

ORDINANCE NO. 2025- 6

AN ORDINANCE AUTHORIZING A PILOT AGREEMENT FOR PROJECT TAX EXEMPTION FOR VARIOUS APPLICANTS.

WHEREAS, Ordinance No. 2019-11, passed on final reading by City Council on February 26, 2019, provides that Project Tax Exemption Agreements be authorized by an Ordinance of the City of Vineland; and

WHEREAS, said Ordinance No. 2019-11 further provides that the City of Vineland shall enter into a written agreement with the applicant for the exemption of local real property taxes, said agreement providing for the applicant to pay to the City of Vineland, in lieu of full property tax payments, an amount annually to be computed by one, but in no case a combination, of the formulas as described in N.J.S.A. 40A:21-10, said tax exemption agreement to be effective for a period of not more than 5 years starting with the date of completion of the project; and

WHEREAS, Application for Project Tax Exemption under P.L. 1991,c.441 (N.J.S.A. 40A:21-1 et. seq.), has been submitted by LJR Real Estate, LLC, 1138 E. Chestnut Avenue, Block 4212, Lot 2707/C0007, which Application has been approved by the Tax Assessor and recommended for approval by the governing body; now, therefore,

BE IT ORDAINED by the Council of the City of Vineland as follows:

1. THAT the application of LJR Real Estate, LLC, 1138 E. Chestnut Avenue, Block 4212, Lot 2707/C0007, for Project Tax Exemption under P.L. 1991, c.441 (N.J.S.A.40A:21-1 et. seq.), be and the same is hereby approved for processing pursuant to Ordinance No. 2019-11.

2. THAT the City of Vineland shall enter into a tax exemption agreement (hereafter "PILOT Agreement") with LJR Real Estate, LLC, 1138 E. Chestnut Avenue, Block 4212, Lot 2707/C0007, (hereafter "Company") whereby LJR Real Estate, LLC shall make regular payments to the City in lieu of full property taxes.

3. The PILOT Agreement shall provide, inter alia, as follows:

a. Assessments on Unimproved Land: The Company in addition to the amounts described in subparagraph (d) below, shall pay an amount equal to the real estate taxes assessed against the unimproved land upon which the construction project will be located. This amount shall be based upon the taxable assessment of the property, as shown on the most recently-completed assessment roll adopted by the City prior to the execution of the PILOT Agreement, multiplied by the tax rate(s) upon which real property taxes are assessed in each year by or for each taxing jurisdiction.

b. PILOT Payments: The Company agrees that it shall make regular payments in lieu of property taxes in the amounts and at the times provided for in the Agreement. The payments due to the Municipality hereunder shall be paid by the Company to the Municipality by check made payable to "The City of Vineland."

c. Duration of Exemption: Pursuant to N.J.S.A. 40A:21-1 et seq., for a period of five (5) years following the completion of the Project, and so long as the PILOT Agreement remains in full force and effect, the full value of the new construction shall be exempt from real estate taxes. Exemption means that portion of the tax assessor's full and true value of the construction not regarded as increasing the taxable value of the property pursuant to the New Jersey Tax Exemption and Abatement Law. Such exemption shall be noted on the City's

assessment roll prepared subsequent to the completion of the Project. The Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the property until the Project shall be entitled to exempt status.

d. New Construction: With regard to the new construction valuation (land and buildings) which is created as a result of the construction of buildings and site improvements associated with the Project, the Company shall monthly pay to the City in lieu of full property tax payments an amount not less than a percentage of taxes otherwise due, according to the following schedule:

1) In the first full tax year after completion, no payment in lieu of taxes otherwise due;

2) In the second full tax year after completion, an amount not less than twenty percent (20%) of the taxes otherwise due;

3) In the third full tax year after completion, an amount not less than forty percent (40%) of the taxes otherwise due;

4) In the fourth full tax year after completion, an amount not less than sixty percent (60%) of the taxes otherwise due;

