUANT TO <u>N.J.S.A.</u> 40A: 21-1, ET SEQ.

WHEREAS, pursuant to <u>N.J.S.A.</u> 40A:21-1, et seq. (the "Five Year Tax Exemption and Abatement Law" or 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 residential and multifamily dwellings, mixed use structures and industrial and commercial structures; and WHEREAS, by Resolution 186 of 2014 adopted on November 20, 2014, the City Council of the City of Somers Point designated the entire City of Somers Point as an Area in Need of Rehabilitation (hereinafter "ANR") as that term is defined in <u>N.J.S.A.</u> 40A21-1, et seq.; and WHEREAS, The Mayor and City Council believe the enactment of an ordinance authorizing certain short term tax exemptions will promote growth and redevelopment opportunities which will inure to the long-term benefit of the City of Somers Point, while affording taxpayers with short-term benefits as authorized pursuant to the Act; and

WHEREAS, the governing body of the City of Somers Point desires to provide opportunity for real estate property tax incentives for:

a) Improvements to single family and multi-family residential, and to commercial and industrial structures;

b) New construction of single family homes, cooperatives and condominiums, commercial structures, industrial structures and mixed use structures situated within the ANR; and

establishing the terms and conditions under which said tax incentives shall be granted; and WHEREAS, <u>N.J.S.A.</u> 40A:21-1, et seq. provides for the exemption of assessments on improvements for five years following completion of a project of improvement as defined in the statute and the exemption or abatement of property taxes for new construction for a five year period following completion of the project as defined in the statute; and

WHEREAS, the governing body intends by this Ordinance to establish the terms and conditions under which said short term tax exemptions shall be granted

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Somers Point as follows:

SECTION 1. There is hereby added Article to Chapter 228: TAXATION of the Municipal Code of the City of Somers Point an Article III "Five Year Tax Exemption".

1. Statement of Intent and Purpose.

A. The intention of this Article is to effectuate and accomplish the purposes authorized by <u>N.J.S.A.</u> 40A:21-1 et seq., which permits municipalities to adopt an ordinance setting forth the eligibility or noneligibility to grant for periods of five (5) years exemptions from taxation within the City – wide area in need of rehabilitation.

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Ordinance No. 15 (Continued)

B. The intended purpose of this Article is to:

i) Promote the improvement, rehabilitation and or construction of single family residential dwelling, multiple family dwellings, cooperatives and condominiums, commercial structures, industrial structures and mixed use structures within the City of Somers Point.

ii) Improve property values.

iii) Foster civic beauty.

iv) Protect and enhance the City's attractions to residents, tourists and visitors and to support and stimulus to business and industry.

v) Assist and encourage property owners and prospective purchasers in to achieve established by the City Council and City Planning Board through adoption of the

City's Vision Plan and Master Plan.

2. Authority.

A. The City Council of the City of Somers Point (the "City Council") hereby determines to utilize the authority granted under Article VIII, Section I, paragraph 6 of the New Jersey Constitution to establish the eligibility of residential dwellings, multiple dwellings, condominiums and cooperatives, commercial and industrial structures for exemptions permitted by P.L. 1991, c. 441 (See <u>N.J.S.A</u>. 40A:21-1et seq.), throughout areas designated, or to be designated, as in need of redevelopment.

B. The City Council hereby authorizes and establishes a policy whereby it shall accept, review and consider an application, submitted in accordance herewith, for tax exemptions pursuant to applicable law for improvements and new construction within the area designated as an area in need of rehabilitation by the City Council.

C. This Chapter does not commit or require the City to approve any application for a Tax Agreement submitted in accordance herewith. In considering each such application for a Tax Exemption Agreement, the City shall consider, in part, the benefits of the development project for the City and the impact of any tax exemption requested on the budget of the City.

3. Time of taking effect.

This Chapter authorizes the City of Somers Point to grant exemptions to commence and take effect in the 2015 tax year and thereafter.

4. Definitions.

A. The definitions contained in <u>N.J.S.A.</u> 40A:21-3 are incorporated herein by reference as if set forth at length. As used in this Chapter, words shall have the meanings as so defined unless a different meaning is expressed.

B. Mixed Use Structure: A structure with two or more different uses such as, but not limited to, residential, commercial, or industrial.

D. Condominium: Condominium means a property created or recorded as a condominium pursuant to the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.).

C. Construction: Construction means the provision of a new dwelling, multiple dwelling or commercial or industrial structure, or the enlargement of the volume of an existing multiple dwelling or commercial or industrial structure by more than 30%, but shall not mean the conversion of an existing building or structure to another use.

D. Cooperative: Cooperative means a housing corporation or association, wherein the holder of a share or membership interest thereof is entitled to possess and occupy for dwelling purposes a house, apartment, or other unit of housing owned by the corporation or association, or to purchase a unit of housing owned by the corporation or association.

