

**MANSFIELD TOWNSHIP  
BURLINGTON COUNTY**

**ORDINANCE 2018-14**

**AN ORDINANCE TO AMEND A REDEVELOPMENT PLAN  
AUTHORIZED UNDER ORDINANCE 2017-4 WITHIN THE  
US HIGHWAY ROUTE 206 REDEVELOPMENT AREA**

**WHEREAS**, by Ordinance 2017-4, the Township Committee of the Township of Mansfield adopted a “Redevelopment Plan”, for certain properties identified as an “area in need of redevelopment” pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., which properties are specifically listed in Ordinance 2017-4; and

**WHEREAS**, said Redevelopment Plan identified as, among its purposes, the economic development of the Municipality through the creation of redevelopment areas and the establishment of various incentives; and

**WHEREAS**, identified, among its purpose, that “this Redevelopment Plan encourages private sector investment through supportive government regulations, policies and programs, including tax policies and expedited review of proposals that support commercial and light industrial development in the redevelopment area” [Redevelopment Plan, page 8, paragraph B(b), B(1)(a)]; and

**WHEREAS**, the Plan nevertheless omitted such tax policies or incentivizations authorized under both the New Jersey Redevelopment and Housing Law, the New Jersey Long Term Exemption Law, N.J.S.A. 40A:20-1 et seq., and the New Jersey Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1 et seq., and the Township Committee desires to amend said Redevelopment Plan to include among the various tools to advance redevelopment, and policies for incentivization of developers to invest private capital in the redevelopment of the Route 206 Redevelopment Area, the ability to secure, through appropriate processes, either long-term, or five-year, financial agreements;

**NOW, THEREFORE, BE IT ORDAINED AND ENACTED** by the Township Committee of the Township of Mansfield, County of Burlington and State of New Jersey as follows:

**Article I – Redevelopment Plan Amended**

The “Redevelopment Plan: U.S. Route 206 Northern Area”, adopted by Ordinance 2017-4, is hereby amended to add the following new Article III, to be inserted between Articles II “Affordable Housing Provisions”, and IV “Relationship to Municipal Development Regulations” the following:

**III. Financial Incentives.** The Township Committee shall be empowered under N.J.S.A. 40A:12A-1 et seq., N.J.S.A. 40A:21-1 et seq., and N.J.S.A. 40A:20-1 et seq., to allow for the implementation of alternative tax structures to assist in realizing the Redevelopment Plan objective and to make redevelopment projects economically feasible. The establishment of redevelopment

agreements including provisions for short-term or long-term tax abatement or exemption may benefit the Township by making private investment in the properties attractive and feasible, and by increasing the long-term value of the properties. The alternative tax structures may be mutually beneficial for the Township and the redeveloper. Each project and payment structure shall be subject to an individualized program through negotiation and shall be based on the specific circumstances and development budget.

“A. Five-Year Exemption and Abatement Law (N.J.S.A. 40A:21-1 et seq.). The short-term exemption and abatement is an inducement for property owners to invest in their properties, as it ensures that the improvements will not result in an immediate increase in their property taxes. This tool may be used in the redevelopment and rehabilitation area for adaptive re-use and improvements to existing buildings, construction of new buildings, and the improvement or expansion of commercial or industrial structures. Tax exemption may be granted from property taxes on all or a portion of the added assessed value from an improvement or new construction. A Payment in Lieu of Taxes (“PILOT”) may then be established along with a schedule for phasing into full taxation at the end of a five-year period. Abatement may be granted to reduce the taxes for a portion of the existing assessed value of a property. Abatement is potentially available for the conversion of non-residential structures to residential use, for the construction of residential dwellings and for new commercial and industrial buildings, but not for improvements to existing commercial or industrial buildings.

“B. Long-Term Exemption Law (N.J.S.A. 40A:20-1 et seq.). In order to utilize long-term exemption the redevelopment project must have a public purpose linked to the Redevelopment Plan, it must be limited to a specific time period (up to 30 years), and the profits of the corporation receiving the exemption must be limited. The exemption applies to the value of the new improvements, not to the value of the land. Long-term exemptions may only be granted to an Urban Renewal Entity – a private corporation formed for the purpose of undertaking redevelopment. The Urban Renewal Entity must apply to the Township for tax exemption, and must provide all required information about the project, architectural plans, site plans, estimated project costs, sources of private

capital funds, and a fiscal plan for the project, as well as such other information that the Township deems appropriate in order to evaluate the request. Instead of paying property taxes, the redeveloper pays an annual service charge to the municipality, referred to as a “PILOT” (payment in lieu of taxes). The amount is established as part of the Financial Agreement pursuant to N.J.S.A. 40A:20-1 et seq. The PILOT may be a percentage of the total project cost or the annual gross revenue. The PILOT is phased into full taxation by the end of the exemption period.”

**ARTICLE II. Repealor; Severability; Effective Date.**

- A. Repealor:** Any and all ordinances inconsistent with the terms of this Ordinance are hereby repealed to the extent any such inconsistencies.
- B. Severability:** In the event that any clause, paragraph or section of this Ordinance is deemed to be unenforceable or invalid for any reason, it is hereby declared to be the intention of the governing body that the balance of the Ordinance shall nevertheless remain in full force and effect.
- C. Effective Date:** This Ordinance shall take effect upon proper passage in accordance with the law.