

THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE "REDEVELOPMENT AREA BOND FINANCING LAW" AND THE LIEN HEREOF IN FAVOR OF THE OWNERS OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS HEREINAFTER RECORDED.

ORDINANCE 2024-06

Ordinance of the Borough of Flemington Approving Long Term Tax Exemptions for, and the Execution of Financial Agreements With, (i) HBC Liberty Townhomes Urban Renewal LLC, (ii) HBC Liberty Veterans Urban Renewal LLC and (iii) HBC Liberty Commercial Urban Renewal LLC, in Connection With a Redevelopment Project to be Undertaken by such Entities, and Affiliates, and Authorizing Pledge Agreements and Other Documents in Connection with the Issuance By the Borough of its Redevelopment Area Bonds in an Amount Not to Exceed \$500,000 to Finance a Portion of the Costs of Such Redevelopment Project, and Determining Various Other Matters in Connection Therewith.

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq, as amended and supplemented (the "Redevelopment Law"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, pursuant to Resolution No. 2021-15 adopted on October 12, 2021, the Borough Council designated the Liberty Village Redevelopment Area, identified as Block 35, Lots 22, 23, 24, 25, 31, 53, 54, 69, 70 and 71 in the Borough of Flemington Tax Map (the "Liberty Village Redevelopment Area"), as a non-condemnation area in need of redevelopment pursuant to the Redevelopment Law; and

WHEREAS, pursuant to Ordinance No. 2021-28 finally adopted on December 13, 2021, the Borough Council adopted the "Liberty Village Redevelopment Plan, Flemington Borough" dated November 18, 2021, with non-substantive revisions reflected in an updated plan dated December 5, 2021 (the "2021 Liberty Village Redevelopment Plan"), to govern the redevelopment of the Liberty Village Redevelopment Area; and

WHEREAS, by Resolution No. 2022-48 adopted on January 24, 2022, the Borough Council authorized the execution and delivery of a Conditional Redeveloper Designation and Interim Cost Agreement with HBC Liberty Village, LLC (the "Redeveloper"), conditionally designating the Redeveloper as the redeveloper of the Liberty Village Redevelopment Area, on the condition that a redevelopment agreement be negotiated and executed within one hundred eighty (180) days, as the same may be extended by the Borough in its sole discretion; and

WHEREAS, by Resolution No. 2022-148 adopted on June 13, 2022, the Borough Council authorized the execution and delivery of a Redevelopment Agreement with the

Redeveloper (the "Original Redevelopment Agreement"), which Original Redevelopment Agreement was subsequently executed and delivered by the Borough and the Redeveloper; and

WHEREAS, the Original Redevelopment Agreement contemplated a two-phase redevelopment of the Liberty Village Redevelopment Area, with an initial "Phase I" to consist generally of the construction of approximately one hundred sixty (160) for-sale stacked townhomes and related improvements on a portion of the Liberty Village Redevelopment Area consisting generally of Block 35, Lots 31, 53, 54, 69, 70 and 71 (collectively, the "Former Phase I Site"), and a subsequent "Phase II" to consist generally of the construction of approximately two hundred twenty-five (225) residential rental apartment units and related improvements on a portion of the Liberty Village Redevelopment Area consisting generally of Block 35, Lots 22, 23, 24 and 25 (collectively, the "Former Phase II Site"); and

WHEREAS, during the course of designing the Phase I project, the need arose to make certain changes to the Original Redevelopment Agreement, including substantial modifications to the proposed redevelopment of the Former Phase I Site and the removal of all provisions of the Original Redevelopment Agreement pertaining to the Former Phase II Site except for the construction of a detention basin on a portion of Block 35, Lot 22; and

