

**Highlands Borough Mayor & Council Meeting Agenda
Community Center, 22 Snug Harbor Avenue, Highlands
Wednesday, May 15th 2019, 7:00 p.m.**

As per requirement of Public Law 1975, Chapter 231, notice is hereby given that this is a Regular Meeting of the Borough of Highlands Mayor and Council and all requirements have been met. Notice has been transmitted to the Asbury Park Press and the Two River Times. Notice has been posted on the public bulletin board. Formal Action will be taken.

Call to Order
Meeting Statement
Roll Call

EXECUTIVE SESSION: 7:00PM

Contract Negotiations: Solid Waste & Recycling Collection & Disposal
Shared Service - BOE
Attorney Client Privilege: Concession of Property
COAH

REGULAR MEETING: 8:00PM

Call to Order
Pledge of Allegiance
Roll Call

Consent Agenda

R-19-139 Approve Payment of the Bills
R-19-140 Approve Memorial Day Parade & Memorial Service of American Legion Post 143
R-19-141 Approve Insertion of \$22,789.82 in the 2019 Budget Revenue Available from the Summer Food Grant
R-19-142 Approving Disabled Parking Space
R-19-143 Approve Waiver of Alcohol Ban for Community Center

Resolutions

R-19-144 Permit Extension of Noise Ordinance Restrictions for The Proving Ground on 5/26/2019
R-19-145 Authorize Submission of Layoff Plan to the Civil Service Commission
R-19-146 Authorize Mayor to Send a Letter in Opposition to Gov. Murphy's Proposed State Budget Shifts which impact the NJ Firemen's Association
R-19-147 Authorize Award of Contract for Solid Waste & Recycling Collection & Disposal Services

Ordinances: Introduction & First Reading

O-19-11 Amend Chapter 2, Section 41A – Summer Recreation Fees
O-19-12 Bond Ordinance Providing Improvements to Cornwell Street & John Street
O-19-13 Amend Section 2-8.5 to Establish Eligibility of New Construction of Certain Dwellings for Tax Abatements

Other Business

DBIZ Money

Administrator's Report
Police Chief's Report
Engineer's Report

Public Comments:

Adjourn



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-139

AUTHORIZING BILLS LIST

WHEREAS, certain numbered vouchers have been submitted to the Borough of Highlands for payment from a list, prepared and dated May 14th 2019, which totals as follows:

Current Fund	\$ 317,473.56
Sewer Account	\$ 23,535.76
Capital Fund	\$ 16,088.28
Trust-Other	\$ 3,457.79
Federal/State Grants	\$ 5,488.22
Total	\$366,043.61

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Highlands that the vouchers, totaling **\$366,043.61** be paid to the person[s] named, for the amounts set opposite their respective name[s], and endorsed and approved on said vouchers. An individual listing of all bills is posted on the borough website at www.highlandsborough.org and on file in the Municipal Clerk's office for reference.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-140

RESOLUTION APPROVING MEMORIAL DAY PARADE AND MEMORIAL SERVICE OF THE AMERICAN LEGION POST 143

WHEREAS, the American Legion Post 143 is sponsoring the Borough of Highlands Memorial Day Parade on Saturday, May 25, 2019 at 12:00 p.m.; and

WHEREAS, the parade will depart from Huddy Park and conclude at Veteran's Park where a short Memorial Service will be held.

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Highlands that it hereby approves the Memorial Day Parade and Memorial Service of the American Legion Post 143 to be held on Saturday, May 25, 2019 at 12:00 p.m.

BE IT FURTHER RESOLVED, that a copy of this Resolution certified by the Borough Clerk to be a true copy be forwarded to the American Legion Post 143.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-141

REQUESTING APPROVAL OF INSERTION OF \$22,789.82 IN THE 2018 BUDGET REVENUE AVAILABLE FROM THE SUMMER FOOD PROGRAM GRANT

WHEREAS, N.J.S.A. 40:4-87 provides that the Director of Local Government Services may approve the insertion of any special item of revenue in the budget of any municipality when such item shall have been made available by law and the amount thereof was not determined at the time of the adoption of the budget, and

WHEREAS, said Director may also approve the insertion of any item of appropriation for equal amount.

NOW, THEREFORE, BE IT RESOLVED that the Borough of Highlands hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2019 in the sum of \$22,789.82 which item is now available as a revenue from the Summer Food Program Grant.

