

April 15, 2025

TOWNSHIP OF MEDFORD

RESOLUTION 79-2025

**AUTHORIZING EXECUTION OF A ONE YEAR EXTENSION OF THE
SETTLEMENT AGREEMENT WITH THE ESTAUGH (D/B/A/ MEDFORD LEAS)**

WHEREAS, the Estaugh, d/b/a Medford Leas, (hereinafter "Taxpayer"), with offices at 1 Medford Leas Way, Medford NJ 08055, previously filed tax appeals against the Township of Medford (hereinafter "Township") over its real property tax assessment on the following "Property": Block 805, Lots 17.01, 17.02, 15.01, 15.02, 18, 19 and 22.01; and

WHEREAS, the Parties resolved the tax appeal litigation to avoid costly litigation and uncertainty by entering into a Settlement Agreement that covered the resolution of the appeals and the taxation of the Property from 2014 through 2019; and

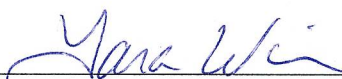
WHEREAS, the Parties met in 2019 and negotiated an extension of the Settlement Agreement for an additional five (5) year term, through the year 2024; and

WHEREAS, the Parties have met and are negotiating a five (5) year extension of the Settlement Agreement; and

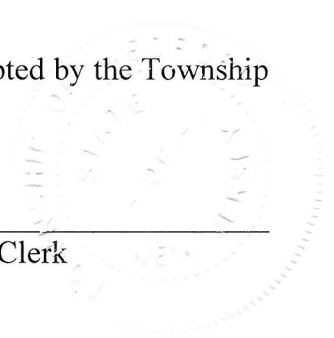
WHEREAS, in the interim, to provide additional time for completion of the terms of the five (5) year extension and to establish the payment in lieu of taxes for 2025 by the Taxpayer, the Parties have agreed on the terms of a one-year extension of the Settlement Agreement.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Township Council of the Township of Medford, County of Burlington, State of New Jersey that the Mayor and Township Clerk, as may be required, are hereby authorized to execute the one year extension of the Settlement Agreement, with the terms as set forth in the Extension of Settlement Agreement attached hereto and made a part hereof.

I hereby certify that the foregoing is a true copy of a Resolution adopted by the Township Council of the Township of Medford, at a meeting held on April 15, 2025.



Tara Wicker, RMC, Township Clerk



SETTLEMENT AGREEMENT

WHEREAS, the parties to this agreement are THE ESTAUGH, D/B/A MEDFORD LEAS, (hereinafter "Taxpayer"), with offices at 1 Medford Leas Way, Medford NJ 08055, and MEDFORD TOWNSHIP (hereinafter "Township"), with offices at 49 Union Street, Medford, NJ 08055; and

WHEREAS, the subject of this agreement is the status of the real property at Block 805, Lots 17.01, 17.02, 15.01, 15.02, 18, 19 and 22.01 on the Medford Township Tax Map, such property also being known as 1 Medford Leas Way, Medford, NJ 08055 (such property is hereafter referred to as the Property or the Property in Question or the PIQ); and

WHEREAS the parties negotiated in good faith and developed a formula for settlement of earlier tax appeal litigation through a program of payments in lieu of taxes ("payment in lieu"), beginning in 2015, which was successful and therefore renewed in 2019, which expired at the end of the 2024 tax year.

WHEREAS, the parties are collectively cognizant of the benefits of settlement over litigation of this matter, as well as the fairness and utility of the existing terms of the settlement agreement, as evidenced by prior renewals; and

WHEREAS, the Parties wish to renegotiate and evaluate their respective positions for entry into a new agreement for payment in lieu of taxes (PILOT); and

WHEREAS, in the interest of closure for the tax year 2025, the parties agree to extend the duration of the current PILOT to cover 2025, while adjusting the formula for calculation of the payment, on a one-year basis;

NOW, THEREFORE, BE IT AGREED between the Parties as follows:

1. Preamble: The preamble set forth above is important to the context of the Agreement reached in this matter and is incorporated herein as terms to the Agreement.

