

Egg Harbor Township

Ordinance No. 12

2019

An ordinance authorizing long term tax exemption agreement between the Township of Egg Harbor and the Atlantic County Improvement Authority

WHEREAS, the Atlantic County Improvement Authority (ACIA) is a political subdivision of the State of New Jersey and an instrumentality of the County of Atlantic, established pursuant to N.J.S.A. 40:37A-44 et seq.; and

WHEREAS, the Federal Aviation Administration (“FAA”) is an Administration in the Department of Transportation which is headed by an Administrator who has been authorized by Congress pursuant to 49 U.S.C. 106(l)(6); to “enter into and perform such contracts, leases, cooperative agreements or other transactions as may be necessary to carry out the functions of the Administrator and the (FAA).” and;

WHEREAS, the National Aviation Research and Technology Park of New Jersey, Inc. (“NARTP”), is a not-for-profit corporation of the State of New Jersey; and

WHEREAS, the NARTP has entered into a Lease with the United States of America through the FAA to further the public purpose of the FAA and the United States Department of Transportation; and

WHEREAS, the United States of America through the FAA has entered into a Lease with the NARTP “to construct, operate and maintain Facilities on the Premises in support of the establishment of an Aviation Research and Technology Park” located adjacent to the Atlantic City International Airport and the FAA William J. Hughes Technical Center, along Delilah Road in Egg Harbor Township (also known as block 101, lot 9) (Premises). In addition to the facilities, NARTP is authorized to “construct, operate and maintain the a Research and Technology Park, a research institution whose purpose is the performance of research and development related to aviation, aviation security and safety, research, development and testing of air traffic control systems, and research and development directly related to airports and airport operations and any other science, technology, engineering, and mathematics activities related to aviation” all of which are public purposes; and

WHEREAS, the Lease between the FAA and NARTP also authorizes the NARTP to grant subleases to tenants of the NARTP upon review and approval of the FAA; and

WHEREAS, pursuant to the Lease, the NARTP, with the approval of the FAA, has entered into an Assignment and Construction Agreement with ACIA to assign “a portion of the NARTP’s interest in the Premises as defined in the Lease, which portion of the Park shall include the first building (Building #3), parking lot area, sidewalks, and FAA lab space to the ACIA, for the purpose of constructing, operating, and maintaining the first building (Building #3), parking lot area, sidewalks, and FAA lab space; and

WHEREAS, pursuant to the Assignment and Construction Agreement, the ACIA will be carrying out the public purposes of the FAA and the Department of Transportation; and

WHEREAS, in light of the above, the Premises leased by the ACIA which are owned by the United States Government renders the property exempt from local real estate taxation by the Township; and

WHEREAS, notwithstanding the tax exempt status of the Premises, the ACIA recognizes that it will be a member of the Township community; and

WHEREAS, the ACIA has proposed to make a voluntary payment to the Township in accordance with the attached agreement, and

WHEREAS, the ACIA and the Township are authorized by N.J.S.A. 40:37A-83 to enter into an agreement for a payment in lieu of taxes (“PILOT”).

NOW, THEREFORE, BE IT ORDAINED, by the Township Committee of the Township of Egg Harbor, County of Atlantic and State of New Jersey that the Mayor and Township Clerk are hereby authorized to execute a PILOT Agreement attached hereto as Exhibit A.

SECTION 1: All ordinances and parts of Ordinances inconsistent herewith are hereby repealed.

SECTION 2: Should any section, clause, sentence, phrase or provision of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this ordinance.

SECTION 3: This Ordinance shall take effect upon final passage, adoption, and publication, in the manner prescribed by law.

Notice is hereby given that the foregoing Ordinance was introduced at a meeting of the Township Committee of Egg Harbor Township, in the County of Atlantic, State of New Jersey, held April 3, 2019 and will be further considered for final passage after a public hearing thereon at a regular meeting of said Township Committee to be held in the Township Hall, in said Township on May 1, 2019.

Dated: April 3, 2019

Eileen M. Tedesco, RMC
Township Clerk