E. Dwelling: .Dwelling means a building or part of a building used, to be used or held for use as a home or residence, including accessory buildings located on the same premises, together with the land upon which such building or buildings are erected and which may be necessary for the fair enjoyment thereof, but shall not mean any building or part of a building, defined as a

"multiple dwelling" pursuant to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.). A dwelling shall include, as they are separately conveyed to individual owners, individual residences within a cooperative, if purchased separately by the occupants thereof, and individual residences within a horizontal property regime or a condominium, but shall not include "general common elements" or "common elements" of such horizontal property regime or condominium as defined pursuant to the "Horizontal Property Act," P.L.1963, c.168

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Ordinance No. 15 (Continued)

(C.46:8A-1 et seq.), or the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.), or of a cooperative, if the residential units are owned separately.

F. Exemption: Exemption means that portion of the assessor's full and true value of any improvement, conversion alteration, or construction not regarded as increasing the taxable value of a property pursuant to this Chapter.

G. Horizontal Property Regime: Horizontal property regime means a property submitted to a horizontal property regime pursuant to the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.).

H. Improvement: Improvement means a modernization, rehabilitation, renovation, alteration or repair which produces a physical change in an existing building or structure that improves the safety, sanitation, decency or attractiveness of the building or structure as a place for human habitation or work, and which does not change its permitted use. In the case of a multiple dwelling, it includes only improvements which affect common areas or elements, or three or more dwelling units within the multiple dwelling. In the case of a multiple dwelling or commercial or industrial structure, it shall not include ordinary painting, repairs and replacement of maintenance items, or an enlargement of the volume of an existing structure by more than 30%.

In no case shall it include the repair of fire or other damage to a property for which payment of a claim was received by any person from an insurance company at any time during the three year period immediately preceding the filing of an application pursuant to this Chapter.

I. Multiple Dwelling: Multiple dwelling means a building or structure meeting the definition of "multiple dwelling" set forth in the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), and means for the purpose of improvement or construction the "general common elements" and "common elements" of a condominium, a cooperative, or a horizontal property regime

J. Project: Project means the construction, improvement or conversion of a structure in an area in need of rehabilitation that would qualify for an exemption, pursuant to P.L.1991, c.441 (C.40A:21-1 et seq.).

K. Annual Period: Annual period means a duration of time comprising 365 days, or 366 days when the included month of February has 29 days, that commences on the date that an exemption for a project becomes effective pursuant to section 16 of P.L.1991, c.441 (C.40A:21-16).

L. Abatement: Abatement means that portion of the assessed value of a property as it existed prior to construction, improvement or conversion of a building or structure thereon, which is exempted from taxation pursuant to this act.

No application for abatement will be accepted or granted under the terms of this Ordinance. **5. Tax Exemptions**

A. Improvements to Residential Dwellings

i) There shall be an exemption from taxation of improvements to residential dwellings, single units of existing cooperatives and condominiums, and single family existing residential units situated in mixed-use dwellings (if separately taxed for real estate tax purposes) more than 20 years old. In determining the value of real property, the City shall regard the first Twenty-Five Thousand Dollars (\$25,000.00) in the Assessor's 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 for a period of five (5) years, notwithstanding that the value of the property to which the improvements are 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 dwelling through action of the elements sufficient to warrant a reduction.

In order to be eligible to make application for the exemption under i) the Assessor's full and true value of improvements must be in excess of the \$25,000 threshold for each dwelling unit.

Excluded from the exemption is the repair of fire or other damage to property for which payment of a claim was received by any person from an insurance company at any time during the three (3) year period immediately preceding the filing of an application. In the event, however, that the Assessor's full and true value of the improvement results in at least a \$25,000 increase over the

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Ordinance No. 15 (Continued)

assessed value of the property prior to the fire or other damage to the property, an application may be submitted for an abatement of \$25,000 of such added assessment.

iii) There may be an exemption of a portion of the assessed valuation of construction of new one and two family residential dwellings. In determining the value of the real property construction, the City shall consider 30% of the Assessor's full value of the dwelling constructed as not increasing the value of the property for a total of five years subject to the schedule set forth below, notwithstanding that the value of the property upon which the construction or conversion occurs is increased thereby.

The phase-in schedule is:

a) In the first full year (365 days) after certified completion, 30% of the tax assessor's full and true value of the new dwelling.

b) In the second year. 25% of the tax assessor's full and true value of the new dwelling.

c) In the third year, 20% of the tax assessor's full and true value of the new dwelling.

d) In the fourth year. 15% of the tax assessor's full and true value of the new dwelling.

e) In the fifth year, 10% of the tax assessor's full and true and full value of the new dwelling.

iv) Any exemption pursuant to this Section 5 A i) shall be approved by the Assessor upon the filing of an application on State approved form E/A 1 pursuant to Section 16 of this Article. A copy of the application shall be kept on file in the Office of the City Clerk and in the Office of the City Tax Assessor.

v) Any exemption pursuant to Section 5A iii) shall be submitted by the Tax Assessor to the City Council for approval by resolution upon recommendation by the Tax Assessor and the City Administrator after giving due consideration to the impact upon the tax rolls and annual budget.

