TOWNSHIP OF VERONA
COUNTY OF ESSEX, NEW JERSEY

TOWNSHIP COUNCIL AGENDA - ADDENDUM

REGULAR MEETING 7:00 P.M. August 3, 2026

MUNICIPAL BUILDING, 600 BLOOMFIELD AVENUE

Via the internet, please click the link below to join the meeting:
https://zoom.us/j/95262662770
Via telephone, please dial 1(312)626-6799 or 1(646)558-8656
Use Zoom Meeting ID**:** 952-6266-2770, when prompted for a Participant ID, press #

ADDENDUM

M. ADDENDUM

1. Discussions
   a. Town Center/Business Support
   b. Ordinance – Downtown Building Short Term Tax Abatement
   c. SME Selection

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2026-

CREATION OF CHAPTER 168 OF THE CODE OF THE TOWNSHIP OF VERONA ENTITLED "FIVE YEAR TAX EXEMPTION AND ABATEMENT"

BE IT ORDAINED, by the Township Council of the Township of Verona, County of Essex, New Jersey as follows:

SECTION 1. There is hereby established Chapter ___ of the Code of the Township of Verona entitled "Five year Tax Exemption and Abatement" to read as follows:

§ ____-1 Legislative findings.

The Legislature of the State of New Jersey has determined that various statues authorized by N.J. Const. Art. 8, § 1, par. 6, permitting municipalities to grant, for periods of five years, exemptions from taxation in areas in need of rehabilitation, have proven to be effective in promoting construction and rehabilitation of residential structures in areas threatened with economic and social decline. The Legislature adopted Chapter 441 of the Laws of 1991 (N.J.S.A. 40A:21-1 et seq.) so as to consolidate and make more coherent the most useful features of such statutes. Chapter 441 provides that if the governing body of a municipality determines that there are trends in the municipality toward deterioration which it believes will, unless countered by such incentive, inexorably tend toward further deterioration, the governing body may adopt an ordinance granting tax exemptions throughout the municipality to the same extent as if the municipality's neighborhoods had been determined to be in need of rehabilitation. It is the opinion of the Township Council of the Township of Verona that in the present economic times there exists an unwillingness of some owners of residential property to properly maintain and improve their properties. This fear arises out of the perception of such persons that the making of such improvements will cause taxes, which they already find burdensome, to rise. These feelings create a circle whereby repairs and improvements are delayed. As a result, deterioration begins to set in and inexorably the circle continues until the neighborhood itself begins to deteriorate. The Township Council of the Township of Verona believes that by exempting for a limited period such improvements from taxation, much of the unwillingness and fear noted would be dissipated and such owners and investors would be encouraged to rehabilitate and improve their properties. By doing so, they would improve the Township of Verona and preserve for the future. The Township Council of the Township of Verona, being cognizant of these facts, does hereby grant the tax exemptions set forth in this article.

§ 520-2Definitions.

A. As used in this article, the following terms shall have the meanings indicated:

ASSESSOR: The Assessor of the Township of Verona or any other official or body of the Township of Verona charged with the duty of assessing real property for the purpose of general taxation.

COMPLETION: Substantially ready for the intended use for which a building or structure is improved.

DWELLING: A building or part of a building used, to be used or held for use as a residence, including accessory buildings located on the same premises, together with the land upon which such building or buildings are erected and which may be necessary for the fair enjoyment thereof but shall not mean any building or part of a building defined as a "multiple dwelling" pursuant to the Hotel and Multiple Dwelling Law, P.L. 1967, c. 76 (N.J.S.A. 55:13A-1 et seq.). A dwelling shall include, as they are separately conveyed to individual owners, individual residences within a cooperative, if purchased separately by the occupants thereof, and individual residences within a horizontal property regime or a condominium but shall not include general common elements of such horizontal property regime or condominium, as defined pursuant to the Horizontal Property Act, P.L. 1963, c. 168 (N.J.S.A. 46:8A-1 et seq.), or the Condominium Act, P.L. 1969, c. 257 (N.J.S.A. 46:8b-1 et seq.), or of a cooperative if the residential units are owned separately.

EXEMPTION: That portion of the Assessor's full and true value of any improvement, conversion, alteration or construction not regarded as increasing the taxable value of a property pursuant to this article.

HORIZONTAL PROPERTY REGIME: A property submitted to a horizontal property regime pursuant to the Horizontal Property Act, P.L. 1963, c. 168 (N.J.S.A. 46:8A-1 et seq.).

IMPROVEMENT: A modernization, rehabilitation, renovation, alteration or repair which produces a physical change in an existing building or structure that improves the safety, sanitation, decency or attractiveness of the building or structure as a place for human habitation or work and which does not change its permitted use. In no case shall it include the repair of fire or other damage to a property for which payment of a claim was received by any person from an insurance company at any time during the three-year period immediately preceding the filing of an application pursuant to this article.

