

**RESOLUTION  
OF THE  
BOROUGH OF NEW PROVIDENCE**

Resolution No. 2013-353

Council Meeting Date: 11-18-2013

Date Adopted: 11-18-2013

TITLE: SG NEW PROVIDENCE REALTY INVESTMENT, L.L.C. V.  
BOROUGH OF NEW PROVIDENCE; BLOCK 237, LOT 7.01; 200  
SOUTH STREET; DOCKET NOS. 010605-2011 AND 010528-2012

Councilperson Galluccio submitted the following resolution, which was duly seconded by Councilperson Madden.

WHEREAS, SG New Providence Realty Investment, L.L.C. ("Taxpayer"), the owner of Block 237, Lot 7.01 on the Borough of New Providence's Tax Assessment Maps, commonly known as 200 South Street ("Property"), filed an appeal of its 2011 and 2012 tax assessments in the Tax Court of New Jersey, Docket Nos. 010605-2011 and 010528-2012.

WHEREAS, the Mayor and Borough Council of the Borough of New Providence met and discussed the aforesaid tax appeal and the recommendations of its Borough Tax Assessor and its Special Tax Counsel, DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis, Lehrer & Flaum, P.C.

WHEREAS, Block 237, Lot 7.01 was assessed at \$1,200,000 for Tax Year 2011;  
and

WHEREAS, Block 237, Lot 7.01 was assessed at \$867,000 for Tax Year 2012;  
and

WHEREAS, an acceptable settlement of the aforesaid tax appeal has been negotiated which reduces the total tax assessment levied upon Taxpayer's property located at Block 237, Lot 7.01; and

WHEREAS, the 2011 total tax assessment, based upon said reduction, will be \$1,100,000 instead of \$1,200,000 for Block 237, Lot 7.01; and

WHEREAS, the 2012 total tax assessment, based upon said reduction, will be \$767,000 instead of \$867,000 for Block 237, Lot 7.01; and

WHEREAS, the parties agree that the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall not apply for Tax Year 2013; and

WHEREAS, the parties agree that the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall apply to the assessment for Tax Years 2014 and 2015 and agree to waive any rights they may have to file an appeal for Tax Years 2014 and 2015 except for the purpose of implementing, enforcing and/or confirming the assessment of the Property as set forth in the Stipulation of Settlement; and

WHEREAS, Taxpayer has agreed that any adjustments to taxes as a result of this settlement shall be without interest and credited to the Taxpayer in lieu of refunds, which credits shall be applied to the next quarterly payment due after entry of the Tax Court Judgment; and

WHEREAS, the aforesaid reduction has no general application to other properties within the Borough of New Providence as a result of the aforesaid specific fact situation; and

WHEREAS, the Mayor and Borough Council have reviewed a copy of the proposed Stipulation of Settlement, which is annexed hereto and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council of the Borough of New Providence, County of Union, State of New Jersey, as follows:

1. The Borough of New Providence's Tax Assessor is hereby directed to establish the allocation between land and improvements of a \$1,100,000 total tax assessment for the 2011 Tax Year for Block 237, Lot 7.01, which is most beneficial to the Borough of New Providence and advise the Special Tax Counsel of that allocation.
2. The Borough of New Providence's Tax Assessor is hereby directed to establish the allocation between land and improvements of a \$767,000 total tax assessment for the 2012 Tax Year for Block 237, Lot 7.01, which is most beneficial to the Borough of New Providence and advise the Special Tax Counsel of that allocation.

3. The Special Tax Counsel, Martin Allen, is hereby authorized to execute a Stipulation of Settlement relative to the tax appeal of SG New Providence Realty Investment, L.L.C. ("Taxpayer") Docket Nos. 010605-2011 and 010528-2012 which reduces the tax assessment on Block 237, Lot 7.01 from \$1,200,000 to a total tax assessment of \$1,100,000 for the 2011 Tax Year; which reduces the total tax assessment on Block 237, Lot 7.01 from \$867,000 to a total tax assessment of \$767,000 for the 2012 Tax Year; which provides that the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall not apply for Tax Year 2013; which provides that the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall apply to the assessment for Tax Years 2014 and 2015; which provides that the parties agree to waive any rights they may have to file an appeal for Tax Years 2014 and 2015 except for the purpose of implementing, enforcing and/or confirming the assessment of the Property as set forth in the Stipulation of Settlement; and which further provides that any adjustments to taxes as a result of this settlement shall be without interest and credited to the Taxpayer in lieu of refunds, which credits shall be applied to the next quarterly payment due after entry of the Tax Court Judgment.
4. The settlement outlined above shall be without prejudice to the Borough of New Providence's dealings with any other Borough taxpayers' request for tax assessment reductions.

APPROVED, this 18<sup>th</sup> day of November, 2013.

RECORD OF VOTE

	AYE	NAY	ABSENT	NOT VOTING
GALLUCCIO	X			
GENNARO	X			
KAPNER	X			
MADDEN	X			
MUÑOZ	X			
ROBINSON	X			
HERN			TO BREAK COUNCIL TIE VOTE	

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 18<sup>th</sup> day of November, 2013.