BE IT FURTHER RESOLVED that a like sum of \$22,789.82 be and the same is hereby appropriated under the caption of:

Summer Food Program Grant.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-142

RESOLUTION APPROVING DISABLED PARKING SPACE

WHEREAS, an application for a Disabled Parking Designation was submitted to the Highlands Police Department by Ms. Tina Talmadge, Guardian of Anthony Talmadge, 2 Rodgers Street, Apt. A-10; and

WHEREAS, Ms. Talmadge has submitted all the necessary documentation and payment including a copy of the Disabled Person Identification card issued by the New Jersey Motor Vehicle Commission; and

WHEREAS the Chief of Police has reviewed the application and recommends the approval of said Disabled Parking Designation.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Highlands that the application for Disabled Parking Designation for the following is hereby approved:

Name: Anthony Talmadge
Location: 2 Rodgers Street, Apt. A-10



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-143

RESOLUTION APPROVING REQUEST FOR WAIVER OF ALCOHOL BAN FOR COMMUNITY CENTER RENTAL

WHEREAS, the Borough of Highlands has received an application for rental of the Community Center from a resident seeking to host a graduation party; and

WHEREAS, the residents have requested a waiver of the alcohol prohibition in order to serve alcohol to the guests of this private event; and

WHEREAS, the resident will obtain the necessary insurance coverage required to allow alcohol at the private event.

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Borough of Highlands, that Michael Cannon's request for a waiver of the alcohol prohibition is approved for the private event to be hosted on July 20th 2019;

BE IT FURTHER RESOLVED, that as a condition of this approval the applicant has provided the Borough Clerk with a certificate of insurance coverage naming the Borough of Highlands as an additional insured, subject to the Borough Administrator's review and approval.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-144

RESOLUTION PERMITTING AN EXTENSION OF NOISE ORDINANCE RESTRICTIONS ON MAY 26th 2019 FOR MEMORIAL DAY WEEKEND FOR THE PROVING GROUND

WHEREAS, the Borough of Highlands has adopted ordinances pursuant to its general police powers to control noise within the Borough; and

WHEREAS, Borough Code, Chapter 3-2 et seq., regulates noise and sets forth the enforcement mechanism pertaining to the same; and

WHEREAS, Borough Code, Chapter 3-2.2 et seq., sets forth prohibited noise which shall be unlawful during nighttime hours; and

WHEREAS, Borough Code, Chapter 3-2.1(f) sets forth, in part, that nighttime hours shall mean 9:00 p.m. through 7:00 a.m., Sunday through Thursday; and

WHEREAS, a request has been made that the noise ordinance be extended for one (1) hour to 10:00 p.m. on May 26th 2019 to allow for an additional hour of music with the following day being a legal holiday; and

WHEREAS, the governing body has determined that it would be appropriate, proper and in the best interests of the Borough to allow for this limited exemption for the Proving Ground on May 26, 2019.

NOW, THEREFORE, BE IT RESOLVED, by the Borough of Highlands governing body that the request made, to extend the nighttime hours established by the Noise Ordinance in Chapter 3, Section 2.1(f) of the Borough Code is hereby granted, wherein the nighttime hours established by the aforesaid Borough Code are hereby extended for a period of one (1) hour, until 10:00 p.m. on May 26th 2019 for the Proving Ground; and

BE IT FURTHER RESOLVED, that the Borough Clerk is hereby directed to transmit a certified copy of this Resolution to the Chief of Police and the Code Enforcement Officer for the Borough of Highlands.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-145

RESOLUTION AUTHORIZING SUBMISSION OF LAYOFF PLAN AND RECONCILIATION PLAN TO THE CIVIL SERVICE COMMISSION

WHEREAS, for reasons of economy and efficiency, the Borough has concluded that it can more inexpensively and effectively provide dispatch services to its residents by engaging in a shared services arrangement with the County of Monmouth rather than continuing dispatch services primarily through part-time employees; and

WHEREAS, the proposed Shared Services Agreement with Monmouth County would result in a more dependable level of hours of operation for the public, while reducing the cost of operating the Dispatch services; and

WHEREAS, the Borough has explored the cost associated with continuing to provide Dispatch services primarily through the use of part-time employees, as compared to the reduced cost of having the County provide such services, and the cost associated with the continued operation of Dispatch services by the Borough significantly exceeds the anticipated cost of such a shared services arrangement; and

WHEREAS, the Borough has prepared a Civil Service layoff plan, in accordance with N.J.A.C. 4A:8-1.4 that, if approved in the same or substantially similar format as submitted to the Civil Service Commission, would result in cost savings and improved service for the Borough residents; and

WHEREAS, the Borough has prepared a Reconciliation Plan, in accordance with N.J.S.A. 40A:65-11 that, if approved in the same or substantially similar format as submitted to the Civil Service Commission, would result in cost savings and improved service for the Borough residents.