WHEREAS, the Borough and the Redeveloper have agreed to amend and restate the Original Redevelopment Agreement with an Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement"), such that (i) any and all prior agreements between the Borough and the Redeveloper contained in the Original Redevelopment Agreement in respect of the Former Phase I Site shall be superseded in their entirety by the provisions of the proposed amended and restated Redevelopment Agreement (as hereinafter defined) and (ii) any and all prior agreements between the Borough and the Redeveloper contained in the Original Redevelopment Agreement in respect of the Former Phase II Site and the redevelopment thereof shall be null and void; and

WHEREAS, the proposed Redevelopment Agreement contemplates the redevelopment of the Former Phase I Site and a portion of Block 35, Lot 22 (collectively, the "Project Site"), by the Redeveloper and its Production Partners (as defined therein), through implementation of a new redevelopment project (the "Redevelopment Project") consisting generally of (i) the construction of one hundred eleven (111) for-sale townhomes to be located in twenty-one three-story structures, of which seven (7) townhomes shall meet the affordability requirements contained in the Redevelopment Agreement, together with related improvements (collectively, the "Townhomes Component"), (ii) the construction of twelve (12) rental housing units to be located in two three-story buildings each containing not less than six (6) two-bedroom apartments, all of which shall meet the affordability requirements contained in the Redevelopment Agreement and will be owned by or leased to a veterans' housing provider, together with related improvements (collectively, the "Veterans' Component"), and (iii) the substantial renovation of the existing building located at One Church Street, together with related improvements (collectively, the "Commercial Component"), all as more fully described in the proposed Redevelopment Agreement; and

WHEREAS, the Redevelopment Project also includes the construction (where appropriate) and/or donation to the Borough of the Well Access Easement, the Well Expansion Land, the Brown Street Park, the Brown Street Detention Basin and the Allies Building (as each such term is defined in the Redevelopment Agreement), as well as certain cash donations to the Borough; and

WHEREAS, a draft “Liberty Village Phase 1 Redevelopment Plan”, dated March 1, 2024 (the “Liberty Village Phase 1 Redevelopment Plan”), was prepared by the Borough’s Planning Consultant, Kyle + McManus Associates, in consultation with the Mayor and Borough Council and the Borough’s staff and consultants; and

WHEREAS, the Liberty Village Phase 1 Redevelopment Plan shall govern a portion of the Liberty Village Redevelopment Area consisting of Block 35, Lots 31, 53, 54, 69, 70 and 71 and a portion of Lot 22, as described therein; and

WHEREAS, by Resolution adopted on March 5, 2024, the Borough referred the proposed Liberty Village Phase 1 Redevelopment Plan to the Borough Planning Board (the “Board”) in accordance with the provisions of the Redevelopment Law, specifically N.J.S.A. 40A:12A-7(e), for the purpose of obtaining a report of the Board containing its recommendations concerning the Liberty Village Phase 1 Redevelopment Plan, including an identification of any provisions which are inconsistent with the Borough Master Plan and recommendations regarding these inconsistencies, and any other matters as the Board deems appropriate concerning the proposed Liberty Village Phase 1 Redevelopment Plan; and

WHEREAS, the Board has transmitted its report and recommendations to the Borough Council; and

WHEREAS, following receipt of the Board’s report, the Borough Council has adopted, or expects to adopt at this meeting, an ordinance approving the Liberty Village Phase 1 Redevelopment Plan, with or without any changes as recommended by the Board; and

WHEREAS, upon adoption of said ordinance, the Liberty Village Phase 1 Redevelopment Plan shall supersede and replace, in its entirety, the 2021 Liberty Village Redevelopment Plan, which 2021 Liberty Village Redevelopment Plan shall be thereby rescinded; and

WHEREAS, the Borough may adopt one or more subsequent redevelopment plans to govern the portions of the Liberty Village Redevelopment Area not governed by the Liberty Village Phase 1 Redevelopment Plan; and

WHEREAS, the Redevelopment Project is consistent with, and will be implemented in furtherance of, the Liberty Village Phase 1 Redevelopment Plan; and

