

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

RESOLUTION No. 2026-210

A motion was made by Councilman Roman; seconded by Councilman Schor that the following resolution be adopted:

**ESTABLISHING A SUBCOMMITTEE TO NEGOTIATE A PILOT REVENUE
SHARING AGREEMENT WITH THE VERONA BOARD OF EDUCATION
AND DIRECTING THE SUBCOMMITTEE TO COME TO AN MUTUAL
UNDERSTANDING WITH THE BOARD OF EDUCATION'S
SUBCOMMITTEE OF HOW PILOTS ARE IMPLIMENTED, FINANCED AND
THE IMPACT ON THE VERONA SCHOOL LEVY**

WHEREAS, the Township of Verona approved Payments in Lieu of Taxes (PILOT) agreements under the Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.) to encourage redevelopment with less density and fewer living units while also meeting its Constitutional affordable housing obligation; and

WHEREAS, in accordance with state law, properties subject to PILOT agreements are exempt from standard property improvement taxes, and the statutory default distribution allocates 95% of PILOT revenues to the municipality and 5% to the county, leaving the local school district with no direct allocation; and

WHEREAS, the Township Council recognizes that any new development projects, regardless of PILOT status, can affect municipal operations and similarly impact the Verona Public School District by introducing new residents and students, thereby increasing the operational and capital demands on local schools; and

WHEREAS, although the PILOT agreements do not reduce or determine the Board of Education's annual tax levy, the Township recognizes that the Verona Board of Education is having budgetary issues and the Board of Education's ability to increase the Board's annual tax levy is limited by Statute unless the Board gets approval after a referendum is voted upon as part of a public election; and

WHEREAS, the Township Council desires to maintain its strong, collaborative relationship with the Verona Board of Education and ensure fiscal equity across all local taxing entities; and

WHEREAS, the Township Council believes it is in the best interest of the residents of Verona to establish a formal revenue-sharing agreement that voluntarily allocates a portion of municipal PILOT revenues to the Board of Education to support local educational needs; and

WHEREAS, the Township Council also believes that it is important that the Township and School Board Committees come to an understanding on how pilots are implemented, financed, and affect the School levy so an educational joint statement can be issued and shared with the public.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona, in the County of Essex, State of New Jersey, as follows:

1. **Establishment of Subcommittee:** The Township Council hereby establishes a temporary Council Subcommittee, to be known as the "PILOT Revenue Sharing and Educational Subcommittee."
2. **Appointment of Members:** The Subcommittee shall consist of two (2) members of the Township Council appointed by the Council. The initial appointees shall be Deputy Mayor McEvoy and Councilmember Alex Roman.
3. **Scope of Authority:** The Subcommittee is authorized and directed to meet, consult, and negotiate with designated representatives of the Verona Board of Education to draft a comprehensive framework for sharing municipal PILOT revenues. The Subcommittee is also directed to come to an understanding on how pilots are implemented, financed and affect the School levy so a joint educational statement can be issued and shared with the public
4. **Administrative Support:** The Township Manager, Chief Financial Officer, Township Attorney and Special Counsel are authorized to provide necessary data, financial modeling, and legal support to the Subcommittee during these negotiations and discussions.
5. **Reporting and Final Approval:** In first meeting between Township and Board representatives, the subcommittee with establish and report a calendar for its deliberations and recommendations.

The subcommittee shall report its progress periodically to the full Township Council with the goal of having an agreement in place before the end of this calendar year. Any final proposed revenue-sharing agreement or Memorandum of Understanding (MOU) resulting from these negotiations must be presented to the full Township Council for formal review, consideration, and approval by resolution.

6. **Effective Date:** This Resolution shall take effect immediately according to law.

ROLL CALL:

AYES: Schor, McGrath, Roman, McEvoy

NAYS:

ABSTAIN: Tamburro

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT A REGULAR MEETING HELD ON SEPTEMBER 14, 2026.


JENNIFER KIERNAN, RMC, CMC
MUNICIPAL CLERK