B. Improvements to Commercial Structures, Industrial Structures, Mixed - Use Development Structures, and multiple dwellings including any Multi-Family Structures, Condominiums and Cooperatives.

i) There may be an exemption from taxation of improvements to commercial structures, industrial structures, mixed use structures and multiple dwelling structures including condominiums and cooperatives.

ii) Any applicant seeking a tax exemption shall make application to Tax Assessor which shall be subject to approval by the governing body pursuant to Section 6 of this Article an application for exemption pursuant to this, Sub-section may be approved after review and evaluation by the governing body and shall be subject to a Tax Agreement in compliance with Section 7 of this Article.

Excluded from the exemption, if granted, shall be the repair of fire or other damage to property for which payment of a claim was received by any person from an insurance company at any time during the three (3) year period immediately preceding the filing of an application. C. New Construction of Commercial Structures, Industrial Structures, and Mixed - Use Development Structures, Condominiums and Cooperatives.

The City Council is hereby authorized, at its discretion, to enter into tax agreements for an exemption from taxation of new construction of commercial structures, industrial structures and mixed use structures located within the ANR area designated by the City in accordance with <u>N.J.S.A.</u> 40A:12A-1, et. seq., the Local Redevelopment and Housing Law, and other New Jersey Statutes.

6. Applications for exemptions

A. 1) Applicants for tax exemption pursuant to Section 5 A. i) shall submit an application on Form E/A - 1 within thirty (30) days, including Saturdays and Sundays, following the completion of the improvement as defined in <u>N.J.S.A.</u> 40A:21-3.

2) Prior to the commencement of construction, applicants for tax exemption under Section 5A iii_shall provide a preliminary application to the Somers Point Tax Assessor who shall then present the application to City Council using the State approved application form.

3) Prior to the commencement of construction, applicants for tax exemption for new construction of or improvements to commercial structures, industrial structures, mixed-use structures, condominiums and cooperatives pursuant to Sections 5 B and C shall provide a preliminary application to the Somers Point Tax Assessor who shall then present the application

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Ordinance No. 15 (Continued)

to City Council using the State approved application form together with the following information:

i. A general description of a project for which exemption is sought.

ii. A legal description of all real estate necessary for the project.

iii. Plans, drawings and other documents as may be required by the governing body to demonstrate the structure and design of the project.

iv. A description of the number, classes and type of employees to be employed at the project site within two years of completion of the project.

v. a) A statement setting forth in detail the reasons for seeking tax exemption on the project and a description of the benefits to be realized by the applicant, if a tax agreement is granted; and

b) A pro-forma and/or other fiscal analysis demonstrating the need for the tax exemption

vi. Estimates of the cost of completing such project.

vii. A statement showing the:

a) real property taxes currently being assessed at the project site;

b) estimated tax payments that would be made annually by the applicant on the project during the period of the agreement; and

c) estimated tax payments that would be made by the applicant on the project during the first full year following the termination of the tax agreement.

viii. A copy of any actual or proposed lease (or a detailed description of any lease agreement intended to be entered into) between the applicant and proposed users of the project, and a history and description of the user's business(es);

ix. A description of any lease agreement between the applicant and proposed users of and a history and description of the user's business(es);

x. The construction schedule and date of completion; A competed Application on State approved form E/A 1. A separate application shall be required for each building if more than one building is to be constructed or if the project involves more than one building to be built in phases of construction;

xi. If the project is a cooperative or a condominium, a description of the number and types of dwelling units to be provided, a description of the common elements or general common elements, and a statement of the proposed initial rentals or sales prices of the dwelling units according to type and of any rental lease or resale restrictions to apply to the dwellings' units;

xii. Such other pertinent information as the Tax Assessor, City Administrator or the governing body may require on a case-to-case basis.

Following receipt of the Application the Tax Assessor shall review each application for completeness and prepare a Tax Estimate Worksheet and shall provide a copy of the Application and Tax Estimate Worksheet to the City Administrator. The City Tax Assessor shall notify the City Administrator upon receiving an application as soon as practicable after filing of an application with the City. All applications shall be forwarded by the City Administrator to the appropriate staff for review, including, but not limited to:

1. the Chief Financial Officer;

2. the City Attorney;

3. the City Planner.

Within sixty (60) days of filing of the application, the City Administrator shall forward a copy of the completed application and review memoranda to the City Council.

Following receipt of a completed application as set forth above, the City shall review same to determine whether an exemption for new construction may be granted following an individual review and evaluation of each application submitted to the City.

The Tax Assessor may also forward a copy of the completed preliminary application with the Tax Assessor's Worksheet to the Economic Development Advisory Commission whereby the applicant will be notified of the date and time of the next regular meeting. In such event:

1. The applicant is required to appear before the Economic Development Advisory Commission at the scheduled meeting to discuss the application.

Page 10 **Ordinance No. 15 (Continued)**

After review and discussion of the application by the Advisory Board of Economic 2. Development, a letter of recommendation will be forwarded in writing to the Tax Assessor. The Tax Assessor will forward a copy of the Letter of Recommendation to the City Administrator. 7. Tax agreements.