NOW, THEREFORE BE IT RESOLVED, that the Administrator of the Borough of Highlands be and is hereby authorized to submit to the Civil Service Commission a Layoff Plan as well as a Reconciliation Plan, and to enact the said plans in the same or substantially similar form should the said plans be approved by the Civil Service Commission.

BE IT FURTHER RESOLVED that the Administrator is herewith authorized to implement the terms of the Civil Service layoff plan and reconciliation plan as is necessary and consistent therewith.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-146

RESOLUTION AUTHORIZING THE MAYOR TO SEND A LETTER IN OPPOSITION TO GOVERNOR MURPHY'S PROPOSED STATE BUDGET SHIFTS WHICH IMPACTS THE NEW JERSEY STATE FIREMEN'S ASSOCIATION

WHEREAS, Governor Murphy's proposed budget for 2020 would shift \$33 million that is set aside for both career and volunteer firefighters to provide relief during financial hardships for medical bills, job loss and funeral expenses, to the general fund in order to plug a hole in the proposed budget; and

WHEREAS, the Borough of Highlands opposes Governor Murphy's proposed budget shift; and

WHEREAS, the New Jersey State Firemen's Association is requesting that the Borough send a letter to Governor Murphy opposing this shift of funds.

NOW, THEREFORE, BE IT RESOLVED, that the Borough Council of the Borough of Highlands hereby authorizes the Mayor to send a letter to Governor Murphy opposing any use of the Firemen's Association funds to plug gaps in the 2020 Proposed State Budget by shifting such funds to the general fund.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 19-147

RESOLUTION AUTHORIZING THE AWARD OF A CONTRACT FOR SOLID WASTE AND RECYCLING COLLECTION AND DISPOSAL SERVICES

WHEREAS, by way of Resolution 18-222, duly adopted on October 17, 2018, the Borough authorized the advertisement of bids for solid waste and recyclable materials collection; and

WHEREAS, by way of Resolution 19-059, duly adopted on January 16, 2019, the present contract with Suburban Disposal, Inc. for the collection of solid waste and recyclable materials was extended until May 29, 2019, and

WHEREAS, in accordance with Resolution 18-222 and pursuant to N.J.S.A. 40A:11-1 et. seq., the Borough advertised and solicited bids for solid waste and recyclable material collection services; and

WHEREAS, in accordance with the aforesaid advertisement and solicitation of bids, _____ submitted the only bid for such services; and

WHEREAS, the Borough has determined that the aforesaid bid proposal met the specifications of this bid and _____ was determined to be a responsible bidder; and

WHEREAS, in accordance with the aforesaid bid, _____, set forth the following proposal to provide solid waste and recyclable collection material to the Borough for a period of three (3) years:

	<u>Solid Waste</u>	<u>Recycling</u>	<u>Total</u>
Year 1	_____	_____	_____
Year 2	_____	_____	_____
Year 3	_____	_____	_____
Totals:	_____	_____	_____

WHEREAS, certification of availability of funds is hereby provided by the Chief Financial Officer of the Borough of Highlands;

I hereby certify that funds are available as follows:

Patrick DeBlasio, Chief Financial Officer

NOW, THEREFORE BE IT RESOLVED, that the Borough hereby awards the contract for solid waste and recycling collection services to_____, for a period of three (3) years at the aforesaid rates, in accordance with the terms contained in the Bid Specifications and Proposal.

BE IT FURTHER RESOLVED, that this award is subject to the continued appropriation of necessary funds in the local municipal budget beyond the current year.

BE IT FURTHER RESOLVED, that the Mayor be and is hereby authorized to execute such contract as well as any and all documents necessary to effectuate the award of this contract as contained herein.

