

TOWNSHIP OF PENNSAUKEN, NEW JERSEY

RESOLUTION 2022-325

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED PAYMENT IN LIEU OF TAXES (PILOT) AGREEMENT WITH PENNSAUKEN TOWERS PRESERVATION PARTNERS, LLC TO PROVIDE AFFORDABLE HOUSING TO LOW INCOME SENIORS IN CONNECTION WITH THE PENNSAUKEN TOWERS SENIOR HOUSING PROJECT

WHEREAS, the Township of Pennsauken ("Township" or "Municipality") is committed to the preservation of affordable housing as a necessary and valuable resource for its citizen; and

WHEREAS, Pennsauken Senior Towers, an 8-story, 101 one-bedroom apartment unit senior affordable housing facility ("Pennsauken Towers" or the "Project"), located on certain real property designated as Lot 2 Block 4301 as shown on the official Tax Map of the Township; and

WHEREAS, the Project was developed and opened in 1981 to assist low-income seniors to obtain safe decent and affordable housing; and

WHEREAS, over the past 41 years, Pennsauken Towers has provided a source of safe, decent and well-maintained affordable housing for the senior citizens of; and

WHEREAS, the senior citizen residents of Pennsauken Towers currently pay an average rent, which based on 30 % of their total income, is less than 50% of that charged in the open market; and

WHEREAS, the existing HUD Section 8 contract for Pennsauken Towers will expire in the year 2031; and

WHEREAS, the Township has received low-income housing development credits from the Council on Affordable Housing for Pennsauken Towers, which may be extended if and to the Project is re-capitalized under Section 42 of the Low-Income Housing Tax Credit Program and continued as affordable housing; and

WHEREAS, the present owner of the Project, Pennsauken Towers Urban Renewal, LLC ("PTUR"), and its designated successor, Pennsauken Towers Preservation Partners, LLC ("PTPP" or "Sponsor"), have agreed to renovate apartments, upgrade systems and preserve the complex as an affordable housing resource for seniors; and

WHEREAS, in particular, the Sponsor proposes to continue to provide affordable housing by and through the Project pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter referred to as the "HMFA Requirements"); and

WHEREAS, the Project will be subject to certain NJHMFA Requirements, and certain documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

WHEREAS, pursuant to the NJHMFA requirements, the governing body of the Township hereby determines that there is a need for this housing project in the Township, and.

WHEREAS, the Sponsor has presented to the Township Committee a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor

from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and made a part hereof as Exhibit "A".

NOW, THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Pennsauken ("Committee") that:

1. The Committee does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the NJHMFA Requirements with the intent and purpose that the Agency shall rely thereon in making or facilitating a mortgage loan to the Sponsor, which shall own and operate the Project; and

2. The Committee does hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the NJHMFA requirements, provided that payments in lieu of taxes for municipal services supplied to the Project and made to the municipality in such amounts and manner as set forth in the Amended and Restated Agreement for Payments in Lieu of Taxes to be executed soon after this Resolution is adopted; and

3. The Committee hereby authorizes and directs the Mayor of the Township of Pennsauken to execute, on behalf of the municipality, an Amended and Restated Agreement for Payments in Lieu of Taxes in similarity to the form annexed hereto as Exhibit "B" ("New Agreement"); and

4. That the execution of the New Agreement is conditioned upon the Sponsor obtaining Tax Credit Approval from the New Jersey Housing and Mortgage Finance Agency and upon the Sponsor obtaining all necessary municipal approvals; and

5. The Committee understands and agrees that the revenue projections set forth in Exhibit "A" 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 Agreement for Payments in Lieu of Taxes executed between the Sponsor and municipality.

6. The Committee hereby consents to the PILOT Resolution and the New Agreement to be entered into with Pennsauken Towers Preservation Partners, LLC.

CERTIFICATION

I, Pamela Scott-Forman, hereby certify that I, the undersigned, am the Municipal Clerk of the Township of Pennsauken, and am duly authorized to certify resolutions adopted by the Township Committee at a regular meeting held on the 4th day of August 2022.

Pamela Scott-Forman, rmc
Municipal Clerk