The governing body of the City of Somers Point shall enter into a written tax agreement ("PILOT") with an approved Section 5B. and C. applicant for the exemption of local property taxes. The agreement shall provide for the applicant to pay the municipality in lieu of full property taxes an amount annually to be computed by one, but in no case a combination, of the following formulas authorized by N.J.S.A. 40A:21-10:

A. Cost Basis.

The agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount equal to 2% of the cost of the project or improvement. For the purposes of the agreement, "the cost of the project" means only the cost or fair market value of direct labor and all materials used in the construction, expansion or redevelopment of all buildings, structures and facilities at the project site, including the costs, if any, of land acquisition and land preparation, provision of access roads, utilities, drainage facilities and parking facilities, together with architectural, engineering, legal surveying, testing and contractors' fees associated with the project, which the applicant shall cause to be certified and verified to the governing body by an independent and qualified architect following the completion of the project.

B. Gross Revenue Basis.

The agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount annually equal to 5% of the annual gross revenues from the project. For the purposes of the agreement, "annual gross revenues" means the total annual gross rental and other income payable to the owner of the project from the project. If, in any leasing, any real estate taxes or assessments on property included in the project, any premiums for fire or other insurance on or concerning property included in the project, or any operating or maintenance expenses ordinarily paid by the landlord are to be paid by the tenant, then those payments shall be computed and deemed to be part of the rent and shall be included in the annual gross revenue. The tax agreement shall establish the method of computing the revenues and may establish a method of arbitration by which either the landlord or tenant may dispute the amount of payments so included in the annual gross revenue.

C. Tax Phase-in Basis.

The agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount equal to a percentage of taxes otherwise due, according to the following schedule:

i) In the first full tax year after completion, the Council may authorize no payment in lieu otherwise due. of taxes

ii) In the second tax year, an amount not less than 20% of taxes otherwise due.

- iii) In the third tax year, an amount not less than 40% of taxes otherwise due.
- iv) In the fourth tax year, an amount not less than 60% of taxes otherwise due.
- v) In the fifth tax year, an amount not less than 80% of taxes otherwise due.

In the sixth tax year the property will be at 100% of the taxes due.

8. Financial Tax Agreement Authorization and approval

The authorization to enter into a financial agreement must be granted by the City Council by ordinance for the particular project. Any financial agreement shall contain those terms deemed necessary or desirable by the City and those terms required by the Exemption Law, including but not limited to:

The applicant shall pay to the municipality, in lieu of full property tax payments, an A. amount annually to be computed by one, but in no case a combination of the "Cost Basis Formula," "Gross Revenue Basis Formula," or "Tax Phase-In Basis Formula," all as defined in the Exemption Law and incorporated by reference herein as if set forth fully.

All tax exemptions applied for and granted pursuant to the Exemption Law and this B. section shall be in effect for a period of no more than five (5) full years next following the date of completion of the project.

Page 11 Ordinance No. 15 (

Ordinance No. 15 (Continued)

C. The applicant shall file a final application on Form A/E 1 required by Section 5 of this Ordinance within thirty (30) days, including Saturdays and Sundays, following the completion of the improvements, conversion, alteration or construction as defined in <u>N.J.S.A.</u> 40A:21-3.

9. Recordation

The granting of an exemption or tax agreement shall be recorded and made a permanent part of the official tax records of the taxing district, which record shall contain a notice of the termination date thereof.

10. Payment of Fees

No application for tax exemption shall be accepted by the municipality unless accompanied by full payment of the required application fee. Such fees shall be based on total project cost as set forth in a schedule on file with the Office of the Municipal Clerk. These fees shall be received as compensation for the legal review and related work the municipality's departments and agencies.

The Initial Fee Schedule is as follows and may be amended from time to time by a Resolution adopted by City Council:

A. For Improvements to Non Multiple Family Residential Property: \$100.00

- B. For Improvements to Multiple Family Dwellings: \$100.00 per dwelling unit
- C. For New Residential Construction: 1% of the estimated cost of construction

D. For Commercial, Industrial, Condominium, Cooperative and Mixed Use New Construction or Improvements: 1.5% of the estimated cost of the construction or improvement.

11. Procedures

The following procedure shall be applied to applications for exemption:

A.

The Construction Official shall determine the completion date in accordance the Five Year Tax Exemption and Abatement Law which decision shall be final, and not subject to appeal. B.

i) For properties subject to a PILOT Agreement the exemption commences on January 1 of the tax year following project completion. Additional value exceeding the exempt amount will become subject to the added assessment at completion.

ii) For properties which are not required to enter into a PILOT agreement, the exemption becomes effective immediately upon completion of the project and continues for five (5) annual periods (365 days - or 366 days when the included month of February has 29 days) from that date.

iii) Any added assessment not exempted or pro - rated shall be added as an assessment immediately upon completion and shall be pro - rated for any partial tax year.

All tax agreements entered into pursuant to this chapter shall be in effect for no more than the five full tax years next following the date of completion of the project. This chapter shall not preclude the governing body from entering into a financial agreement for a tax exemption and/or abatement pursuant to the Long-Term Tax Exemption Law or any other statute authorizing a tax exemption and/or abatement for a period longer than five years.

