

CITY OF GLOUCESTER CITY, NEW JERSEY

ORDINANCE 01 -2020

**ORDINANCE OF THE CITY OF GLOUCESTER CITY, COUNTY OF CAMDEN,
STATE OF NEW JERSEY AMENDING CHAPTER 80 TAXATION, OF THE CODE OF
THE CITY OF GLOUCESTER CITY**

BE IT ORDAINED by the Mayor and City Council of the City of Gloucester City, County of Camden, and State of New Jersey as follows:

1. Chapter 80 Taxation of the Code of the City of Gloucester City is hereby amended as follows:

§ 80-1 Tax Abatements and Exemptions Procedures.

The following procedures shall govern agreements for tax abatements and exemptions entered into by the City of Gloucester City and property owners and developers:

A. Application process:

(1) All improvements, as defined in N.J.S.A. 40A:21-3n, shall be exempt from local real property taxes, if approved by the Tax Assessor as to the completeness, and then approved by City Council. Application shall be upon the form approved by the City Council and the City Tax Assessor.

(2) Applicants shall be encouraged to apply for tax exemption on improvements prior to the commencement of construction of the improvement, provided that the applicant must file a proper application with the Tax Assessor within 30 days of the completion of the improvement in order to be eligible for tax exemption thereon.

(3) Every properly completed application for exemption on a single-family residential property, having one or more improvements, which is filed within 30 days of the completion of the

improvement shall be approved and allowed or disapproved by the Assessor within 60 days of its filing.

B. Applications:

Applications for tax abatement and/or exemption on projects shall be provided to the City Council through the City Assessor, setting forth:

- (1) A general description of the project for which abatement is sought.
- (2) A legal description of all real estate necessary for the project.
- (3) Plans, drawings and other documents as may be required by the City Council to demonstrate the structure and design of the project.
- (4) A description of the number, classes and types of employees to be employed at the project site within two years of completion of the project.
- (5) A statement of the reasons for seeking tax abatement and/or exemption on the project and a description of the benefits to be realized by the applicant if tax abatement is granted.
- (6) Estimates of the cost of completing such project.
- (7) A statement showing:
 - (a) The real property taxes currently being assessed at the project site.
 - (b) The estimated tax payments that would be made annually by the applicant on the project during the period of the agreement.
 - (c) The 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.

(8) If the project is a commercial or industrial building, a description of any lease agreements between the applicant and proposed users of the project and a history and description of the user's business.

(9) If the project is a multiple dwelling, 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 or resale restrictions to apply to the dwelling units respecting low- or moderate-income housing.

(10) Such other pertinent information as the City Council may require.

C. Exemptions and abatements on residential dwellings.

(1) Exemptions. With regard to the exemption from taxation of improvements to dwellings, in determining the value of real property, the City shall regard the first \$25,000 in Assessor's full and true value of improvements for each dwelling unit primarily and directly affected by the improvement in any dwelling more than 20 years old, as not increasing the value of the property for a period of five 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 an abatement is granted pursuant to Subsection C(2) of this section, or there is damage to the dwelling through action of the elements sufficient to warrant a reduction.

(2) Abatements for improvements. The City Council may abate some portion of the

assessed value of property receiving the abatement as it existed immediately prior to the improvement. An abatement for a dwelling may be granted with respect to that property for a total of up to five years, but the annual amount of the abatement granted to any single property shall not exceed 30% of the annual amount of the abatement granted under this article. The abatement period and the annual percentage of the abatement to be granted shall be set forth in the specific ordinance which may include a schedule providing for a different percentage of abatement up to 30% for each year of the abatement period.

(3) Abatement for new construction and/or conversions. The City Council may abate some portion of the assessed valuation of construction of new dwellings or of conversions of other buildings and structures, including unutilized public buildings, to dwelling use, or both. In determining the value of real property, the municipality shall regard a percentage, not to exceed 30% of the Assessor's full and true value of the dwelling constructed, or conversion alterations made, as not increasing the value of the property for a total up to five years, notwithstanding that the value of the property upon which the construction or conversion occurs is increased thereby. The abatement period and the annual percentage of the abatement to be granted shall be set forth in the specific ordinance, which may include a schedule providing for a different percentage of abatement, up to 30%, for each year of the abatement period.