BE IT FURTHER RESOLVED, that the Municipal Clerk is hereby directed to cause notice of this award to be published in accordance with applicable law and shall maintain a copy of the Contract on file for public inspection.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded to_____, the Public Works Superintendent as well as the Borough Engineer.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

ORDINANCE 19-11

AN ORDINANCE AMENDING CHAPTER 2, SECTION 41A OF THE CODE OF THE BOROUGH OF HIGHLANDS

WHEREAS, the Borough of Highlands runs a Summer Recreation Program for children; and

WHEREAS, the governing body finds that it is in the best interest of the Borough to change the registration fees as well as the age requirements for participation in the said program.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Highlands, County of Monmouth, State of New Jersey, as follows:

SECTION I.

Borough Code, Section 2-41A entitled "Registration Fees for Summer Recreation Program" shall be amended as follows: (All additions are shown in **bold italics with underlines**. The deletions are shown as **~~strikeovers in bold italics~~**).

2-41A.1 Fees.

The Borough of Highlands runs a summer recreation program **for children between the ages of five (5) and fourteen (14)** by and through the Recreation Department. In order to participate in the said recreation program registrants are required to properly complete a Registration Form. In conjunction with the completion of the said Registration Form, the following fees will be collected by the Borough:

Residents of the Borough and Non-Resident employees of the Borough who submit their Registration Forms on or before June ~~15th~~ 20th of each year, shall pay a registration fee of ~~\$35.00 for the first two (2) children and \$10.00 for each additional child~~ **\$20.00 per week per child as well as \$5.00 per week per child for aftercare;**

Non-Residents of the Borough who submit their Registration Forms on or before June ~~15th~~ 20th of each year, shall pay a registration fee of ~~\$50.00 for the first two (2) children and \$15.00 for each additional child~~ **\$60.00 per week per child as well as \$15.00 per week per child for aftercare;**

Residents of the Borough and Non-Resident Employees of the Borough, who submit their Registration Forms after June ~~15th~~ 20th of each year, but at least one (1) week prior to the beginning of the program, shall pay a ~~registration fee in the amount of \$50.00 for the first two (2) children and \$15.00 for each additional child~~ **\$10.00 late fee;**

Non-Residents of the Borough, who submit their Registration Forms after June ~~15th~~ 20th of each year, but at least one (1) week prior to the beginning of the program, shall pay a ~~registration fee in the amount of \$75.00 for the first two (2) children and \$15.00 for each additional child \$30.00 late fee.~~

Registrants who submit their Registration Forms after June ~~15th~~ 20th of each year up until one (1) week prior to the beginning of the Summer Program will be accepted into the program based upon availability. Registration Forms submitted later than one (1) week prior to the beginning of the Summer Program will not be accepted. Those Registration Forms submitted with the required fees which are not accepted into the program will have the fees refunded to the applicant. Proof of residency in the Borough shall be required. For purposes of this section, a resident is defined as a person having permanent domicile within the Borough of Highlands. A determination as to entry into the program and as to the required fees shall be made by the Director of the Recreation Department and/or the Borough Administrator or his/her designee.

SECTION II. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance, which shall otherwise remain in full force and effect.

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

SECTION IV. EFFECTIVE DATE. This Ordinance shall take effect after final passage as provided by law.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

ORDINANCE 19-12

AN ORDINANCE OF THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY, PROVIDING FOR IMPROVEMENTS TO CORNWELL STREET AND JOHN STREET AND OTHER RELATED EXPENSES FOR THE BOROUGH OF HIGHLANDS AND APPROPRIATING \$650,000 THEREFOR (INCLUDING A GRANT IN THE AMOUNT OF \$225,000 EXPECTED TO BE RECEIVED FROM THE NEW JERSEY DEPARTMENT OF TRANSPORTATION), AND PROVIDING FOR THE ISSUANCE OF \$650,000 IN GENERAL IMPROVEMENT BONDS OR NOTES OF THE BOROUGH OF HIGHLANDS TO FINANCE THE SAME

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL MEMBERS THEREOF AFFIRMATIVELY CONCURRING) AS FOLLOWS:

Section 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Borough of Highlands, in the County of Monmouth, New Jersey (the "Borough") as a general improvement. For the improvement or purpose described in Section 3 hereof, there is hereby appropriated the sum of money therein stated as the appropriation made for the improvement or purpose, such sum amounting to \$650,000 (including \$225,000 expected to be received in a grant from the State of New Jersey, Department of Transportation). No down payment is required as this bond ordinance involves a project funded by State grants or other similar programs, within the meaning of N.J.S.A. 40A:2-11(c).

