

AN ORDINANCE OF THE TOWNSHIP OF LAKEWOOD, COUNTY OF OCEAN, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING CHAPTER XXIV (TAXATION), SECTION 24-3.1 (DEFINITIONS), 24-3.3 (APPLICATION FOR EXEMPTION) AND 24-3.4 (CONSIDERATION AND APPROVAL) OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF LAKEWOOD 1999.

WHEREAS, the Township of Lakewood has adopted an Ordinance providing for a long term tax exemption pursuant to N.J.S.A. 40A:20-1 which provides *inter alia* for the review of long term tax exemptions by the Chief Financial Officer of the Municipality; and

WHEREAS, review of such applications is an arduous process that requires specific expertise regarding long term tax exemptions; and

WHEREAS, Lakewood Township shall retain the services of accountants and auditors to review long term tax exemption applications, commonly known as PILOT (payment in lieu of taxes); and

WHEREAS, the Township desires to utilize the services of a PILOT review professional to advise the Township Committee on the appropriateness of applications for long term tax exemptions,

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Lakewood, County of Ocean, and State of New Jersey, that Chapter XXIV of the Code of the Township of Lakewood entitled Taxation is amended and supplemented as follows:

SECTION 1. Chapter XXIV of the Code of the Township of Lakewood entitled Taxation, Section 24-3.1, Procedures for Application, Approval and Administration of Long Term Tax Exemptions, Section 24-3.1 entitled "Definitions", shall be amended and supplemented by the addition of the following:

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PILOT Review Professional shall mean accountants and auditors that are specifically retained by the Township of Lakewood pursuant to proposals from such licensed professionals for purposes of reviewing long term tax exemption applications.

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SECTION 2. Chapter XXIV of the Code of the Township of Lakewood entitled Taxation, Section 24-3(b) entitled "Application Fee" shall be amended and supplemented by the addition (underscored) and deletion (strikethrough) of the following:

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b. Application Fee. No application for abatement or exemption submitted pursuant to this section shall be accepted unless it is accompanied by full payment of the required application fee. Such fees shall be two (2%) percent of the first annual service charge estimated for the project include a payment of \$5,000.00 specifically earmarked for the retention of the services of a PILOT Review Professional, and \$2,000.00 for each application requested. The application fee shall be received for processing the application. Further, the administrative fee for processing a request for the assignment and assumption of a tax exemption and financial agreement shall be two (2%) percent of the annual service charge for the current year. Checks shall be certified and payable to the Township. The application fee shall be nonrefundable.

SECTION 3. Chapter XXIV of the Code of the Township of Lakewood entitled Taxation, Section 24-3.4 entitled "Consideration and Approval" shall be amended and supplemented in the following manner:

a. Distribution of Application. Upon receipt of any application, the Township Manager shall forward one (1) copy of the application to the Executive Director of Economic Development, one (1) copy to the ~~Chief Financial Officer,~~ PILOT Review Professional, one (1) copy to the Tax Assessor, one (1) copy to the Tax Collector, one (1) copy to the Township Clerk and one (1) copy to the Township Attorney. The final copy of the application shall be retained by the Township Manager and shall be placed on permanent file with that office.

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c. Financial Review. Upon receipt of an application the ~~Chief Financial Officer~~ PILOT Review Professional shall conduct a financial review of the application including a cost and benefit analysis of the proposed project. In addition, the ~~Chief Financial Officer~~ PILOT Review Professional shall obtain written certifications from municipal officials as necessary to review and substantiate the information contained within the application. Those certifications shall include the following:

1. Certification of the Tax Assessor as to:

(a) The taxes levied on the real property included within the project in both the year in which the application was filed and the immediately preceding year.

(b) The precise identify of all real property included within the project, including the metes and bounds description, all tax block and lot designations and corresponding street addresses, as well as a survey or plotting of the property on the official tax map.

(c) The owner of record as recorded in the office for each tax lot included within the project.

(d) The tax assessment for land and improvements then in effect for each tax lot included within the project.

(e) The total amount assessed on all real property included within the project in the calendar year immediately preceding its acquisition by the Township, the Township's agent, the entity or the entity's agent.

2. Certification of the Tax Collector as to:

(a) The current status of payments due for real estate tax services charges and/or municipal liens of any type arising from the property included within the project or from any other property owned by the entity.

(b) The taxes levied on the real property included within the project in both the year in which the application was filed and the immediately preceding year.

(c) The current status of payments due for any financial agreement then in force and effect which the entity is a party.

The ~~Chief Financial Officer~~, PILOT Review Professional, Tax Assessor and Tax Collector shall submit their findings along with the recommendation to the Township Manager. Such recommendation shall state the basis or reasons supporting their recommendation.

d. Legal Review. Upon receipt of an application, the Township Attorney shall conduct a review as to the form and legality of the application. In addition, the Township Attorney shall obtain written certifications from municipal officials as necessary to substantiate the information contained in the application.

At a minimum, such certifications shall include the following:

1. The certifications provided in paragraph c. above.
2. Certifications of the Secretary of the Board of Adjustment identifying whether the use proposed for the project conforms to the Zoning Ordinance of the Township.
3. Certification of the Secretary of the Planning Board, if applicable, identifying whether the project is located within a redevelopment area and/or Urban Enterprise Zone and identifying whether the project has received final site plan approval from the Planning Board.

The ~~Chief Financial Officer~~ PILOT Review Professional shall also review any financial agreements then in force and effect to determine the extent to which each party

to the application is a party to any other agreements with the Township and whether they are current on their obligations in those agreements.

Upon receipt of the aforesaid certifications and the review thereof, the Township Attorney shall make a determination as to the propriety of the application. Applications shall be deemed proper in those cases where they are presented in the property form, satisfy the requirements of this section and all other applicable statutes and ordinances, and for which no delinquency has been found with respect to any payments due to the Township.

Where an application is deemed proper, the Township Attorney shall prepare an ordinance in the form necessary to authorize the exemption and shall review, revise and modify the form of the financial agreement, as appropriate.

Where an application is deemed improper or deficient, the Township Attorney shall prepare a correspondence outlining those aspects of the application that are deficient and shall forward the correspondence with the application, the certifications and the recommendation of the ~~Chief Financial Officer~~, PILOT Review Professional and the Executive Director of Economic Development to the Township Committee for consideration.

e. Township Committee Consideration. Upon receipt of an ordinance to authorize a financial agreement, the application together with all of the documents which were submitted by the applicant, the certifications and review required by this section, the Township Committee shall place the application on its agenda for consideration. Upon action by the Township Committee, an ordinance may be adopted, rejected or returned to Administration for correction, modification or further information. Notice of the adoption of an ordinance granting exemption and approving a financial agreement shall be published, pursuant to N.J.S.A. 40A:20-12.

SECTION 4. All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 5. If any section, subsection, paragraph, sentence or any part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance not directly involved in the controversy in which such judgment shall have been rendered.

SECTION 6. This ordinance shall take effect immediately upon final passage and publication as required by law.

NOTICE

PUBLIC NOTICE is hereby given that the foregoing ordinance was introduced at a meeting of the Township Committee of the Township of Lakewood, in the County of Ocean and State of New Jersey on the **22nd day of June, 2017**, and was then read for the first time. The said Ordinance will be further considered for final passage by the Township Committee in the Town Hall at 7:30 p.m. on **July 13, 2017**. At such time and place or any time or place to which said meeting may be adjourned, all persons interested will be given an opportunity to be heard concerning said ordinance.

Kathryn Hutchinson, RMC
Township Clerk