(4) Joint abatement and exemption. A project-specific ordinance providing for exemption may also provide for the abatement of some portion of the assessed value of property receiving the abatement of 30% as it existed immediately prior to the improvement or conversion alteration. The

annual amount of the abatement shall not exceed 30% of the total cost of the improvement or conversion alteration, and the total amount of abatement and exemption granted to any single property shall not exceed the total cost of the improvement or conversion alteration. The abatement period and the annual percentage of the abatement to be granted shall be set forth in the specific ordinance which may include a schedule providing for a different percentage or abatement, up to 30%, for each year of the abatement period.

D. Exemptions and abatements on commercial and industrial structures.

(1) With regard to the exemption from taxation of improvements to commercial or industrial structures in determining the value of real property, the municipality shall regard up to the Assessor's full and true value of the improvements as not increasing the value of the property for a period of five 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 structure through action of the elements sufficient to warrant a reduction.

(2) With regard to exemptions and/or abatements for any improvements other than single-family residential property, the City shall authorize exemption for improvements on an individual basis after review, evaluation and approval of each application by the City Council.

§ 80-2 – Additional improvements, conversion and/or construction; eligibility for exemption and abatement.

An additional improvement, conversion or construction completed on a property granted a previous exemption or abatement pursuant to this article during the period in which such previous

exemption or abatement is in effect shall be qualified for an exemption, or exemption and abatement, just as if such property had not received a previous exemption or abatement. In such a case, the additional improvement, conversion or construction shall be considered as separate for the purposes of calculating exemptions and abatements pursuant to this article, except that the assessed value of any previous improvement, conversion or construction shall be added to the assessed valuation as it was prior to that improvement, conversion, alteration or construction for the purpose of determining the assessed valuation of the property from which any additional abatement is to be subtracted.

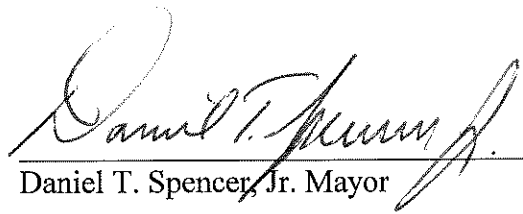
§80-3 – Long-term tax exemption.

Upon approval of a specific ordinance authorizing an agreement for tax exemption for a particular project, the City Council shall enter into a written agreement with the applicant for the exemption of full real property taxes. The agreement shall provide for the applicant to pay to the City of Gloucester City, in lieu of full property tax payments, an amount annually in accordance with N.J.S.A. 40A:20-1 et seq.

§80-4 – Ineligibility of property for which property taxes or penalties are due.

No exemption or abatement shall be granted, or tax agreement entered into, pursuant to this article with respect to any property for which property taxes are delinquent or remain unpaid or for which penalties for nonpayment of taxes are due.


2. All Ordinances contrary to the provisions of this Ordinance are hereby repealed to the extent that they are inconsistent herewith.
3. This Ordinance shall take effect upon passage and publication according to law.



Daniel T. Spencer, Jr. Mayor

Passed on First Reading: January 2, 2020

Adopted by the Mayor and Common Council of Gloucester City this 23rd day of January, 2020



Vanessa Parent, RMC, City Clerk

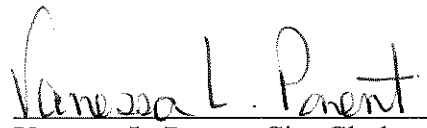
PUBLIC MEETING

NOTICE is hereby given that the foregoing ORDINANCE was introduced and passed at a meeting of the Common Council of the City of Gloucester City, County of Camden, New Jersey, held on the 2nd day of January, 2020 and will be considered for final passage after a public hearing at a meeting of the Common Council of the City of Gloucester City to be held on the 23rd day of January, 2020 at 7:30 pm in the evening prevailing time at 313 Monmouth Street, Gloucester City, New Jersey.



Vanessa L. Parent, City Clerk

I hereby certify that the foregoing ORDINANCE was approved for final adoption by the Mayor and Common Council of the City of Gloucester City, County of Camden, State of New Jersey at a regularly scheduled meeting held on the 23rd day of January, 2020.



Vanessa L. Parent, City Clerk