

RESOLUTION

WHEREAS, Crestmont Country Club ("CCC") owns certain property known as Block 174, Lots 1 and 1.01 commonly known as 750 Eagle Rock Avenue in the Township of West Orange ("Properties"); and

WHEREAS, CCC filed certain tax appeals for the years 2007 through 2010 carried under Docket Nos. 004628-2007, 006567-2008, 001741-2009, and 001061-2010; and

WHEREAS, CCC filed a Woodland Management Plan for various years beginning in 1994; and

WHEREAS, CCC sought and obtained a subdivision in 2007; and

WHEREAS, the Tax Assessor for the Township of West Orange denied CCC's farmland assessment applications; and

WHEREAS, the Township's 2010 assessment for the Properties is \$8,781,500 which equalizes to a fair market value of \$39,287,593; and

WHEREAS, the New Jersey Department of Environmental Protection approved the Woodland Management Plans; and

WHEREAS, on February 23, 2010, the Tax Court issued a Letter Opinion denying CCC's Motion for Summary Judgment without prejudice and scheduling a hearing concerning certain issues; and

WHEREAS, the Township believes the within Resolution is appropriate, fair and equitable; and

WHEREAS, the Township's Tax Assessor, appraisal expert and special real estate tax counsel, Blau & Blau, have recommended the within settlement;

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, as follows:

1. All present tax appeals concerning Crestmont Country Club will be settled with reductions in the assessment to be fixed by the West Orange Tax Assessor that result in a total 2007-2010 tax reduction of \$1,425,000 with payments/credits to be made as follows:
 - (a) Within twenty (20) days of receipt of CCC's 2010 fourth quarter tax payment, a tax refund will be issued to CCC and Brach Eichler, LLC, CCC's counsel, in the amount of \$150,000; and
 - (b) CCC will receive an annual tax credit of \$300,000 for tax years 2011, 2012, 2013 and 2014 ("Period") whereby each of the sixteen (16) quarterly tax payments due for the Period shall be reduced by a credit of \$75,000; and
 - (c) CCC will also receive a \$75,000 tax credit in the first quarter 2015;

and it is further **RESOLVED**

2. The Properties inclusive of Lots 1 and 1.01 in Block 174 shall be assessed for tax year 2011 at a combined total value of \$22 million to be allocated and directed by West Orange Tax Assessor¹;
3. CCC agrees not to file any further farmland assessment applications for the Properties through 2015;
4. CCC agrees not to file or prosecute any valuation appeals on the Properties for the years 2011 through 2015 provided the total assessment does not exceed \$22 million. To the extent that there is any increase in assessment for the Properties, CCC reserves all rights.
5. In the event of any conveyance between now and 2015, CCC agrees that any new owner shall be bound by this agreement and shall not seek to reduce the \$22 million assessment and shall not seek any farmland assessments for the Properties through 2015.

¹ To the extent that the final tax rate has not been struck for 2011, CCC reserves the right to file an appeal for 2011 so as to ensure that the aggregate tax for both lots does not exceed the sum of \$660,000. If the combined final 2011 real estate tax for Lots 1 and 1.01 exceed \$660,000, the 2011 appeal will be settled upon terms reducing the combined assessment to an amount that will produce a final 2011 tax bill of \$660,000. In the event the final 2011 total tax due is \$660,000 or less, the 2011 tax appeal will be withdrawn with prejudice.

Karen J. Carnevale, Municipal Clerk

Sal M. Anderton, Council President

Adopted: September 28, 2010