5. In the fifth full tax year after completion, an amount not less than eighty percent (80%) of the taxes otherwise due.

e. Allocation of Payments in Lieu of Tax: Payments in lieu of property taxes received hereunder, and in accordance with the PILOT agreement to be ratified by City Council, shall be allocated to the General Fund of the City of Vineland.

f. Breach or Termination of Agreement: In accordance with N.J.S.A. 40A:21-12, if during any tax year prior to the termination of the PILOT agreement, the Company and/or property owner (1) ceases to operate or disposes of the property, or (2) defaults on any loan obligation secured by the property, or (3) submits an application containing any misrepresentation of a material fact, or (4) is more than thirty (30) days delinquent in the payment of the property taxes or the payment in lieu of taxes on the subject property, or (5) fails to file the annual certification with the Assessor on or before December 1<sup>st</sup> of each calendar year during the term of this agreement, or (6) fails to meet any other condition for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The City shall notify the property owner and tax collector forthwith and the tax collector shall within 15 days thereof notify the owner of the property of the amount of taxes due.

However, with respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption and abatement shall continue, and the agreement shall remain in effect.

g. Termination of the Agreement: At the termination of the PILOT Agreement, the Project shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a Project, at the termination of the PILOT Agreement, from qualifying for and receiving the full benefits of any other tax preferences provided by law.

h. Ratification of the Agreement: Prior to taking effect, the Agreement authorized herein must be ratified by City Council.

4. THAT the Tax Assessor of the City of Vineland shall notify the Planning Board of said approval of Applications for Project Tax Exemption submitted by applicants as stated above.

5. THAT the Mayor and City Clerk of the City of Vineland are hereby authorized to execute agreements for said Project Tax Exemption with applicants as stated above.

BE IT FURTHER ORDAINED that this Ordinance shall take effect after final approval and publication as provided by law.

Passed first reading: January 28, 2025

Passed final reading: February 11, 2025

\_\_\_\_\_  
President of Council      pfs

Approved by the Mayor:

\_\_\_\_\_  
Mayor                      arf

ATTEST:

\_\_\_\_\_  
City Clerk                      kp

Pilot 2025-2029

RECEIVED  
JAN 02 2025  
VINELAND  
TAX ADMIN.

### APPLICATION FOR FIVE-YEAR EXEMPTION AND/OR ABATEMENT

Pursuant to N.J.S.A. 40A:21-1 et seq.; P.L. 1991, c. 441, as amended by P.L. 2007, c. 268  
AND AS AUTHORIZED BY MUNICIPAL ORDINANCE

Applications must be filed with municipal assessors within 30 days (including Saturdays & Sundays) of completion of construction, improvements, conversion, conversion alteration. Late applications will be denied.

COUNTY: Cumberland MUNICIPALITY: Vineland

#### I. IDENTIFICATION

Applicant Name: LJR Real Estate LLC Name of Officer (if corporate owner): John Ruga, Manager

Phone Number: (856) 765-9088 Email Address: jruga@northeastprecast.com

Mailing Address/Corporate Headquarters: 4081 S. Lincoln Avenue

City: Vineland State: NJ ZIP: 08361

Property Location (Street Address): 1138 E. Chestnut Avenue, Building 6

Block: 4212 Lot: 2707 Qualifier: C0007

Unit #  
00023219  
\$85,400

(Bou)

#### II. PROJECT INFORMATION

This Application is for  tax exemption  tax abatement  both.

A. The subject property is a one or two family dwelling upon which claimant has completed:

- New Construction;
- Conversion or alteration of a building or structure into a dwelling;
- Improvement of an existing dwelling. Indicate age of dwelling: \_\_\_\_\_

B. The subject property is a multiple dwelling, commercial or industrial structure upon which claimant has completed:

- Construction of a multiple dwelling under a tax agreement;
- Construction of a commercial or industrial structure under a tax agreement;
- Improvement to a multiple dwelling;
- Improvement to a commercial or industrial building or structure; **(Interior and Exterior Renovation)**
- Conversion or alteration of a building or structure to a multiple dwelling.