D.

As a condition to granting an exemption, a property owner shall be required to waive the filing of any tax appeal for the subject property for the life of the exemption.

12. Copy of agreement to be forwarded to Director of the Division of Local Government Services

The City Clerk, pursuant to <u>N.J.S.A.</u> 40A:21-11, shall forward a copy of all tax agreements entered into pursuant to this chapter 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.

13. Disqualification of property owner

If during any tax year prior to the termination of the tax exemption agreement, the applicant ceases to operate or disposes of the property or otherwise fails to meet the conditions of eligibility, the tax otherwise due if there had been exemption during any of the years during which the Agreement was in effect, and all such taxes shall become due and payable by the property owner. The Tax Assessor shall notify the property owner and the Tax Collector

Page 12 Ordinance No. 15 (Continued)

forthwith and the Tax Collector shall within fifteen (15) days thereof notify the owner of the property of the amount of taxes due. However, with respect to sale or other disposal of the property which it is determined that the new owner of the property will continue to use the property pursuant to the conditions which were set forth in the tax exemption agreement, the exemption shall continue.

14. Additional exemption or abatement

The City of Somers Point hereby determines that an additional improvement, conversion or construction completed on a property already granted a previous exemption pursuant to this chapter during the period in which the previous exemption is in effect may qualify for an additional exemption. The additional improvement or construction may be considered as separate for purposes of calculating the exemption, except that the assessed value of any previous improvement or construction may be added to the assessed value of any previous for that improvement or construction for the purpose of determining the assessed value of the property for which any additional exemption is to be subtracted. Any additional exemption must be reviewed and approved by the Tax Assessor and by City Council.

15. Delinquent Taxes and Default in Payment of Taxes

A.

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

B.

i) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying for the exemption,, the local property taxes due for all the prior years subject to the exemption and for the current year shall be payable as if no exemption had been granted. The Tax Collector of the City of Somers Point shall notify the property owner within fifteen(15) days of the date of disqualification of the amount of taxes due.

ii) In the event that the subject property shall be transferred to a new owner prior to the termination of the exemption period, 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 shall continue and the agreement shall remain in effect.

16. Application form

No exemption shall be granted pursuant to this chapter except upon written application therefor filed with the Tax Assessor using the required form. Every application shall be filed with the Assessor within thirty (30) days, including Saturdays and Sundays, following the completion of the improvements, alteration or construction as defined in <u>N.J.S.A.</u> 40A:21-3.

17. Termination of Tax Agreement

At the termination of an agreement for tax exemption authorized pursuant to this chapter, the project shall be subject to all applicable real property taxes, as provided by state laws and regulations and local ordinances, provided that nothing herein shall be deemed to prohibit the project or improvement at the termination of the agreement for tax exemption or abatement from qualifying for and receiving the full benefits of any other tax preference provided by law.

18. Applications; filing and approval; form

Every application for exemption which is filed within the time specified, shall be approved and allowed by the Assessor to the degree that the application is consistent with the requirements of this Ordinance and the tax agreement executed by the City Council in accordance with Sections 7 and 8 hereof. The granting of an exemption or tax agreement shall be recorded and made a permanent part of the official tax records of the taxing district, which record shall contain a notice of the termination date thereof.

19. Applicability of Statutory Regulatory Provisions.

Every application for exemption and every exemption granted shall be subject to all the provisions of <u>N.J.S.A.</u> 40A:21-1, et seq., and all rules and regulations issued thereunder. **20. Applicability of Federal, State and Local Laws.**

Page 13

Ordinance No. 15 (Continued)

All tax exemption agreements shall provide that the applicant is subject to all federal, state and local laws and regulations.

21. Equalization

The percentage which the payment in lieu of taxes bears to the property taxes which would have been paid had an exemption not been granted for the property under the agreement shall be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the municipality for determining equalization for county apportionment and school aid during the term of the tax abatement agreement covering the property.

22. Period of Eligibility

This Ordinance and the opportunity to apply for Tax exemption shall expire on December 31, 2019 after which no further applications shall be accepted unless this Ordinance shall have been re-adopted by City Council in accordance with the Exemption Law.

23. Ordinance Sent to Department of Community Affairs

The Municipal Clerk is hereby authorized and directed to forward a certified copy of this Ordinance to the State of New Jersey Department of Community Affairs.

24. Captions

Captions contained in this ordinance have been inserted only for the purpose 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.

25. Construction of Ordinance

Where consistent with the context in which used in this ordinance, 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.

SECTION 2. Codification

This Ordinance shall be codified as Article III Five Year Tax Exemption in Chapter 228: TAXATION of the Municipal Code of the City of Somers Point. This Ordinance may be renumbered for codification purposes.

SECTION 3. Inconsistent Ordinances Repealed.

Should any provision of this ordinance be inconsistent with the provisions of any prior ordinances, the inconsistent provisions of such prior ordinances are hereby repealed, but only to the extent of the inconsistencies.

SECTION 4. Severability.

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.