WHEREAS, pursuant to the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “Tax Exemption Law”), the Borough is authorized to provide for tax exemptions within a

redevelopment area and for payments in lieu of taxes in accordance with the applicable provisions thereof; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 et seq. (the “Redevelopment Bond Law”, and together with the Redevelopment Law and the Tax Exemption Law, the “Acts”), specifically N.J.S.A. 40A:12A-66(a), the Borough is authorized to provide for such tax exemptions and payments in lieu of taxes in a manner that deviates from the structure otherwise established under the Tax Exemption Law, if the redevelopment project is to be financed with bonds issued in accordance with the Redevelopment Bond Law; and

WHEREAS, the Borough has received an Application for Long Term Tax Exemption (the “Exemption Application”) from (i) HBC Liberty Townhomes Urban Renewal LLC (the “Townhomes Component Entity”), (ii) HBC Liberty Veterans Urban Renewal LLC (the “Veterans’ Component Entity”) and (iii) HBC Liberty Commercial Urban Renewal LLC (the “Commercial Component Entity”, and collectively with the Townhomes Component Entity and the Veterans’ Component Entity, the “Entities”), requesting long term tax exemptions under the provisions of the Tax Exemption Law, and in the case of the Townhomes Component, the Redevelopment Bond Law, in connection with each Entity’s respective portion of the Project and Project Site, located within the portion of the Project Site identified as Block 35, Lots 31, 71 and a portion of Lot 22; and

WHEREAS, the Exemption Application contains documentation evidencing financial responsibility and capability with respect to the proposed development; estimated total development costs; estimated time schedule for start and completion of the proposed development; and conceptual plans; and

WHEREAS, the Borough evaluated the Exemption Application according to criteria which included financial capabilities, experience, expertise, and project concept descriptions; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Borough will enter into a Financial Agreement (as hereinafter defined) with each Entity governing payments made to the Borough in lieu of real estate taxes on the portion of the Project allocable to such Entity, all pursuant to the Tax Exemption Law, and

WHEREAS, to finance a portion of the costs of the Townhomes Component, the Borough will issue bonds in an aggregate principal amount of up to \$500,000 (the “Redevelopment Area Bonds”) pursuant to the Redevelopment Bond Law; and

WHEREAS, funds for the payment of debt service on the Redevelopment Area Bonds will be derived from the pledge and assignment by the Borough to the trustee for the Redevelopment Area Bonds of the Pledged Annual Service Charge, as such term is defined in the Financial Agreement relating to the Townhomes Component; and

WHEREAS, in the case of the Townhomes Component, the Unpledged Annual Service Charge, as such term is defined in the Financial Agreement relating to the Townhomes Component, shall be retained by the Borough for its use in its sole discretion, following payment of the required share to the County of Hunterdon, as required by N.J.S.A. 40A:20-12; and

WHEREAS, in the case of the Veterans Component and the Commercial Component, the Annual Service Charge shall be retained by the Borough for its use in its sole discretion, following payment of the required share to the County of Hunterdon, as required by N.J.S.A. 40A:20-12; and

WHEREAS, the Borough made the following findings:

In accordance with the Tax Exemption Law, specifically N.J.S.A. 40A:20-11, the Borough hereby finds and determines that the Financial Agreements are to the direct benefit of the health, welfare and financial well-being of the Borough and its citizens because it allows for the development of a property that has fallen into disrepair into a productive, useful and job-creating property, and further:

(a) The Project will help revitalize and/or repurpose underutilized land, will invigorate the Project Site and surrounding community, will create approximately two hundred sixty (260) construction jobs and four (4) new permanent jobs in connection with the operation of the Project, will improve the quality of life in the community, and will enhance the economic development of the Borough. In addition, seven (7) of the for-sale townhomes and all twelve (12) of the veterans' rental housing units will be deed restricted for a combination of very low-, low- and moderate-income households, as provided in the Redevelopment Agreement; and