If increasing the volume of an existing multiple dwelling, commercial or industrial structure, please indicate the percentage of volume increased: \_\_\_\_\_%

#### C. Project Details

I. Date of completion of new construction, conversion, or improvement: Est. 12/15, 2024.

II. Total cost of project: \$759,337.00 (**Material cost = \$546,937.00; See Attached**)

III. Brief description of the nature and type of construction, conversion, or improvement.  
Interior and Exterior renovation of office building to be used as Engineering and surveying office

#### D. Other Information

1. Were prior five-year exemptions/abatements granted on this property?  No  Yes, amount: \$ \_\_\_\_\_
2. Are there delinquent property taxes or nonpayment tax penalties due on the property?  No  Yes
3. Attach all required documentary proofs. (Assessor may require copy of ordinance, copy of executed tax agreement between applicant and municipal governing body, project descriptions, plans, drawings, cost estimates, etc.)

#### III. Certification

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Signature John Ruga

Title (If Applicable) Manager

Date 11/15/24

#### FOR OFFICIAL USE:

APPROVED  DISAPPROVED

Assessor [Signature] Date 12/31/24

STATE OF NEW JERSEY
WORKSHEET FOR EXEMPTION AND/OR ABATEMENT
Pursuant to P.L. 1991, c441 (N.J.S.A. 40A:21-1 et. Seq.)

ASSESSOR'S USE ONLY

Municipality Vineland
LJR Real Estate LLC
Name of Owner
Block 4212 Lot 2707/C0007

County Cumberland
1138 E Chestnut Ave
Address of owner
Vineland, NJ 08360

1. Claim for exemption is [X] Approved [ ] Disapproved

Determination of Exemption

2. This exemption may be granted on the improvement, conversion alteration, or new construction.

- (a) Assessed value of buildings or structures immediately prior to the Improvement, conversion alteration, or new construction. \$ 489600
(b) Assessed value of property including the improvements, Conversion alteration, or new construction. \$ 575000
(c) Assessed value of improvement, conversion alteration, or new construction. [line 2(b) - line 2(a)] \$ 85400
(d) Amount of assessed value of improvement, conversion alteration or New construction exempted by ordinance. [line 2(c) - line 2(d)] \$ 85400
(e) Taxable portion of assessed value of improvement, conversion alteration, Or new construction not allowed an exemption. [line 2(c) - line 2(d)] \$ 0

3. Claim for abatement [X] Approved [ ] Disapproved.

Calculation of Abatement

4. This abatement may be granted only on the assessed value of the property as it existed immediately prior to the improvement, Conversion alteration, or new construction.

- (a) Assessed value of the property immediately prior to improvement, Conversion alteration, or new construction. \$ 489600
(b) Total cost of improvement, conversion alteration, or new construction. (See application Section III (B)) \$ 85400
(c) Abatement as prescribed by ordinance
i. First Year 2025 100% X = 85400 \$ 85400
ii. Second Year 80 % X = 85400 \$ 68300
iii. Third Year 60 % X = 85400 \$ 51200
iv. Fourth Year 40 % X = 85400 \$ 34200
v. Fifth Year 20 % X = 85400 \$ 17100
(d) Taxable portion of assessed value of the property not allowed an exemption. [line 2(e)] \$ 0
(e) Taxable Value of Property\*
First Year line 4(a) + line 4(b) - line 4(c) i. \$ 489600
Second Year line 4(a) + line 4(b) - line 4(c) ii. \$ 506700
Third Year line 4(a) + line 4(b) - line 4(c) iii. \$ 523800
Fourth Year line 4(a) + line 4(b) - line 4(c) iv. \$ 540800
Fifth Year line 4(a) + line 4(b) - line 4(c) v. \$ 557900

12/31/24
Date

[Signature]
Assessor's Signature

\* If the authorizing ordinance provides varying exemption or abatement amounts annually, a separate worksheet should be completed for each successive year in order to determine the taxable value of the property.