Section 2. In order to finance the cost of the improvement or purpose provided for hereunder, negotiable bonds are hereby authorized to be issued in the principal amount of \$650,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3.

- (a) The improvements hereby authorized and the purpose for which the bonds or notes are to be issued are improvements to Cornwell Street and John Street located in the Borough, including, but not limited to,
- (i) sanitary sewer improvements consisting of the replacement of

existing gravity sanitary sewer main, manholes, laterals and cleanouts, (ii) storm sewer improvements consisting of the replacement of existing pipe and structures, and (iii) roadway improvements consisting of concrete improvements and roadway reconstruction for Cornwell Street between Bay Avenue and Shrewsbury Avenue and John Street between Cornwell Street and Jackson Street, together with all purposes necessary, incidental or appurtenant thereto, and including all work and materials necessary therefor or incidental thereto.

- (b) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose is as stated in Section 2 hereof.
- (c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation herein made therefor.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no note shall mature later than one year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to the provisions of N.J.S.A. 40A:2-8.1. The chief financial officer is hereby authorized to sell part or all of the notes from time to time, at not less than par and accrued interest, at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The chief financial officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

Section 5. The capital budget or temporary capital budget, as applicable, of the Borough is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. In the event of any such inconsistency and amendment, the resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget or temporary capital budget, as applicable, and capital program as approved by the Director of the Division of Local Government Services is on file with the Municipal Clerk and is available there for public inspection.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

- (a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense. It is an improvement or purpose the Borough may lawfully undertake as a general improvement, and

- no part of the costs thereof have been or shall be specially assessed on property specially benefitted thereby.
- (b) The period of usefulness of the improvement or purpose, within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 15 years.
 - (c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Municipal Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$650,000 and the obligations authorized herein will be within all debt limitations prescribed by that Law.
 - (d) An amount not exceeding \$80,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purpose or improvement.
 - (e) The Borough reasonably expects to commence acquisition and/or construction of the improvement or purpose described in Section 3 hereof, and to advance all or a portion of the costs in respect thereof, prior to the issuance of bonds or notes hereunder. To the extent such costs are advanced, the Borough further reasonably expects to reimburse such expenditures from the proceeds of the bonds or notes authorized by this bond ordinance, in an aggregate not to exceed the amount of bonds or notes authorized in Section 2 hereof.

Section 7. Any grant moneys received for the purpose described in Section 3 hereof shall be applied either to direct payment of the costs of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 8. The full faith and credit of the Borough is hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 9. The Borough hereby covenants to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the bonds and notes authorized hereunder as is or may be required under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code"), including compliance with the Code with regard to the use,

expenditure, investment, timely reporting and rebate of investment earnings as may be required thereunder.

Section 10. To the extent that any previous ordinance or resolution is inconsistent herewith or contradictory hereto, said ordinance or resolution is hereby repealed or amended to the extent necessary to make it consistent herewith.

Section 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by Section 10 hereof and the Local Bond Law.



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

ORDINANCE 19-13

AN ORDINANCE AMENDING SECTION 2-8.5 OF THE BOROUGH CODE TO ESTABLISH ELIGIBILITY OF NEW CONSTRUCTION OF CERTAIN DWELLINGS FOR TAX ABATEMENTS

WHEREAS, pursuant to N.J.S.A. 40A:21-4, the Borough has the authority to adopt an Ordinance setting forth the eligibility of dwellings, multiple dwellings, and commercial and industrial structures for tax exemptions or abatements in areas in need of rehabilitation; and

WHEREAS, Ordinance 12-24 previously renewed a five-year tax exemption and abatement program pertaining to the entirety of the Borough; and

WHEREAS, the governing body of the Borough of Highlands has determined that it is in the best interest of the Borough to amend Section 2-8.5 to allow for a tax abatement for the new construction of four (4) or more single family homes that are constructed on contiguous lots.

NOW, THEREFORE, BE IT ORDAINED by the governing body of the Borough of Highlands as follows:

SECTION I.

Borough Code Section 2-8.5 "Exemption and Abatement from Taxation Pursuant to N.J.S.A. 40A:21-1" shall be amended as follows: (All additions are shown in **bold italics with underlines**. The deletions are shown as **~~strikeovers in bold italics~~**).

