

Mr. Rauen offered the following Ordinance pass third and final reading and authorized its publication according to law:

O-97-06

AN ORDINANCE AMENDING AND REVISING SECTIONS 2-8.5 TO 2-8.8 INCLUSIVE AND ADDING NEW SECTION 2-8.9 OF “THE REVISED GENERAL CODE OF THE BOROUGH OF HIGHLANDS, 1975” ENTITLED EXEMPTION FROM TAXATION IN CERTAIN CASES

BE IT ORDAINED by the Mayor and Council of the Borough of Highlands that “The Revised General Code of the Borough of Highlands, 1975” Sections 2-8.5 to 2-8.8 inclusive and adding new Section 2-8.9 be and same is hereby amended to read as follows:

2-8.5 Exemption and Abatement From Taxation Pursuant to N.J.S.A. 40A:21-1.

a. Purpose: The Borough of Highlands seeks to encourage property owners to improve their property by offering certain tax incentives for limited periods of time upon completion of improvements or conversion or construction of structures as defined by law.

b. Definition of Terms: Unless otherwise specifically provided in this Ordinance the definition of all words and terms used in this Ordinance shall be those provided in N.J.S.A. 40A:21-1 entitled “The Five-Year Exemption and Abatement Law.”

c. Area In Need of Rehabilitation: The entire Borough of Highlands shall be designated an area in need of rehabilitation.

d. Eligibility: All structures including dwellings, multiple dwellings, commercial and industrial structures shall be eligible for exemptions from taxation as provided in this Ordinance for improvements, conversions, construction or all of these.

e. Exemptions For Improvements to Dwellings or Multiple Dwellings, Conversions of Other Buildings to Multiple Dwelling Use or Construction of New Dwellings: There shall be an exemption from taxation of improvements to dwellings, and or multiple dwellings of the first \$15,000.00 of the assessor’s full and true value of improvements for each dwelling unit primarily and directly affected by the improvement in any dwelling more than twenty (20) years old, as not increasing the value of the property for a period of five (5) years.

New Construction or Conversions to Dwelling Use

There shall be an exemption from taxation of construction of New dwellings or of conversions of other buildings and structures, to dwelling use of the following percentages of the assessors full and true value of the dwelling constructed, or conversion alterations made, as not increasing the value for a total up to five years.

1st year	30%
2nd year	24%
3rd year	18%
4th year	12%
5th year	06%

f. Exemptions For Improvements to Commercial or Individual Structures: After a review and evaluation of an application for exemption on an individual basis, the Governing Body is authorized to approve, by resolution, an exemption from taxation of up to the assessor’s full and true value of the improvements to commercial or industrial structures.

g. Tax Agreements for Exemption for Construction of Commercial or Industrial Structures or Multiple Dwellings: Applicants for exemption from taxation for construction of commercial structures, industrial structures or multiple dwellings shall comply with the following procedures:

1. Complete an Application that Provides the Governing Body with all information required by N.J.S.A. 40A:21-9 and its amendments or supplements.

2. After the Governing Body adopts an Ordinance authorizing a tax agreement for the particular project for which the application has been made, enter into an agreement with the Governing Body for tax exemption which shall provide the applicant to pay the Borough of Highlands in lieu of full property tax payments an amount annually to be computed by one, but in no case a combination, of the formulas set forth in N.J.S.A. 40A:21-10,

- a. Cost basis, or
- b. Gross Revenue Basis, or
- c. Tax phase in basis,

The Governing Body shall not be required to enter into any agreement if the applicant does not agree to the same formula that the Borough determines is in the best interest of the Borough.

2-8.6 Same

2-8.7 Additional Deductions: Additional improvements which are completed during a period in which the improved property is subject to previously granted extension privileges shall be qualified for additional exemptions under the terms specified herein and the applicable statute.

2-8.8 Same

2-8.9 Add New: Interpretation: The provisions of N.J.S.A. 40A:21-1 et Seq. its amendments and supplements entitled "The Five Year Exemption and Abatement Law," shall apply to those sections of this Ordinance that specifically refer to said law and shall be applied to this ordinance for any portion of same that is in need of interpretation.

This Ordinance shall take effect upon final adoption in accordance with laws.

Seconded by Mrs. Howard and approved on the following roll call vote:

ROLL CALL:

AYES: Mr. Bentham, Mr. Rauen, Mrs. Howard, Mayor Branin
NAYES: None
ABSENT: Mr. O'Neil
ABSTAIN: None

Date: June 18, 1997

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NINA LIGHT FLANNERY
Borough Clerk

Introduction: 06/04/97
Publication:
P.H. Date: 06/18/97
Adoption: 06/18/97
Publication: 06/26/97