SECTION 5. Effective Date.

This Ordinance shall take effect upon final passage, approval, and publication as required by law.

FIRST READING:	April 30, 2015
PUBLICATION:	May 6, 2015
FINAL PASSAGE:	May 14, 2015

RESOLUTIONS

Public Portion on Resolutions

M/S - Tapp/Dill Meeting was opened to the public and duly closed.

Consent Agenda

There were no items on the Consent Agenda.

Page 14

Resolutions (Continued)

Resolution No. 76 M/S - Dill/Gerety Adopted by a unanimous vote of those present.

No. 76 of 2015

Subject: Read Budget by Title

WHEREAS, N.J.S 40A:4-8 provides that the budget be read by title only at the time of the public hearing if the resolution is passed by not less than a majority of the full governing body, providing that at least one week prior to the date of the hearing a complete copy of the approved budget as advertised has been posted in City Hall and copies have been made available by the City Clerk to persons requiring them; and

WHEREAS these two conditions have been met;

NOW THEREFORE, BE IT RESOLVED that the budget shall be read by title only.

Public Hearing on the Budget (As Introduced) M/S - Gerety/Tapp

Meeting was opened to the public and duly closed.

Resolution No. 77

M/S - Gerety/Dill

Resolution was read in total. Administrator Swain explained that we have received a grant for the bike path in the amount of \$171,000. As well as a grant from the NJ Historic Trust for the Gateway Playhouse in the amount of \$102,400. He further explained that we received a payment from FEMA and are able to add \$225,000. to the budget as a revenue which we are using to pay down debt service. Administrator Swain added that this resolution will be advertised in the Mainland Journal on May 6th and the public hearing on the amendment will be held on May 14th. Resolution No. 77 was then adopted by a 6-0 roll call vote with Councilman D'Adamo being absent.

		TO				171,000 102,400	214,602 488,002	675,000 900,000	917,000 1,142,000	3,025,198 3,523,598	4,750,198 5,248,598	15,135,455			16,250	1,329,521 1,313,271	11,302,801 11,286,551	
RESOLUTION TO AMEND BUDGET #77 of 2015	WHEREAS, the local municipal budget for the year 2015 was approved on the 26th day of March, 2015 and WHEREAS, the public hearing on said budget has been held as advertised, and WHEREAS, it is desired to amend said approved budget, now THEREFORE BE IT RESOLVED, by the City Council of the City of Somers Point, County of Atlantic that the following amendments to the approved budget of 2015 be made:	Recorded Vote Ayes Dill Abstained Abstained Recorded Vote Ayes Ayes None Abstained 1 Recorded Vote Ayes Ayes Abstained 1 1 Recorded Vote Ayes Ayes Abstained 1 1 Recorded Vote Ayes Abstained 1 1 1	Current Fund	General Revenues	3. Miscellaneous Revenues - Sections G: Special Items of General Revenue Anticipated with Prior Consent of Director of Local Government	Public and Private Revenues Offset with Appropriations NJ DOT Transportation Alternative Program NJ Historic Trust	Total Public and Private Revenues Offset with Appropriations	Other Special Items Reserve for Storm	Total Other Special Items	Total Miscellaneous Revenues	5. Subtotal General Revenues	7. Total General Revenues	8. General Appropriations	A. Operations - within "CAPS"	Deferred Charges Emergency Authorization	Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	(H-1) Total General Approviations for Municipal Purposes within "CAPS"	-

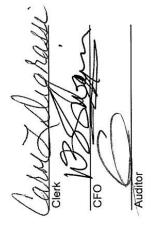
Public and Private Programs Offset by Revenues NJ DOT Transportation Alternative Program NJ Historic Trust		171,000 102,400
Total Public and Private Programs Offset by Revenue	372,868	646,268
Total Operations Excluded from "CAPS"	406,638	680,038
Detail: Other Expenses	229,999	503,399
D. Municipal Debt Service - Excluded from "CAPS" Payment of Bond Anticipation Notes and Capital Notes	675,000	000'006
Total Municipal Debt Servcie - Excluded from "CAPS"	2,237,495	2,462,495
E. Deferred Charges - Municipal excluded from "CAPS"		
Deferred Charges Emergency Authorization	0	16,250
Total Deferred Charges - Municipal excluded from "CAPS"	60,000	76,250
(H-2) Total General Appropriations Excluded From "CAPS"	2,754,133	3,268,783
(O) Total General Appropriations - Excluded from "CAPS"	2,754,133	3,268,783
(L) Subtotal General Appropriations	14,056,934	14,555,334
9. Total General Appropriations	15,135,455	15,633,855
BE IT FURTHER RESOLVED, that this resolution be advertised in Mainland Journal in the issue of May 6, 2015 and that said advertising		

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מ BE IT FURTHER RESOLVED, that this resolution be advertised in mainland Journal in the issue of may o, 2015 include notice of a public hearing on the budget amendment to be held in City Hall on May 14, 2015 at 7:00pm. It is hereby certified that this is a true copy of a resolution amending the budget, introduced by the governing body on the 30th day of April, 2015.

