

**THE TOWNSHIP OF EWING
COUNTY OF MERCER, NEW JERSEY**

ORDINANCE NO. 16-15

1st Reading 9-13-16

Date to Mayor 9-28-16

2nd Reading &
Public Hearing 9-27-16

Date Returned _____

Date Adopted:
9-27-16

Date Resubmitted to Council _____

Approved as to Form of Legality

Effective Date:
10-17-16

Township Attorney

AN ORDINANCE AUTHORIZING THE EWING TOWNSHIP REDEVELOPMENT AGENCY TO ENTER INTO AN AGREEMENT WITH SRI REAL ESTATE PROPERTIES, LLC (SRI) A/K/A SONIC IN WHICH SRI WILL PAY EWING TOWNSHIP, IN LIEU OF FULL PROPERTY TAXES, AN AMOUNT EQUAL TO A PERCENTAGE OF TAXES OTHERWISE DUE UNDER THE FIVE YEAR EXEMPTION AND ABATEMENT LAW, N.J.S.A. 40A:21-1 ON THE VALUE OF PHYSICAL IMPROVEMENTS MADE

First Reading

MEMBER	AYE	NAY	ABS	NV	RES	SEC
Baxter	X					
Keyes-Maloney	X					
Steward	X				X	
Wollert	X					X
Schroth	X					

Second Reading

MEMBER	AYE	NAY	ABS	NV	RES	SEC
Baxter	X					
Keyes-Maloney				X		
Steward	X				X	
Wollert	X					X
Schroth	X					

By _____ Date _____ Accepted _____ Rejected _____
Mayor

Reconsidered
By Council _____ Override Vote YEA _____ NAY _____

President of the Council

Municipal Clerk

**THE TOWNSHIP OF EWING
COUNTY OF MERCER, NEW JERSEY**

ORDINANCE NO. 16-15

AN ORDINANCE AUTHORIZING THE EWING TOWNSHIP REDEVELOPMENT AGENCY TO ENTER INTO AN AGREEMENT WITH SRI REAL ESTATE PROPERTIES, LLC (SRI) A/K/A SONIC IN WHICH SRI WILL PAY EWING TOWNSHIP, IN LIEU OF FULL PROPERTY TAXES, AN AMOUNT EQUAL TO A PERCENTAGE OF TAXES OTHERWISE DUE UNDER THE FIVE YEAR EXEMPTION AND ABATEMENT LAW, N.J.S.A. 40A:21-1 ON THE VALUE OF PHYSICAL IMPROVEMENTS MADE

BE IT ORDAINED by the Township Council of the Township of Ewing that the Ewing Township Redevelopment Agency is authorized to enter into an Agreement with SRI Real Estate Properties, LLC (“SRI”) A/K/A Sonic in which SRI will pay the Township of Ewing (“Township”), in lieu of full property taxes, an amount equal to a percentage of taxes otherwise due on the portion of the assessed value at the completion of the project above the assessment at the time of the commencement of the project.

Section 1:

The Ewing Township Redevelopment Agency has received an application from SRI to redevelop an area located within the Olden Avenue Redevelopment Area, identified as Block 40.01, Lot 3, and such application also requests financial assistance in the form of a tax exemption and abatement pursuant to the Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, et seq.

The Ewing Township Redevelopment Agency has negotiated an agreement with SRI, such agreement being formally approved and accepted by the Ewing Township Redevelopment Agency on July 6, 2016; and

SRI qualifies for a tax abatement on the physical improvements under N.J.S.A. 40A:21-1, et seq.; SRI shall be responsible for the payment of taxes on the existing assessment of the subject property of \$300,000, and the abatement shall apply to the difference between such existing value and the assessed value of the property upon completion of the project. In other words, the abatement will apply to the assessed value of the project’s improvements on the property.

In accordance with N.J.S.A. 40A:21-10(c), the Township is authorized to enter into an agreement with SRI in which SRI will pay to the Township, in lieu of full property tax payments, an amount equal to a percentage of taxes otherwise due on the value of the project’s improvements on the property, according to the following schedule:

- (1) In the first full tax year after completion (2016), no payment in lieu of taxes otherwise due;
- (2) In the second tax year (2017), an amount not less than 20% of taxes otherwise due;
- (3) In the third tax year (2018), an amount not less than 40% of taxes otherwise due;
- (4) In the fourth tax year (2019), an amount not less than 60% of taxes otherwise due;
- (5) In the fifth tax year (2020), an amount not less than 80% of taxes otherwise due;
- (6) In the sixth tax year (2021), an amount not less than 100% of taxes otherwise due.

The amounts equal to taxes currently being paid on the property to the Ewing Township Board of Education, the County of Mercer, and the Township of Ewing will remain constant over the period of the agreement.

Section 2. This ordinance shall take effect upon final adoption and publication in accordance with law.

STATEMENT

This Ordinance authorizes the Ewing Township Redevelopment Agency to enter into an agreement with SRI Real Estate Properties, LLC (“SRI”) A/K/A Sonic under the Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, et seq. on the value of improvements made.

Adopted: