

ORDINANCE NO. 2017- 88

AN ORDINANCE AUTHORIZING PILOT AGREEMENTS  
FOR PROJECT TAX EXEMPTION FOR VARIOUS  
APPLICANTS.

WHEREAS, Ordinance No. 2009-15, passed on final reading by City Council on March 10, 2009, provides that Project Tax Exemption Agreements be authorized by an Ordinance of the City of Vineland; and

WHEREAS, said Ordinance No. 2009-15 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 following 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, Applications for Project Tax Exemption under P.L. 1991,c.441 (N.J.S.A. 40A:21-1 et. seq.), have been submitted by:

Levari Brothers Realty Co, LLC  
396 N. Mill Road  
Block 2604, Lot 14

Lidl US Operations, LLC  
1107 W. Landis Avenue  
Block 3503, Lot 7.2

which Applications have 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 applications of

Levari Brothers Realty Co, LLC  
396 N. Mill Road  
Block 2604, Lot 14

Lidl US Operations, LLC  
1107 W. Landis Avenue  
Block 3503, Lot 7.2

for Project Tax Exemption under P.L. 1991, c.441 (N.J.S.A.40A:21-1 et. seq.), be and the same are hereby approved for processing pursuant to Ordinance No. 2009-15.

2. THAT the City of Vineland shall enter into a tax exemption agreement (hereafter “PILOT Agreement”) with each applicant (hereafter “Company”) whereby each Company 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:

Passed final reading:

Approved by the Mayor:

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

\_\_\_\_\_  
Mayor

ATTEST:

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

\$2,489,800

Pilot 2018-2022

ack 2/18/20

Form E/A-1 (Rev. 11/96) STATE OF NEW JERSEY APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, CONVERSION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441 (N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE. (Italicized words are defined in law excerpts on reverse side)

Municipality VINELAND County CUMBERLAND This application must be filed with the assessor within 30 days following completion of the improvement, conversion or conversion alteration, or construction.

I. I/we, LEVARI BROTHERS REALTY CO, LLC, residing/having offices at 396 N. MILL ROAD (Name of Applicant) (Address)

in the Municipality of VINELAND in the County of CUMBERLAND hereby make claim for a tax exemption and/or abatement of taxes, pursuant to P.L. 1991, Chapter 441, and the authorizing municipal ordinance, for premises located at 396 N. MILL ROAD which is further described as Block 2604, Lot 14 on the Tax Map of the municipality.

II. COMPLETE THE APPLICABLE SECTION "A" OR "B" The following statements are made in support of this claim: A. The subject property is a one or two family dwelling upon which claimant has completed: New construction; Conversion or conversion alteration of a building or structure into a dwelling; Improvement of an existing dwelling. B. The subject property is a multiple dwelling, commercial or industrial structure: Improvement to a multiple dwelling; Conversion or conversion alteration of building or structure to a multiple dwelling; Improvement to a commercial or industrial building or structure; Construction of multiple dwelling under tax agreement; Construction of commercial or industrial structure under tax agreement.

III. ALL APPLICANTS MUST COMPLETE THIS SECTION A. Date of completion of new construction, conversion, or improvement NOVEMBER, 19 2017. B. Total cost of project \$ 3,100,000 C. Brief description of the nature and type of construction, conversion, or improvement. APPROXIMATELY 60,000 SQUARE FT COLD STORAGE FACILITY 186' X 281' BUILDING / 81' X 56' DOCK

IV. Prior exemptions and/or abatement granted under P.L. 1991, c.441 amount to \$ See ATTACHED; 2008 - POLE BARN - BLAST FREEZER (State "none" if no prior exemptions have been granted on subject premises.) 2010 - COLD STORAGE FACILITY Attached hereto is proof of all matters required (Assessor may require copy of ordinance, evidence of governing body's approval of categories of improvements or specific project improvements, and such additional proof as may be required to establish eligibility.) 2014 - COLD STORAGE FACILITY Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant. There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

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.

Date 11-3-17

Signature [Handwritten Signature]

Title (if any) Owner [Handwritten Signature] (Assessor)

Date 11-22-17 [X] Approved [ ] Disapproved

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law and may be reproduced for distribution, but no alteration may be made therein without prior approval.

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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
Levari Brothers Realty Co LLC
Name of Owner
Block 2604 Lot 14

County Cumberland
396 N Mill Rd
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.

Table with 2 columns: Description and Amount. Rows include assessed value of buildings, property including improvements, improvement value, and taxable portion.

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

Calculation of Abatement

3. 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.

Table with 2 columns: Description and Amount. Rows include assessed value of property, total cost of improvement, and abatement percentages for years 1 through 5.

(d) Taxable portion of assessed value of the property not allowed an exemption. [line 2(e)] \$ 0

Table with 2 columns: Description and Amount. Rows show taxable value of property for years 1 through 5, calculated as line 4(a) + line 4(d) - line 4(c).

11/22/17
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.

Pilot 2018 - 2022

act# 22721

# 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: Lidl US Operations, LLC Name of Officer (if corporate owner): Brenden Proctor

Phone Number: (571) 414-1268 Email Address: christopher.allen@lidl.us

Mailing Address/Corporate Headquarters: 3500 S Clark Street

City: Arlington State: VA ZIP: 22202

Property Location (Street Address): 1107 W Landis Avenue, Vineland NJ 08360-4101

Block: 3503 Lot: 7.2 Qualifier: \_\_\_\_\_



## 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;
- 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: 100 %

### C. Project Details

I. Date of completion of new construction, conversion, or improvement: October 27, 2017.

II. Total cost of project: \$ 7,933,171.

III. Brief description of the nature and type of construction, conversion, or improvement.

Lidl constructed a new grocery store on a vacant site. The store opened in November of 2017.

### 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 See attachment F
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]  
Signature

See attachment G Title (If Applicable) 11/27/17 Date

### FOR OFFICIAL USE:

APPROVED  DISAPPROVED

[Signature] Assessor 11/27/17 Date

[Handwritten mark]

WORKSHEET FOR EXEMPTION AND/OR ABATEMENT

Pursuant to P.L. 1991, c441 (N.J.S.A. 40A:21-1 et. Seq.)

alt # 22721

ASSESSOR'S USE ONLY

Municipality Vineland
Name of Owner Lidl US Operations, LLC
Block 3503 Lot 7.2

County Cumberland
Address of owner 1107 W Landis Ave
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.

Table with 2 columns: Description and Amount. Rows include assessed value of buildings, property including improvements, amount of assessed value of improvement, and taxable portion of assessed value.

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

Calculation of Abatement

3. 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.

Table with 2 columns: Description and Amount. Rows include assessed value of property, total cost of improvement, abatement as prescribed by ordinance (100%, 80%, 60%, 40%, 20%), and taxable portion of assessed value not allowed an exemption.

(d) Taxable portion of assessed value of the property not allowed an exemption. [line 2(e)] \$ 0

Table with 2 columns: Description and Amount. Rows include Taxable Value of Property\* for First Year through Fifth Year.

11/27/2017
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.