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. Any exemption provided by this section shall not exceed five (5) years. In accordance with N.J.S.A. 40A:21-1 et seq., the eligibility for exemptions provided by this subsection shall expire in ten (10) years.

b. Definition of Terms. Unless otherwise specifically provided in this subsection the definition of all words and terms used in this section shall be those provided in N.J.S.A.

Highlands Borough Mayor & Council Meeting Agenda
Community Center, 22 Snug Harbor Avenue, Highlands
Wednesday, May 15th 2019 – 7:00 p.m.

40A:21-1 entitled "The Five-Year Exemption and Abatement Law" (hereinafter referred to as "the Exemption Law").

c. *Area in Need of Rehabilitation.* In accordance with N.J.S.A. 40A:12A-14 and N.J.S.A. 40A:21-3 and -4, the entire Borough of Highlands is hereby designated an area in need of rehabilitation.

d. *Eligibility.* **New Construction of four (4) or more single family homes that are constructed on contiguous lots,** Multiple dwelling, commercial and industrial structures, which qualify pursuant to the Exemption Law, shall be eligible for exemptions from taxation as provided in this section for improvements, conversions, construction or all of these. Additionally, any such property seeking an exemption as provided herein (1) must not be delinquent in property taxes owed; and (2) must comply with current Zoning Code requirements. Any property receiving an exemption pursuant to the provisions herein shall immediately forfeit the exemption should property taxes on the property become delinquent.

e. *Exemptions for Improvements to or Construction of Multiple Dwellings, Conversions of Other Buildings to Multiple Dwelling Use **or the Construction of Four (4) or More Single Family Homes that are Constructed on Contiguous Lots.*** The Borough shall provide the following exemptions to the extent permitted by law and by the provisions of these sections.

1. Exemptions for Improvements to or Construction of and Conversion to Multiple Dwellings **or New Construction of four (4) or more single family homes that are constructed on contiguous lots.**

(a) There shall be an exemption from taxation of improvements to multiple dwellings or of conversions of other buildings and structures, including unutilized public buildings, to dwelling use or both.

(1) Tax exemptions for improvements to multiple dwellings shall only be available if the number of units within the multiple dwelling complies with current zoning restrictions either at the time of the improvements or as a result of the improvements.

(2) Conversions of structures to multiple dwelling use shall not be eligible for the exemptions provided herein.

(3) In determining the value of real property, the Borough shall regard 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. 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 multiple dwelling through action of the elements sufficient to warrant a reduction.

(b) There shall be an exemption from taxation for improvements of the assessed valuation of the new construction of four (4) or more single family homes that are constructed on contiguous lots, provided that the construction is in compliance with the current Zoning Code. In determining the value of the improvements, the Borough shall regard the following percentages of the assessor's full and true value of the improvements as exempt from taxation for a total of five (5) years. The exemption period and annual percentage is set forth below:

(1) Year One: 30% of the improvements.

(2) Year Two: 24% of the improvements.

(3) Year Three: 18% of the improvements.

(4) Year Four: 12% of the improvements.

(5) Year Five: 6% of the improvements.

In accordance with N.J.S.A. 40A:21-5(d), the annual amount of the abatement shall not exceed 30% of the total cost of the construction and the total amount of the abatements granted to any single property shall not exceed the total cost of construction.

2. Improvements to Commercial and Industrial Structures. There shall be an exemption from taxation of improvements to all commercial and industrial structures within the Borough. In determining the value of real property, the Borough 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 (5) 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.

f. *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 the tax phase-in basis set forth in N.J.S.A. 40A:21-10(c) and below:

- (a) In the first full year after completion, no payment in lieu of taxes otherwise due;
- (b) In the second full year after completion, an amount not less than twenty (20%) percent of taxes otherwise due;
- (c) In the third full year after completion, an amount not less than forty (40%) percent of taxes otherwise due;
- (d) In the fourth full year after completion, an amount not less than sixty (60%) percent of taxes otherwise due;
- (e) In the fifth full year after completion, an amount not less than eighty (80%) percent of taxes otherwise due.

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.

SECTION II. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance, which shall otherwise remain in full force and effect.

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

SECTION IV. EFFECTIVE DATE. This ordinance shall take effect immediately upon its passage and publication in accordance with law.