

**Application for Tax Exemption  
Commercial, Industrial & Multiple Dwellings**

AN ORIGINAL AND FOUR (4) COPIES OF THE APPLICATION SHALL BE SUBMITTED TO THE BOROUGH CONSTRUCTION OFFICE, ALONG WITH APPLICABLE FEES AND THE EA-1 FORM, NO LATER THAN THIRTY (30) DAYS FOLLOWING COMPLETION OF THE PROJECT, INCLUDING SATURDAYS AND SUNDAYS. "COMPLETION" MEANS THE ISSUANCE OF A TEMPORARY CERTIFICATE OF OCCUPANCY, CONTINUING CERTIFICATE OF OCCUPANCY, FINAL CERTIFICATE OF OCCUPANCY FOR THE IMPROVEMENT IN QUESTION OR OTHER DETERMINATION OF COMPLETION BY THE BOROUGH. AN APPLICATION MAY BE FILED AT ANY TIME PRIOR TO SUCH DEADLINE AND THE BOROUGH ENCOURAGES APPLICANTS TO SEEK APPROVAL AS EARLY AS POSSIBLE, PREFERABLY PRIOR TO COMMENCING CONSTRUCTION, FOR ALL PROJECTS OTHER THAN LTEL PILOTS, FOR WHICH APPLICATIONS MUST BE SUBMITTED PRIOR TO THE COMMENCEMENT OF CONSTRUCTION.

THE UNDERSIGNED HEREBY CERTIFIES TO THE BOROUGH OF HADDON HEIGHTS AS FOLLOWS WITH THE INTENT THAT THE STATEMENTS CONTAINED HEREIN ARE MADE IN INDUCEMENT OF A TAX EXEMPTION PURSUANT TO THE FIVE-YEAR EXEMPTION AND ABATEMENT LAW, N.J.S.A. 40A:21-1 ET SEQ.:

**APPLICANT INFORMATION:**

Name of Applicant: \_\_\_\_\_

Address of Applicant: \_\_\_\_\_

Registered agent and address: \_\_\_\_\_

Name and addresses of all stockholders or partners owning a 10% or greater interest:

Name	Address	Percent Owned
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**PROPERTY INFORMATION:**

Block \_\_\_\_\_, Lot \_\_\_\_\_, Qual \_\_\_\_\_

Street address of the proposed project site: \_\_\_\_\_

Metes and bounds description of the Project Site: (Attach a copy)

Current Assessment:

LAND:

IMPROVEMENTS:

TOTAL:

**PROJECT INFORMATION:** Applicant may attach additional sheets as necessary to address each item.

1. Description of the Proposed Project: A general statement of the nature of the proposed project, outlining the area included and a description of each unit thereof if the project is to be undertaken in units and setting forth any architectural and site plans as may be necessary to provide an accurate description. Attach a copy of plans, drawings and other documents that will give the governing body a complete understanding of the project.
  
2. Project Cost: A detailed breakdown of the total estimated project cost including a signed and sealed architect's certification as to the estimated construction costs.
  
3. Leases. Provide a description of any lease agreements between the applicant and proposed users of the project, and a history and description of the users' businesses.
  
4. Multiple Dwellings. If the project is a multiple dwelling, a description of the number and types of dwelling units to be provided, a description of the common elements or general common elements, and a statement of the proposed initial rentals or sales prices of the dwelling units according to type and of any rental lease or resale restrictions to apply to the dwellings' units respecting low or moderate income housing;

5. Project Revenue: A projection of the total estimated Annual Gross Revenue pursuant to N.J.S.A. 40A:20-3(h). including estimates as to: annual gross revenue, expenditures for operation and maintenance, payments for interest, amortization of debt and reserves, and payments to the municipality to be made pursuant to a financial agreement to be entered into with the municipality.
  
6. Project Financing: Describe the method of financing the project, including but not limited to a recapitulation of relevant financing terms (to the extent known), and the identification of funding sources.
  
7. Employment. Provide a description of the number, classes and type of employees to be employed at the project site within two years of completion of the project;
  
8. Reason. Provide a statement of the reasons for seeking tax exemption and abatement on the project, and a description of the benefits to be realized by the applicant if a tax agreement is granted.

9. Estimate of Payments. Provide an estimate of the tax payments that would be made annually by the Application on the project during the period of the Agreement; and estimated tax payments that would be made by the applicant on the project during the first full year following the termination of the tax agreement.

10. Additional Information. The Borough may request such other information as it deems necessary to evaluate the application.

**CERTIFICATION:**

I hereby certify that:

1. The proposed Project complies with the Haddon Heights Redevelopment Plan, and
2. The undertaking conforms to all applicable municipal ordinances (or any variances that may have been granted by the Planning Board); its completion will meet an existing need, and the Project accords with the Master Plan of the Borough as it currently exists or as it will be amended, and
3. For LTTTEL PILOT Projects, construction of the Project has not commenced, nor will it commence prior to the final approval and execution of a Financial Agreement between the Borough and the Applicant, and
4. No officer or employee of the Borough has any direct or indirect personal or financial interest in the Project which is the subject of this application.

**(ENTITY NAME)**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## APPLICATION FEE SCHEDULE

The following fees are to be paid at the time of application. 50% of the application fee shall be refunded to the applicant in the event the application is rejected.