B. The above definitions are meant to mirror the definitions set forth in N.J.S.A. 40A:21-3. To the extent that such definitions differ from those set forth here, the definitions set forth therein shall govern.

§ ___-3 Tax exemption amount declared.

Dwellings. In determining the value of real property, the Township of Verona shall regard the first $25,000 in the Assessor's full and true value of improvements for each dwelling, primarily and directly affected by the improvement in any such dwelling more than 20 years old, as not increasing the value of the property for a period of five 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 dwelling through action of the elements sufficient to warrant a reduction.

§ ___-4 Action of the Assessor.

The Assessor shall determine, on October 1 of the year following the date of completion of an improvement, the true taxable value thereof. The amount of tax to be paid for the first full tax year following completion shall be based on the assessed valuation of the property for the previous year, plus any portion of the assessed valuation of the improvement, conversion or construction not allowed an exemption pursuant to this article. The property shall continue to be treated in the appropriate manner for each of the next five tax years subsequent to the original determination by the Assessor.

§ ____-5 Additional improvements.

An additional improvement completed on a property granted a previous exemption during the period in which such previous exemption is in effect shall be qualified for an exemption just as if such property had not received a previous exemption. In such case, the additional improvement shall be considered as separate for the purpose of calculating the exemption, except that the assessed value of any previous improvement shall be added to the assessed valuation as it was prior to that improvement for the purpose of determining the assessed valuation of the property from which any additional exemption is to be subtracted.

§ ____-6 Delinquent taxes.

No exemption shall be granted with respect to any property for which property taxes are delinquent or remain unpaid or for which penalties for nonpayment of taxes are due.

§ ___-7Application to be filed.

No exemption shall be granted except upon written application therefor filed with and approved by the Assessor. Every application shall be on a form prescribed by the Director of the Division of Taxation in the Department of the Treasury and provided for the use of claimants of the taxing district and shall be filed with the Township Assessor within 30 days, including Saturdays and Sundays, following the completion of the improvement. Every application for exemption which is filed within the time specified shall be approved and allowed by the Township Assessor to the degree that the application is consistent with the

provisions of this article, provided that the improvement for which the application is made qualified as an improvement pursuant to the provisions of this article. The granting of an exemption shall be recorded and made a permanent part of the official tax records of the Township of Verona, which record shall contain a notice of the termination date thereof.

§ ___-8 Taxes to which exemption applies.
The exemption of real property taxes provided by this article shall apply to property taxes levied for municipal purposes, school purposes and county government purposes and for the purposes of funding any other property tax exemptions.

§ ___-9 Criteria for tax agreements for exemptions and abatements for improvements or construction of commercial, industrial and multiple dwellings.

The Township Council may approve and enter into tax agreements for the exemption and abatement from taxation for projects located in all zones within the Township, except… (do you want any exceptions?).

§ ___-10 The Township shall provide for the exemption from taxation of improvements to commercial or industrial structures, it shall require that, in determining the value of real property, the Township 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 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.

§ ___-11 Approval of tax agreements for exemptions and abatements of projects, new construction of commercial and industrial structures and multiple dwellings.

A. Review Committee.

(1) Prior to consideration by the Township Council for approval, all applications shall be reviewed within 60 days of receipt by a Review Committee consisting of the following Township officials:

(a) Township Administrator.
(b) Chief Financial Officer.
(c) Township Assessor.

(2) In addition, the Township Administrator may include certain outside consultants as members of the Review Committee, including the Township Appraiser and Special Counsel for Tax Matters as the Administrator deems appropriate. In addition to meeting to review applications, the Review Committee shall meet periodically to review the Township's tax abatement program and make recommendations to the Township Council with respect thereto. The Review Committee shall provide regular reports to the Township Council concerning its activities, including compliance reports for all financial agreements.

B. Payment in lieu of taxes. All owners of projects subject to exemption and abatement pursuant to the approval and execution of a tax agreement shall be charged and obligated to make payments in lieu of full property taxes of an annual amount computed by the tax phase-in formula, as authorized by N.J.S.A. 40A:21-10, as follows: The agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount equal to a percentage of taxes otherwise due, according to the following schedule:

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

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

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

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

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

ATTEST:

JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK

NOTICE
I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED ON THE LEGAL PUBLIC NOTICES PAGE OF THE TOWNSHIP WEBSITE (VERONANJ.ORG/LEGALPUBLICNOTICES) ON XXX AND XXXX.

JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK

INTRODUCTION:
PUBLIC HEARING:
EFFECTIVE DATE: