

ORDINANCE 2026-16

**AN ORDINANCE OF THE TOWN OF PHILLIPSBURG, COUNTY OF WARREN,
STATE OF NEW JERSEY AMENDING CHAPTER 5, *ADMINISTRATION OF
GOVERNMENT*, ARTICLE VIII, *DEPARTMENT OF ADMINISTRATION*, TO DELETE
SECTION 66, *DIVISION OF COMMUNITY DEVELOPMENT*, AND SECTION 67,
ECONOMIC DEVELOPMENT COMMITTEE, AND IN THEIR PLACE AND STEAD
CREATE A NEW ARTICLE XVI, ENTITLED, *DEPARTMENT OF ECONOMIC AND
COMMUNITY DEVELOPMENT***

WHEREAS, the Urban Enterprise Zone ("UEZ") is a program of the State of New Jersey designed to stimulate business development in economically distressed areas by, among other things, allowing for a reduced sales tax on items purchased by customers from qualifying businesses within the UEZ and exempting qualifying businesses from paying sales tax on certain goods purchased by the business; and

WHEREAS, a portion of the monies collected from the sales tax is reinvested in the UEZ through programs administered by the State and the local municipality; and

WHEREAS, the Town of Phillipsburg is one of 37 municipalities in the State of New Jersey with a designated UEZ; and

WHEREAS, the UEZ program in Phillipsburg has recently begun to be administered by the Town directly; and

WHEREAS, there currently is no established protocol for how the UEZ program is administered and how recommendations are to be made to the Town Council for requested action involving UEZ programs and financial opportunities; and

WHEREAS, the Division of Community Development is a division within the Department of Administration which historically has been focused on improving housing conditions within the Town, among other housing-related objectives; and

WHEREAS, the Economic Development Committee is a committee with a stated function of advising the Mayor and Council with respect to economic development within the Town; and

WHEREAS, it is the belief of the Mayor and Council that greater operational efficiency can be achieved by the deleting Section 66 and Section 67 of the Town Code and combining the functions of the same, along with clarifying how the UEZ program will be administered in Town, in a newly created Department of Economic and Community Development.

NOW THEREFORE BE IT ORDAINED by the Town Council of the Town of Phillipsburg, County of Warren, State of New Jersey as follows:

Section 1.

Chapter 5, *Administration of Government*, Article VIII, *Department of Administration*, Sections 66 & 67 are hereby deleted in their entirety.

There is hereby created a new Article XVI, Chapter 5-105 of the Town Code entitled "Department of Economic and Community Development" as follows:

§5-105 Department of Economic and Community Development; Creation of the Department; Department Head

There shall be a Department of Economic and Community Development, the head of which shall be the Economic and Community Development/UEZ Coordinator and who shall be appointed by the Mayor with the advice and consent of the Town Council.

§5-106. Powers and Duties

The Department shall:

- A. Operate and administer the UEZ program with the express goal of maximizing economic and overall community development within the UEZ for the benefit of the Town, its residents, and UEZ businesses.
- B. Operate and administer other programs on behalf of the Town with the express goal of maximizing economic and overall community development within the Town at large. As used in this Section, "other programs" shall refer to, and be specifically limited to, programs specifically authorized by ordinance or resolution duly adopted by the Town Council to be placed under the Department for implementation and administration.
- C. Assist and support other Town departments and public or private service and business organizations which are working to improve economic and community development within the Town. Any financial assistance provided to public or private service or business organizations, or to any other third party whatsoever or whosoever, shall only be provided upon approval by the Town Council.
- D. Maintain and disseminate information to the residents and businesses within the Town intending to assist in the accomplishment of the stated objectives of the Department.

§5-107. Additional Safeguards to Ensure the Public Trust; Rules and Regulations Required

In accordance with the general laws of the State of New Jersey, the specific laws of the State of New Jersey concerning the Mayor-Council form of Government (i.e., N.J.S.A. 40:69A-31, et. seq. and N.J.S.A. 40:69A-150 to 40:69A-210), the Local Government Ethics Law (N.J.S.A. 40A:9-22.1, et. seq.), and the Town Code, direct or indirect self-dealing for an employee or an immediate family member, whether in an individual capacity or business affiliated with the same, is prohibited. Further, the "steering" of employment or funds or projects or services to friends, political allies, etc. is prohibited. See N.J.S.A. 40:69A-165.