(b) Without the tax exemption granted herein it is highly unlikely that the Project would otherwise be undertaken, as a source of funding all or a portion of the costs thereof, other than from the proceeds of the Redevelopment Area Bonds, would not otherwise be available; and

WHEREAS, the Borough has determined to authorize the execution and delivery of the Financial Agreements in order to set forth the terms and conditions under which the respective Entities and the Borough (collectively, the "Parties") shall carry out their respective obligations with respect to (a) payment of the Annual Service Charge, as that term is defined in the respective Financial Agreement, by the respective Entity, in lieu of real property taxes, and (b) issuance of the respective tranches of Redevelopment Area Bonds by the Borough and provision for repayment thereof by the respective Entities; and

WHEREAS, each of the Entities either owns or will own its respective portion of the Project Site, each is qualified to do business under the provisions of the Tax Exemption Law, and each has joined in the submission to the Mayor of the Exemption Application, which is on file with the Office of the Borough Clerk, requesting a tax exemption for the Project; and

WHEREAS, the Borough wishes to approve the execution and delivery of a Financial Agreement, each pertaining to a specific portion of the Project and the Project Site, and in the case of the Townhomes Component the related Redevelopment Area Bonds, with each Entity (collectively, the "Financial Agreements"), forms of which are on file in the office of the Borough Clerk (capitalized terms not defined herein shall have the meaning assigned to such terms in the Financial Agreements); and

WHEREAS, the Mayor has submitted the Exemption Application to the Borough Council, together with her written recommendation of approval (the "Mayor's Recommendation Letter"), a copy of which is on file in the office of the Borough Clerk; and

WHEREAS, the Borough further wishes to approve the execution and delivery of a Pledge and Assignment Agreement with the Borough's bond trustee(s) (the "Pledge Agreement"), a form of which is on file in the office of the Borough Clerk, which Pledge Agreement will provide for, *inter alia*, the pledge and assignment of the Pledged Annual Service Charge generated by the Townhomes Component to the Borough's bond trustee, as security for the payment of debt service on the related Redevelopment Area Bonds; and

WHEREAS, the terms of any bond resolution or trust indenture to be entered into by the Borough in connection with the issuance of the Redevelopment Area Bonds will provide terms and provisions relating to the disbursement of proceeds of such Redevelopment Area Bonds to the Townhomes Component Entity or its agent.

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF FLEMINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, AS FOLLOWS:

1. The Exemption Application (a copy of which is on file in the office of the Borough Clerk), and the Project described therein, are each hereby approved, in accordance with the Mayor's Recommendation Letter.

2. The Entities are hereby designated to act, together with or on behalf of the Redeveloper, as redevelopers for their respective portions of the Project, in accordance with the Redevelopment Plan, the Redevelopment Agreement and the plans and specifications contained in the Exemption Application, subject to the conditions and as more fully set forth in the forms of Financial Agreements, copies of which have been presented to this meeting and are on file in the office of the Borough Clerk.

3. The Municipal Council hereby finds and determines that the Financial Agreements are to the direct benefit of the health, welfare and financial well-being of the Borough and its citizens because they allow for the development of a property that has fallen into disrepair into a productive, useful and job-creating property, and further (a) the Project will help revitalize and/or repurpose underutilized land, will invigorate the Project Site and surrounding community, will create approximately two hundred sixty (260) construction jobs and four (4) new permanent jobs in connection with the operation of the Project, will improve the quality of

life in the community, and will enhance the economic development of the Borough, (b) seven (7) of the for-sale townhomes and all twelve (12) of the veterans' rental housing units will be deed restricted for a combination of very low-, low- and moderate-income households, as provided in the Redevelopment Agreement, and (c) without the tax exemption granted herein it is highly unlikely that the Project would otherwise be undertaken, as a source of funding all or a portion of the costs thereof, other than from the proceeds of the Redevelopment Area Bonds, would not otherwise be available.