Fees are established based on the estimated cost of the improvement:

- A. \$0 to \$50,000 = 1% of the estimated construction cost.
- B. \$50,001 to \$150,000 = 1.1% of the estimated construction cost
- C. \$150,001 to \$300,000 = 1.2% of the estimated construction cost
- D. \$300,001 to \$500,000 = 1.3% of the estimated construction cost
- E. \$500,001 and above = 1.5% of the estimated construction cost

# 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: \_\_\_\_\_ MUNICIPALITY: \_\_\_\_\_

### I. IDENTIFICATION

Applicant Name: \_\_\_\_\_ Name of Officer (if corporate owner): \_\_\_\_\_

Phone Number: (\_\_\_\_) \_\_\_\_\_ Email Address: \_\_\_\_\_

Mailing Address/Corporate Headquarters: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Property Location (Street Address): \_\_\_\_\_

Block: \_\_\_\_\_ Lot: \_\_\_\_\_ 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: \_\_\_\_\_%

C. Project Details

I. Date of completion of new construction, conversion, or improvement: \_\_\_\_\_, 20\_\_\_\_.

II. Total cost of project: \$ \_\_\_\_\_.

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

\_\_\_\_\_  
\_\_\_\_\_

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 mad 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 \_\_\_\_\_ Title (If Applicable) \_\_\_\_\_ Date \_\_\_\_\_

#### FOR OFFICIAL USE:

APPROVED  DISAPPROVED \_\_\_\_\_ Assessor \_\_\_\_\_ Date \_\_\_\_\_

## GENERAL INFORMATION AND INSTRUCTIONS

1. **Availability:** The Five-Year Exemption and/or Abatement is discretionary on the part of the municipal government. For Exemption/Abatement to apply, there must first be an area in the municipality designated by the local government as “in need of rehabilitation.” Then, there must be an enabling ordinance enacted by the local governing body. The ordinance may identify various rehabilitation areas in the municipality, the types of structures and rehabilitation/redevelopment efforts which may be eligible, as well as the availability of exemption or abatement or both.
2. **Filing Deadline:** EA-1 Applications must be filed with the municipal assessor within 30 days (including Saturdays & Sundays) of completion of the construction, improvement, conversion, or conversion alteration. Late applications will be denied. No applications can be filed or take effect unless a valid timely ordinance is in force. Completion means substantially ready for the intended use for which a building/structure is constructed, improved, or converted.

### 3. Terms Defined per N.J.S.A. 40A:21-3:

Abatement—that portion of a property’s assessed value as it existed prior to construction, improvement, conversion of a tax exempted building/structure thereon.

Exemption—that portion of an assessor’s full and true value of any construction, improvement or conversion alteration not increasing the property’s taxable value.

Construction—providing new dwellings, multiple dwellings or commercial/industrial structures. Or enlarging existing multiple dwellings or commercial/industrial structures by more than 30% but not changing the existing use.

Conversion/Conversion Alteration—altering or renovating a nonresidential building, structure, hotel, motel, motor hotel, or guesthouse to convert it from its previous use to a dwelling/multiple dwelling.

Improvement—modernizing, rehabilitating, renovating, altering, repairing which produces a physical change in an existing building or structure....but does not change its permitted use. It does not include repairs for fire or other property damage for which insurance payments were received within three years of applying for the Five-Year Exemption/Abatement. For multiple dwellings, it includes only improvements to common areas or elements or three or more dwelling units ...For multiple dwellings or commercial/industrial structures it does not include ordinary painting, repairs, replacement of maintenance items or the enlargement of an existing structure by more than 30%.

Dwelling—a building or part of a building used or held for use as a home or residence, including accessory buildings on the premises. Individual condominium and cooperative units and individual residences within a horizontal property regime are also considered dwellings. The “common elements” of a horizontal property regime, cooperative, or condominium, are not considered “dwellings” but are defined as “multiple dwellings.”

Multiple Dwelling—a building or structure fitting the definition of “multiple dwelling” in the “Hotel and Multiple Dwelling Law,” (see N.J.S.A. 55:13A-3), and also the “common elements” or “general common elements” of a condominium, a cooperative, or a horizontal property regime.

Commercial or Industrial Structure—a structure or part thereof used for the manufacturing, processing or assembling of material or manufactured products, or for research, office, industrial, commercial, retail, recreational, hotel or motel facilities, or warehousing purposes, or for any combination thereof.

4. **Start Date of Exemption/Abatement:** As amended by P.L.2007, c. 268, Five-Year Tax Exemptions and/or Abatements take effect as of a project’s completion date, except for projects subject to tax agreements for which the effective date of exemption/abatement is January 1 of the year following the year the project is completed. **For projects under tax agreements, Added Assessments are applicable** in the interim period between completion and January 1<sup>st</sup>. **For exemption/abatement projects not under tax agreements,** taxes to be paid are prorated based on an annual period using a property’s current year assessed value minus the prorated exemption/abatement amount plus any portion of assessed value of the construction, improvement, or conversion not exempted which is also prorated based on an annual period.

Annual period—a duration of 365 days, (366 days when February has 29 days), beginning on the date an exemption or abatement for a project becomes effective, i.e., the project’s completion date.

5. **Payments in Lieu of Taxes (PILOTS):** PILOTS are the payment mechanism within an exemption/abatement program and are only applied to exempt or abated properties. PILOTS cannot be utilized independently outside of an exemption/abatement. The Five-Year Exemption/Abatement Law provides three kinds of in lieu payments: cost basis; gross revenue basis; tax phase-in basis. A tax agreement between the applicant and municipal governing body will determine if there is a PILOT for the property and which kind of in lieu payment will be utilized.