Certified by me April 30, 2015 I hereby certify that all mathematical calculations have been verified



Page 17 Resolutions (Continued)

Resolution No. 78 M/S - Tapp/Gerety Adopted by a unanimous vote of those present.

No. 78 of 2015

Subject:A Resolution Authorizing the Grant Application to the
New Jersey Department of State for a Cooperative Marketing Grant
2016

Introduced By: Councilmen Tapp

Whereas, the New Jersey Department of State, Division of Travel & Tourism in collaboration with the New Jersey travel industry sponsors the Cooperative Marketing Grant Program; and

Whereas, the goal of this Program is to promote New Jersey as a premier travel destination; and

Whereas, the Cooperative Marketing Grant Program is open to any New Jersey organization that can demonstrate a significant interest in the New Jersey tourism industry; and

Whereas, organizations must show a match of 25 percent from partners or sponsors that are Non-State funding sources; and

Whereas, the City of Somers Point qualifies for funding though the Cooperative Marketing Grant Program.

Now Therefore Be It Resolved, by the City Council of the City of Somers Point as follows:

- 1. The City Council of the City of Somers Point hereby authorizes the application for this grant.
- 2. The City Administrator and/or his designee are hereby authorized to prepare and submit all documents necessary in connection with this grant application.

Resolution No. 79 M/S - Tapp/Gerety Adopted by a unanimous vote of those present.

No. 79 of 2015

Subject: Appointment of William J. Hoffmann

Introduced By: Councilmen Tapp, Smith and McGuigan

WHEREAS, in accordance with Resolution 223 of 2013, the appointment of William J. Hoffmann to the position of Electrical Inspector/Electrical Sub Code Official, New Jersey Civil Service Local Government Job Specification 05046, was approved effective July 16, 2013; and

Page 18

Resolution No. 79 (Continued)

WHEREAS, that appointment was made on a provisional basis pending a New Jersey Civil Service Commission examination, list promulgation and certification procedures; and

WHEREAS, a certified list of eligibles for appointment dated February 25, 2015 was received by the City on March 2, 2015; and

WHEREAS, the required disposition date of that list is May 25, 2015; and

WHEREAS, there are two individuals on the list, both with a ranking of 1, including William J. Hoffmann; and

WHEREAS, the Construction Official has recommended that William J. Hoffmann continue in the position of Electrical Inspector/Electrical Sub Code Official.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Somers Point as follows:

- William J. Hoffmann, New Jersey License No. 005262, is hereby given permanent appointment to the part time position of Electrical Inspector/Electrical Sub Code Official, New Jersey Civil Service Local Government Job Specification 05046.
- 2.) This appointment has included the requirement that the appointee possess the HHS Electrical Inspector level.

Resolution No. 80 M/S - Gerety/Dill Adopted by a unanimous vote of those present.

No. 80 of 2015

Subject:Community Development Block Grant ProgramIntroduced by:Councilmen McGuigan and Gerety

WHEREAS, the City of Somers Point has opted to participate in the Atlantic County community Development Block Grant (CDBG) Program for FY 2015; and

WHEREAS, as a participant, the City of Somers Point expects to be allocated \$45,907.00 for Fiscal Year 2015; and

WHEREAS, the City of Somers Point desires to allocate these CDBG funds toward the re-paving of the northern side of Wilmont Avenue, from Shore Road to Montgomery Avenue; and

WHEREAS, it is anticipated that the complete cost of the project will be approximately \$113,600.00; and

WHEREAS, the re-paving of the northern side of Wilmont Avenue, from Shore Road to Montgomery Avenue is in the capital plan of the City of Somers Point .

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Somers Point as follows:

Page 19 Resolution No. 80 (Continued)

- 1. This resolution shall serve to indicate the commitment of the City of Somers Point to provide any necessary anticipated matching funds for this project.
- 2. The Mayor and City Administrator are authorized to prepare and sign the FY 2015 CDBG grant application on behalf of the City.

Resolution No. 81 M/S - Gerety/Tapp Adopted by a unanimous vote of those present.

No. 81 of 2015

Subject:Acknowledging Terms and Conditions of Participation in the South Jersey
Power Co-Operative Electricity Supply Purchase

Proposed by: Council President Kern

Whereas, The City of Somers Point is a member of the South Jersey Power Co-Operative; and

Whereas, on April 16, 2015 Camden County, as the lead for the South Jersey Power Co-Operative, received bids for the purchase of the commodity Electricity Supply for a twenty-four month period beginning with the meter reading dates of June 2015; and

Whereas, Constellation/NewEnergy was the lowest responsible bidder for the Secondaryservice electric accounts located within the Atlantic City Electric Company (ACE) service territory with a low bid rate is \$0.07367 per kilowatt-hour (kWh); and

Whereas, the City of Somers Point will be enrolled in this contract with Constellation/New Energy.

Now, Therefore, Be It Resolved that the City Council of the City of Somers Point hereby authorizes this contract and acknowledges the terms and conditions of the cooperative purchase in accordance with the conditions outlined herein.