4. An exemption from taxation is hereby granted to each Entity with respect to the Improvements (as defined in the respective Financial Agreement) and, in the case of the Townhomes Component and the Veterans' Component only, the Land (as defined in the respective Financial Agreement), in respect of such Entity's portion of the Project, located within the portion of the Project Site identified as Block 35, Lots 31, 71 and a portion of Lot 22, as more fully set forth in the respective Financial Agreement. Such exemption shall extend to each subsequent owner satisfying the definition of "Entity" or "Qualified Unit Owner" (as defined in the respective Financial Agreement), and shall commence and terminate on such dates as set forth in the respective Financial Agreement, but in no event shall the tax exemption commence until Substantial Completion (as such term is defined in the respective Financial Agreement), nor extend beyond (i) in the case of each unit comprising the Townhomes Component, the earlier of twenty-two (22) years from Substantial Completion of such unit or twenty-seven (27) years from the date of execution of the related Financial Agreement, (ii) in the case the Veterans' Component, the earlier of thirty (30) years from Substantial Completion or thirty-five (35) years from the date of execution of the related Financial Agreement, or (iii) in the case of the Commercial Component, the earlier of twenty (20) years from Substantial Completion or twenty-five (25) years from the date of execution of the related Financial Agreement, and in each case only so long as the respective Owner remains subject to and complies with the respective Financial Agreement and the Tax Exemption Law. To the extent of any inconsistency with any prior Borough ordinance and/or Municipal Code provision governing the granting of long-term tax exemptions, including, *inter alia*, procedures for application, review and approval, required terms of the financial agreement, required conditions and covenants, limits on duration, means of enforcement, and all other matters whatsoever, such prior Borough ordinances and/or Municipal Code provisions are hereby waived (or, alternatively, shall be deemed to be amended and/or superseded by this ordinance) to the extent of such inconsistency, but only with respect to this Ordinance.

5. The Financial Agreements, in substantially the forms presented to this meeting and on file in the office of the Borough Clerk, are hereby approved. The Mayor and the Business Administrator of the Borough (each, an "Authorized Officer") are each hereby authorized to execute and deliver, on the Borough's behalf, a Financial Agreement with each Entity in respect of each specific portion of the Project, in substantially such forms, with such changes as the Authorized Officers shall determine, in consultation with the Borough's Redevelopment Counsel, such determination to be conclusively evidenced by their execution of such Financial Agreement. The Borough Clerk is hereby authorized and directed to attest to the execution of the Financial Agreements by the Authorized Officers of the Borough as determined hereunder and to affix the corporate seal of the Borough thereto.

6. Pursuant to the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(c) and, if applicable, N.J.S.A. 40A:12A-69, the Borough hereby assigns, as security for the Redevelopment Area Bonds, all of the Borough's right, title and interest in and to the Pledged Annual Service Charges generated by the Townhomes Component. The Pledge Agreement, in substantially the form presented to this meeting and on file with the Borough Clerk, is hereby approved. The Authorized Officers, or either of them, are each hereby authorized to execute and deliver, on the Borough's behalf, a Pledge Agreement in respect of the Townhomes Component and the Redevelopment Area Bonds, in substantially such form, with such changes as the Authorized Officers shall determine, in consultation with the Borough's Redevelopment Counsel, such determination to be conclusively evidenced by their execution of such Pledge Agreement. The Borough Clerk is hereby authorized and directed to attest to the execution of the Pledge Agreements by the Authorized Officers of the Borough as determined hereunder and to affix the corporate seal of the Borough thereto.

7. Executed copies of the Financial Agreements and the Pledge Agreement shall be certified by the Borough Clerk and filed with the Office of the Borough Clerk. The Office of the Borough Clerk shall also forthwith file certified copies of this ordinance and the Financial Agreements with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:20-12.