2. Payment In Lieu. The parties will continue with an annual payment in lieu with the payment in lieu being calculated from a base figure of \$8,300,000 .

a. The payment in lieu shall be calculated based upon the actual tax rate and equate to a percentage of the assessment value for each year as follows:

<u>Year</u>	<u>Assessment</u>	<u>Percentage</u>
2025	\$8,300,000	65%

By way of example, using the 2025 tax rate to illustrate, an assessment of \$8,300,000 at a rate of 0.03549 equates to \$294,567.00 times 65% results in a payment of \$191,468.55 in 2025. The precise payment will vary slightly due to the change in the actual tax rate for 2025.

b. The payment in lieu by the Taxpayer to the Township will be made on or before July 1, 2025.

c. All such in lieu payments shall be paid to the Medford Township Tax Collector, with a copy on the transmittal to the Tax Assessor. The Taxpayer shall contact the Assessor in advance of the payment deadline to confirm the calculation for the year in question. If an invoice is required, the Taxpayer must request same by June 15th of each year.

3. Term. This agreement pertains to the tax year 2025 only, and the parties shall endeavor to agree to a new agreement for payment in lieu of taxes for the years 2026 through 2030.

4. The Parties, in reaching this settlement, have established better communication between the Parties and developed a partnership to resolve complex legal and valuation issues. The Parties hereby agree to continue to work in good faith with one another, and the event new issues arise or changes occur with the PIQ its development or use, the Parties will endeavor to communicate with regard to same with an eye toward partnership and resolution.

5. Notices. Notices hereunder shall be given to the Parties set forth below and shall be made by hand delivery, facsimile, overnight delivery or by regular mail. If given by regular mail, the notice shall be deemed to have been given within a required time if deposited in the U.S. Mail, postage prepaid, within the time limit. For the purpose of calculating time limits which run from the giving of a particular notice the time shall be calculated from actual receipt of the notice. Time shall run only on business days which, for purposes of this Agreement shall be any day other than a Saturday, Sunday or legal public holiday. Notices shall be addressed the Township Administrator at the addresses identified in this Agreement.

6. Choice of Law. Any dispute under the Agreement or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

7. Entire Agreement. This Agreement represents the entire Agreement between the parties and may not be changed orally, and may only be modified or amended by a written statement signed by both parties.

8. Severability. If part of this Agreement shall be held to be unenforceable or invalid the rest of the Agreement shall nevertheless remain in full force and effect.

9. Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement at any one time shall not be deemed a waiver of such term, covenant, or condition at any other time nor shall any waiver or relinquishment of any right or

power herein at any time be deemed a waiver or relinquishment of the same or any other right or power at any other time.

10. No Presumption Against Drafter. This Agreement is being entered into by a public entity and a corporate entity, both represented by counsel, and subject to full review by both parties. As such, there shall be no presumption against the drafter.
11. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
12. Mediation. In the event that a dispute arises out of this Agreement between the Parties, the Parties to agree to meet first to attempt to mediate a resolution to the dispute. Such mediation shall occur within 20 days of notice from either party.

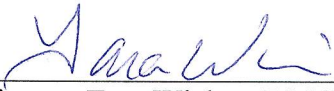
IN WITNESS WHEREOF we have hereunto set our hands and seals this _____

day of _____ 2025.

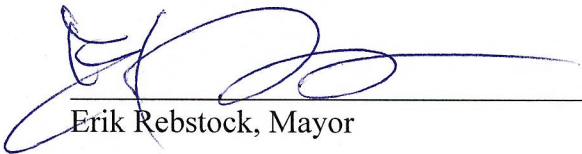
THE ESTAUGH D/B/A MEDFORD LEAS

By: _____

TOWNSHIP OF MEDFORD



Witness: Tara Wicker, RMC
Township Clerk



Erik Rebstock, Mayor



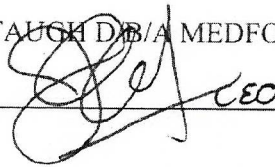
power herein at any time be deemed a waiver or relinquishment of the same or any other right or power at any other time.

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12. Mediation. In the event that a dispute arises out of this Agreement between the Parties, the Parties to agree to meet first to attempt to mediate a resolution to the dispute. Such mediation shall occur within 20 days of notice from either party.

IN WITNESS WHEREOF we have hereunto set our hands and seals this 16th
day of April 2025.

THE ESTAUGH D/B/A MEDFORD LEAS

By: _____


CEO

TOWNSHIP OF MEDFORD

By: _____