Accordingly, the Department shall develop, and present to the Council for approval through the Administration, programmatic rules and regulations governing client eligibility standards, application procedures, scoring criteria, award caps, documentation requirements, conflict-of-interest rules, vendor procedures, venue-selection procedures, reporting requirements, and expenditure plan for use of funds for which third parties may receive in order to establish clear safeguards to ensure that the Department funds will be utilized in accordance with the law and that recipients of Department funds, services or the like are entitled to receive same and that no conflicts are present.

§5-107 Personnel.

The Department may be staffed by an Economic and Community Development/UEZ Assistant Coordinator, who may be compensated full-time, part-time or via a stipend as provided for in the salary ordinance authorizing same. The Assistant Coordinator shall take direction from the Coordinator.

In accordance with N.J.S.A. 40:69A-163, no employee shall be interested directly or indirectly in any contract or job for work or materials, or the profits thereof, to be furnished or performed for the Town.

§5-108 Economic and Community Development/UEZ Advisory Board.

The Department shall work in conjunction with the Economic and Community Development/UEZ Advisory Board. The Coordinator shall meet with the Advisory Board as needed, but in no case less than once every two months. Meetings shall be coordinated through the Council President via the Office of the Municipal Clerk. The Advisory Board shall consist of five (5) members as follows:

1. Mayor
2. Council President
3. Business owner within the UEZ appointed by the Mayor
4. Business owner within the UEZ appointed by the Town Council
5. Economic and Community Development/UEZ Coordinator.

The terms of business owners appointed to the Advisory Board shall be annual, except for the initial appointment which shall be until December 31, 2027. The terms of the other Advisory Board members shall coincide with their office. In addition to the UEZ Coordinator, any two members of the Advisory Board or the Council may request an item be placed before the Advisory Board for its consideration.

The Advisory Board shall make recommendations to the Town Council, through the Administration, regarding programs/grants/initiatives it feels accomplish the stated goals and objectives of the Department. All such recommendations shall be accompanied by supporting documentation to enable the Town Council to act responsibly on the recommendation. This documentation shall include at a minimum: 1) how the recommendation will further the goals and objectives of the Department as set forth above; 2) the roll call vote (yays, nays, abstentions, recusals, and those in attendance) of the Advisory Board in making the recommendation, along with any conflict disclosures; 3) documentation relied upon by the Advisory Board in making the recommendation; 4) the fiscal impact on the Department (e.g., will use of funds as recommended result in under-funding other projects); 5) the source of funding; and 6) the position of those members of the Advisory Board who voted against the recommendation, as applicable.

The Town Council may approve, reject, or modify any such recommendations in its sole and absolute discretion.

§5-109 Use of Funds; Council Approval Required

No funds administered by the Department shall be awarded, expended, committed, encumbered, transferred, or paid without Council approval. For the sake of clarity, the Town Council is the sole entity which may award funds for programmatic purposes, award and confirm contracts with third parties, or authorize the expenditure of funds for a particular purpose such as vendor payment and no such award or expenditure of funds, or promise of award or expenditure

of funds, shall be made by the Administration or Department until same has been authorized by the Town Council after the Town CFO has certified to the availability of funds.

Section 2. Nothing in this ordinance shall be construed to ratify, confirm, approve, grandfather, or continue any prior appointment, designation, contract, title, assignment to the position of coordinator, director, division head, department head, or any equivalent role. Any appointment to serve as the head of the department or exercise department head authority shall be made only in accordance with the charter and code, including any required advice and consent of Council.

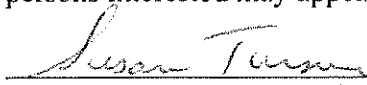
Section 3. All ordinances, or parts of ordinances, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistencies.

Section 4. If any article, section, subsection, paragraph, phrase, or sentence of this Ordinance is, for any reason, declared to be unconstitutional or invalid, such article, section, subsection, paragraph, phrase, or sentence shall be deemed severable.

Section 5. This Ordinance shall take effect upon final publication, as provided by law.

NOTICE

NOTICE is hereby given that the foregoing Ordinance was introduced to pass on first reading at a regular meeting of the Council of the Town of Phillipsburg held on July 14, 2026, and ordered published in accordance with the law. Said Ordinance will be considered for final reading and adoption at a regular meeting of the Town Council to be held on August 11, 2026 at 6:00 PM or as soon thereafter as the Town Council may hear this Ordinance at the Phillipsburg Housing Authority Envision Center, 535 Fisher Avenue, Phillipsburg, New Jersey, at which time all persons interested may appear for or against the passage of said Ordinance.


Susan Turner, Acting Municipal Clerk