Resolution No. 82 M/S - Dill/Gerety Adopted by a unanimous vote of those present.

No. 82 of 2015

Subject: Authorizing Advertising for Bids for the 2015 Road Program

WHEREAS, the governing Body of the City of Somers Point has determined that it is the best interest of the City to reconstruct Crestview Drive from Defeo Lane to Chapman Boulevard, Schoolhouse Drive from Defeo Lane to Chapman Boulevard, Sunny Avenue from Maryland Avenue to Groveland Avenue, and Groveland Avenue from Shore Road to Bay Avenue; and

Page 20 Resolution No. 82 (Continued)

WHEREAS, the governing Body of the City of Somers Point has determined that it is the best interest of the City to prepare a supplemental bid to reconstruct Third Street between New Jersey Avenue and Dobbs Avenue; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Somers Point that the City Engineer is hereby authorized to prepare plans and specifications for the 2015 Road Program; and

BE IT FURTHUR RESOLVED that the City Clerk is authorized to advertise for bids in conformance with N.J.S.A. 40A:11-1 et seq., said bids to be received in the City Clerk's office at a time established thereafter in accordance with the specifications and in conformance with N.J.S.A. 40A:11-1 et seq.

Resolution No. 83

M/S - Gerety/Tapp

Administrator Swain noted that this is one of the grants we have received and we will be going out to bid after the budget has been adopted. Resolution No. 83 was then adopted by a unanimous vote of those present.

No. 83 of 2015

Subject:Advertising for Bids for the reconstruction of Delaware Avenue from
Shore Road to Bay Avenue

WHEREAS, the governing Body of the City of Somers Point has determined that it is the best interest of the City to reconstruct Delaware Avenue from Shore Road to Bay Avenue; and

WHEREAS, the New Jersey Department of Transportation has awarded the City with a \$190,000.00 grant to complete this project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Somers Point that the City Engineer is hereby authorized to prepare plans and specifications for the reconstruction of Delaware Avenue; and

BE IT FURTHUR RESOLVED that the City Clerk is authorized to advertise for bids in conformance with N.J.S.A. 40A:11-1 et seq., said bids to be received in the City Clerk's office at a time established thereafter in accordance with the specifications and in conformance with N.J.S.A. 40A:11-1 et seq.

Resolution No. 84 M/S - Gerety/Dill Adopted by a unanimous vote of those present.

No. 84 of 2015

Subject:

Authorizing Advertising for Bids for Stormwater Improvements between Pierson Avenue and Dawes Avenue

Page 21 Resolution No. 84 (Continued)

WHEREAS, the governing Body of the City of Somers Point has determined that it is the best interest of the City to improve the Stormwater Infrastructure between Pierson Avenue and Dawes Avenue; and

WHEREAS, the City has received a \$ 48,552.00 grant from the Atlantic County Improvement Authority to complete this project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Somers Point that the City Engineer is hereby authorized to prepare plans and specifications for the Stormwater Improvements between Pierson Avenue and Dawes Avenue; and

BE IT FURTHUR RESOLVED that the City Clerk is authorized to advertise for bids in conformance with N.J.S.A. 40A:11-1 et seq., said bids to be received in the City Clerk's office at a time established thereafter in accordance with the specifications and in conformance with N.J.S.A. 40A:11-1 et seq.

Old Business

Atty. Franklin asked that the discussion of the Special Events ordinance be carried forward as he hasn't yet received a response with regard to the form.

New Business

Social Affairs application for the NJ Animal Advocacy Alliance was approved by a unanimous vote of those present.

Administrator Swain advised that he received a letter from the Atlantic County Executive regarding the Home Investment Partnership that we have been involved in. If we want to continue to participate, we do not need to do anything. Administrator Swain advised that we have been in this program since 1997 or 1998, explaining that money is set aside for people at certain income levels to make necessary repairs to their homes. He stated that it is a good program which we have been involved with for a long time. Council agreed to do nothing and remain in the program.

Councilman Tapp advised that one of his neighbors asked if the City has a prescription drop off. Administrator Swain explained that the Police Department does this periodically and it will be advertised on the website.

Discussion of Bills

Bills were presented for discussion in the amount of \$2,161,535.90 as well as a record of payments in the amount of \$5,879.88. Councilman McGuigan recused himself from voting on any of the bills from Falasco Mechanical as this is his employer.

Public Portion

Sharon Owens, Bayview Courts Apartments, came forward and addressed the governing body with regard to the new owners of the complex requesting that she move out by August 1st. She advised that she has been there for many years and felt that she should be given a second chance. She stated that she realizes that there really isn't anything the governing body could do, but wanted to bring it to their attention.

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Payment of Bills

M/S - Tapp/Dill

The bills were approved by a unanimous vote of those present, with Councilman McGuigan recusing himself from voting on the bills from Falasco Mechanical as this is his employer. A complete list of bills is on file in the Office of the Municipal Clerk.

Adjournment

There being no further business, meeting adjourned at 7:52 p.m.

Carol L. Degrassi, RMC/MMC Municipal Clerk

Approved: 05/14/15