

**RESOLUTION NO. 123-2013**

**RESOLUTION OF THE MAYOR AND COMMITTEE OF THE TOWNSHIP  
OF HARRISON AUTHORIZING THE EXECUTION OF A PAYMENT IN LIEU OF  
TAX ("PILOT") AGREEMENT FOR PROPERTY IDENTIFIED ON THE OFFICIAL  
TAX MAP OF THE TOWNSHIP OF HARRISON AS BLOCK 52, LOT 8**

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**WHEREAS**, United Cerebral Palsy of Northern, Central and Southern, NJ, Inc. ("UCP") is a not-for-profit organization that provides an array of services to people with disabilities and their families throughout the state of New Jersey, and Rukenstein & Associates, L.L.C. ("RA") is a Limited Liability Company organized in accordance with New Jersey law, and is a professional planning and grants consulting firm specializing in developing affordable housing opportunities in the state of New Jersey; and

**WHEREAS**, UCP as the Sponsor, and RA as the Developer (jointly "UCP/RA") have entered into a Contract with Mullica West Ltd. relating to the purchase of the Mullica West Apartments consisting of a 168-unit apartment complex and identified on the Municipal Tax Map as Block 52, Lot 8, and commonly known as 58 Woodstown Road; and

**WHEREAS**, UCP/RA proposes to extensively preserve and rehabilitate the existing 168-unit apartment complex, and construct an additional 24 affordable housing units which would result in a total of 192 units of multi-family affordable housing; and

**WHEREAS**, the Project shall be defined as follows: The property is an existing 168-unit affordable housing complex for families located in Mullica Hill, Gloucester County. The Property will be converted into a condominium consisting of two condominium units and common elements. The first condominium unit will be the subject of the current tax credit application and consists of the preservation of the existing 168 housing units. The second condominium unit will consist of new construction of 24 housing units, as well as a 2,500 square foot community building, all of which are located on the subject Property (the second unit will be the subject of a future tax credit application) for a total of 192 units of multi-family housing.

**WHEREAS**, UCP/RA has applied for funding of the project through the New Jersey Housing and Mortgage Finance Agency which authorizes Payment in Lieu of Tax ("PILOT) Agreements between the Municipality where the property is located and the Sponsor seeking funding in accordance with N.J.S.A. 55:14k-1 et seq.; and

**WHEREAS**, the Township adopted the requisite Resolution of Need on April 15, 2013 with respect to the proposed project in accordance with N.J.S.A. 55:14k-1 et seq; and

**WHEREAS**, UCP/RA has applied to the Township for a long term tax exemption in furtherance of its affordable housing project on the UCP/RA Property; and

**WHEREAS**, the Township has determined that the UCP/RA affordable housing project is essential to the Township's plan for the provision of the Township's fair share of affordable housing; and

**WHEREAS**, the estimated revenue projections proposed for the PILOT Agreement are as follows:

Gross Rents (Existing 168 units)	\$ 1,288,560
Gross Rents (Proposed 24 units)	\$ 232,800
Less Vacancy	\$ 33,122
Less Utilities	\$ 194,286
Gross Shelter Rents	\$ 1,293,952
% of Rent Roll	10.0%
<b>PILOT Payment</b>	<b>\$ 129,395</b>

**WHEREAS**, the Township has determined that it is appropriate to grant a long term tax exemption to the UCP/RA Property and to enter into a PILOT Agreement with UCP/RA to memorialize the terms and conditions of the long term tax exemption.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Committee of the Township of Harrison, County of Gloucester and State of New Jersey that:

1. The Committee does hereby adopt the within Resolution and makes the determination and finding herein contained by virtue of, pursuant to, and in conformity with the provisions of the HMFA Requirements and Long Term Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall preserve, rehabilitate, construct, own and operate the Project.

2. The Committee does hereby adopt the within Resolution and does hereby commit to this project a Payment In Lieu of Taxes Agreement pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, et seq.

3. From the date of Substantial Completion of the Project and for the remaining term of the NJHMFA Mortgage, the Sponsor shall make payment to the Municipality in an amount equal to 10 percent of Project Revenues. As used herein, "Project Revenues" means the total annual gross rental or carrying charge and other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, and less vacancies if any. As used herein, "Substantial Completion" means the date upon which the Municipality issues the Certificate of Occupancy for the 168 units in Phase I of the Project and/or for the 24 units in Phase II of the Project. For avoidance of doubt, each phase shall receive the benefit of the PILOT upon substantial completion of that phase.

4. The Committee understands and agrees that the revenue projections set forth in this Resolution are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the Municipality shall be determined pursuant to the formulas set forth in the PILOT Agreement executed between the Sponsor and Municipality.

5. The execution of the PILOT Agreement is conditioned upon UCP/RA obtaining funding from New Jersey Housing and Mortgage Finance Agency and upon UCP/RA obtaining all necessary municipal approvals.

**ADOPTED** at a regular meeting of the Mayor and Township Committee of the Township of Harrison, County of Gloucester, State of New Jersey held on June 3, 2013.

**TOWNSHIP OF HARRISON**

BY: \_\_\_\_\_  
**LOUIS F. MANZO, MAYOR**

**ATTEST:**

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**DIANE L. MALLOY**  
Clerk

<b>ROLL CALL VOTE</b>				
<b>COMMITTEE MEMBER</b>	<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Manzo				
Clowney				
Diggons				
Heim				
Shearer				

**CERTIFICATION**

I hereby certify that the above resolution is a true copy of a resolution adopted by the Township Committee of the Township of Harrison, County of Gloucester, State of New Jersey, at a meeting held by the same on June 3, 2013 in the Harrison Township Municipal Building, 114 Bridgeton Pike, Mullica Hill, New Jersey 08062.

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**DIANE L. MALLOY**  
Clerk