8. Upon the execution of the Financial Agreements as contemplated herein, the Authorized Officers and the Borough Clerk are each hereby severally authorized and directed to file and record this ordinance and the Financial Agreements with the Monmouth County Clerk such that the Financial Agreements and this ordinance shall be reflected upon the land records of the County of Hunterdon as a lien upon and a covenant running with each and every parcel of land constituting the Parcels. Pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-68(c), and notwithstanding any other law to the contrary, upon recordation of both this ordinance and the Financial Agreements, the lien thereof shall be perfected for all purposes in accordance with law and the lien shall thereafter be superior to all non-municipal liens thereafter recorded or otherwise arising, without any additional notice, recording, filing, continuation filing or action, until payment of all of the Redevelopment Area Bonds.

9. The Authorized Officers of the Borough are hereby further severally authorized and directed to (i) execute and deliver, and the Borough Clerk is hereby further authorized and directed to attest to such execution and to affix the corporate seal of the Borough to, any document, instrument or certificate deemed necessary, desirable or convenient by the Authorized Officers or the Borough Clerk, as applicable, in their respective sole discretion, after consulting with the Borough's Redevelopment Counsel, to be executed in connection with the execution and delivery of the Financial Agreements and the Pledge Agreement and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

10. This ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

Introduced: April 8, 2024

Adopted:

ATTEST:

Marcia A. Karrow, Mayor

Carla Conner, Borough Clerk

STATEMENT

This Ordinance grants long-term exemptions to, and approves the execution of financial agreements with, (i) HBC Liberty Townhomes Urban Renewal LLC, (ii) HBC Liberty Veterans Urban Renewal LLC and (iii) HBC Liberty Commercial Urban Renewal LLC, in connection with portions of a redevelopment project to be constructed on property commonly known as Liberty Village, which portions are identified as identified as Block 35, Lots 31, 71 and a portion of Lot 22. The redevelopment project consists generally of (i) the construction of one hundred eleven (111) for-sale townhomes to be located in twenty-one three-story structures, of which seven (7) townhomes shall meet certain affordability requirements, together with related improvements, (ii) the construction twelve (12) rental housing units to be located in two three-story buildings each containing not less than six (6) two-bedroom apartments, all of which shall meet certain affordability requirements and will be owned by or leased to a veterans' housing provider, together with related improvements, and (iii) the substantial renovation of the existing building located at One Church Street, together with related improvements. This Ordinance also authorizes a pledge agreement and other documents in connection with the issuance by the Borough of Flemington of its Redevelopment Area Bonds in an amount of up to \$500,000 (to be secured by an assignment of certain pledged annual service charges under one of the financial agreements), and determines various other matters in connection therewith.

ORDINANCE NO. 2024-07

AN ORDINANCE AMENDING CHAPTERS FOUR (LICENSING), TWELVE (LAND DEVELOPMENT DEFINITIONS) AND TWENTY-SIX (ZONING) TO CLARIFY “COTTAGE FOOD” ESTABLISHMENTS AS A PERMITTED USE IN THE BOROUGH OF FLEMINGTON

WHEREAS, N.J.A.C. 8:24-11.1 et seq. authorizes cottage food operations in the State of New Jersey; and

WHEREAS, the Borough Council wishes to clarify the circumstances where “cottage food” establishments in the Borough of Flemington;

BE IT THEREFORE ORDAINED, by the Borough Council of the Borough of Flemington in the County of Hunterdon and State of New Jersey that Chapters 4 (Licensing), Chapters 12 (Land Development), and Twenty-Six (Zoning) of the Municipal Code thereof are amended as follows:

SECTION I.

Chapter 4 is hereby amended to add a new Section 17 entitled “Cottage Food Operators” and shall present as follows (all text is novel):

4-17.1 License Required.

A license shall be required for a cottage food operator.

4-17.2 Application for License.