Wendi B. Barry, Borough Clerk

Attorney Id.# 013241989  
**DiFRANCESCO, BATEMAN, COLEY, YOSPIN,**  
**KUNZMAN, DAVIS, LEHRER & FLAUM, P.C.**  
 15 Mountain Boulevard  
 Warren, New Jersey 07059  
 Attorneys for Defendant, Borough of New Providence  
 Our File No. NPTX8 SB:rc

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SG NEW PROVIDENCE REALTY INVESTMENT, LLC,	:	TAX COURT OF NEW JERSEY
Plaintiff,	:	DOCKET NOS.: 010605-2011 and 010528-2012
Vs.	:	Civil Action
BOROUGH OF NEW PROVIDENCE, a Municipal Corporation of the State of New Jersey,	:	<b>STIPULATION OF SETTLEMENT</b>
Defendant.	:	

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1. It is hereby stipulated and agreed that the assessment of the following Property be adjusted and a Judgment entered as follows:

**BLOCK        237**  
**LOT            7.01**  
**STREET:      200 SOUTH STREET**

<u>2011</u>	<u>Original Assessment</u>	<u>County Tax Board Judgment</u>	<u>Requested Tax Court Judgment</u>
Land:	\$ 632,500	Direct	\$ 632,500
Improvement:	<u>567,500</u>	Appeal	<u>467,500</u>
Total:	\$1,200,000		\$1,100,000

<u>2012</u>	<u>Original Assessment</u>	<u>County Tax Board Judgment</u>	<u>Requested Tax Court Judgment</u>
Land:	\$ 299,500	Direct	\$ 299,500
Improvement:	<u>567,500</u>	Appeal	<u>467,500</u>
Total:	\$ 867,000		\$ 767,000

2. This agreement shall be binding upon any assignees, tenants and successors in interest with regard to the subject Property.

3. The undersigned have made such examination of the value and proper assessment of the Property and have obtained such appraisals, analysis and information with respect to the valuation and assessment of the Property, as they deem necessary and appropriate for the purpose of enabling them to enter into the Stipulation.

4. The Assessor of the taxing district has been consulted by the attorney for the taxing district with respect to this settlement and has concurred.

5. Based upon the foregoing, the undersigned represent to the Court that the above settlement will result in an assessment at the fair assessable value of the Property consistent with assessing practices generally applicable in the taxing district as required by law.

6. The parties agree that The Freeze Act will not apply for Tax Year 2013.

7. The Freeze Act is to apply for Tax Years 2014 and 2015. The parties agree that as of October 1, 2013, there has been no change in value or municipal wide revaluation or reassessment adopted for Tax Year 2014, and therefore agree that the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall be applicable to and final disposition of this case and the entire controversy and of any actions pending or hereafter instituted by the parties concerning the assessment on the Property referred to herein for said Freeze Act year(s). No Freeze Act year(s) shall be the basis for application of the Freeze Act for any subsequent year(s). Plaintiff, its successors and assigns, and Defendant agree to waive any rights they may have to file an appeal for the 2014 Tax Year except for the purpose of implementing, enforcing and/or confirming the assessment of the Property as set forth in the Stipulation of Settlement and Plaintiff agrees that it will affirmatively notify any successors and/or assigns of the terms hereof.

8. The parties acknowledge that the following provision may not be included in the Judgment to be entered by the Tax Court. The parties agree that if, as of October 1, 2014, there has been no change in value or municipal wide revaluation or reassessment adopted for Tax Year 2015, the provisions of N.J.S.A. 54:51A-8 (Freeze Act) shall be applicable to and a final disposition of this case and the entire controversy and of any actions pending or hereafter

instituted by the parties concerning the assessment on the Property referred to herein for said Freeze Act year(s). No Freeze Act year(s) shall be the basis for application of the Freeze Act for any subsequent year(s). Plaintiff, its successors and assigns, and Defendant agree to waive any rights they may have to file an appeal for the 2015 Tax Year except for the purpose of implementing, enforcing and/or confirming the assessment of the Property as set forth in the Stipulation of Settlement and Plaintiff agrees that it will affirmatively notify any successors and/or assigns of the terms hereof.

9. Plaintiff acknowledges that Defendant has entered into this Stipulation of Settlement in part in consideration for these 2014 and 2015 Tax Year tax appeal waivers.

10. Statutory interest, pursuant to N.J.S.A. 54:3-27.2, having been waived by the Taxpayer, shall not be paid. Any adjustments to taxes as a result of the settlement set forth herein shall be credited to the Taxpayer in lieu of refunds, which credits shall be applied to the next quarterly payment due after entry of the Tax Court Judgment.

Dated: \_\_\_\_\_, 2013

**RUBIN, KAPLAN & ASSOCIATES**

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

Richard H. Kaplan, Esq.  
Attorney for Plaintiff

**DiFRANCESCO, BATEMAN, COLEY, YOSPIN,  
KUNZMAN, DAVIS, LEHRER & FLAUM, P.C.**

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

Sandra Belli, Esq.  
Attorney for Defendant