Applications shall be in writing to the Borough Clerk. The application shall state the type and location of the business proposed to be licensed, operator name, business name, address, telephone, number, state permit and required attachments pursuant to N.J.A.C 8:24-11.1 et seq . Applications shall be accompanied by the appropriate fee. If an application is denied, the clerk shall immediately return the fee to the applicant.

4-17.3 Fees.

For a license for a cottage food operator, \$25.00 per year shall be required. Along with the fee, the cottage food operator shall annually submit their state permit and required attachments pursuant to N.J.A.C 8:24-11.1 et seq.

4-17.4 Availability and Transfer of License.

Each license shall be for a particular person and a specific location. It shall not be transferable either as to person or place. Each license shall be available for review by customers / clients and inspectors in the licensed premises.

4-17.5 Suspension or Revocation of License

Licenses may be suspended or revoked consistent with this ordinance in § 4-1.9.

SECTION II.

Section 1201 of Chapter 12 is hereby amended as follows (all text is novel and shall be inserted alphabetically into the definitional section where appropriate):

Cottage Food Operator

A type of home occupation operated by person who holds a New Jersey Cottage Food Operator Permit for the purpose of preparing and selling cottage food products, pursuant to N.J.A.C. 11.1 et seq.

SECTION III.

Section 1201 of Chapter 12 is hereby amended as follows (struck through portions are to be removed; bolded and underlined portions are to be added):

HOME OCCUPATION

An activity engaged in by a resident for financial gain, conducted entirely within a dwelling unit. **Home occupations shall include Cottage Food Operators as defined herein.**

SECTION IV.

Section 2627 of Chapter 26 is hereby amended as follows (struck through portions are to be removed; bolded and underlined portions are to be added):

G. Home Occupations. Home occupations shall be subject to the following regulations:

1. The use is limited ~~solely~~ to office uses **and cottage food operates as defined in this part and as permitted and regulated by N.J.A.C. 8:24-11.1 et seq.;**
2. The use is operated by or employs in the residence only a resident or residents who are permanent full-time residents of the dwelling unit, and no other persons;
3. No nonresident employees, customers, or business invitees or guests shall visit the dwelling unit for business purposes, **excepting that no more than three customers may be on the residence site of a cottage food operate at any one time;**
4. The use shall be located in only one room of the dwelling unit, which shall not be served by an entrance separate from the household;
5. Interior storage of materials shall consist only of office supplies **directly related to the permitted home occupation;**
6. There shall be no change to the exterior of buildings or structures because of the use, and no outside appearance of a business use, including, but not limited to, parking, storage, signs, or lights;

7. The use operates no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interferences, including interference with telephone, radio or television reception, detectable by neighboring residents;
- ~~8. The use does not require any increased or enhanced electrical or water supply;~~
9. ~~8.~~ The quantity and type of solid waste disposal is the same as other residential uses in the zone district;
10. ~~9.~~ The capacity and quality of effluent is typical of normal residential use, and creates no potential or actual detriment to the sanitary sewer system, water supply, or its components;
11. ~~10.~~ Delivery trucks shall be limited to U.S. Postal Service, United Parcel Service, Federal Express, and other delivery services providing regular service to residential uses in the zone district;
12. ~~11.~~ All vehicular traffic to and from the home office use shall be limited in volume, type and frequency to what is normally associated with other residential uses in the zone district.

12. Compliance with all State and Hunterdon County regulations shall be demonstrated.

SECTION V. If any part of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of the ordinance.

SECTION VI. Should any section, paragraph, sentence, or clause of this ordinance be declared unconstitutional or invalid for any reasons, the remaining portions of this ordinance shall not be affected thereby and shall remain in full force and effect and, to this end, the provisions of this ordinance are hereby declared severable.

SECTION VII. This ordinance shall take effect upon adoption and publication in the manner required by New Jersey general law.

Introduced: April 8, 2024

Adopted:

ATTEST:

Marcia A. Karrow, Mayor

Carla Conner, Borough Clerk