Explanation: This Ordinance authorizes the execution of a Ground Lease Agreement with BCUW/Madeline Housing Partners, LLC for a portion of property identified on the Warren Township Tax Map as Lot 4, Block 83 for the purpose of constructing no less than 32 affordable housing units for developmentally disabled persons.

TOWNSHIP OF WARREN

ORDINANCE NO. 19-19

ORDINANCE AUTHORIZING EXECUTION OF A GROUND LEASE AGREEMENT FOR A PORTION OF THE PROPERTY ON BLOCK 83, LOT 4 FOR CONSTRUCTING 32 AFFORDABLE HOUSING UNITS FOR DEVELOPMENTALLY DISABLED PERSONS

WHEREAS, the Township of Warren is the owner of property (the “Property”) known and designated as Lot 4, Block 83 on the Tax Map of the Township of Warren consisting of approximately 10.24 acres; and

WHEREAS, BCUW/Madeline Housing Partners, LLC (“BCUW”) desires to lease a portion of the Property (the “Lease Portion”) for the purpose of constructing no less than 32 affordable housing bedrooms for persons who are developmentally disabled; and

WHEREAS, N.J.S.A. 40A:12-14 and -15 authorize the Township to adopt ordinances authorizing leases of Township property to nonprofit corporations or associations for public purposes for nominal or other consideration without the need for public advertising for bids; and

WHEREAS, the Township Committee has determined that the Lease Portion is no longer needed for public purposes; and

WHEREAS, the Township Committee desires to enter into a Ground Lease Agreement (the “Ground Lease Agreement”), substantially in the form attached hereto, with BCUW, subject to the approval of the Township Attorney; and

WHEREAS, the Ground Lease Agreement serves the public purpose of providing no less than thirty-two (32) affordable housing bedrooms for developmentally disabled persons in order to contribute to the Township’s compliance with its affordable housing obligations.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Warren, in the County of Somerset, State of New Jersey, as follows:
1. The Mayor and Township Clerk are hereby authorized to execute a Ground Lease Agreement with BCUW for the Lease Portion for a nominal consideration of a one-time payment of One ($1.00) Dollar. The Ground Lease Agreement shall be for a term of fifty (50) years, with one additional term of twenty-five (25) years as authorized by the Township Committee, provided that the Lease Portion remains devoted to use for affordable housing.

2. The Township Administrator shall be responsible for the enforcement of the Ground Lease Agreement. BCUW, or any successor in interest approved by the Township Committee, will annually submit a report to the Township Clerk setting out the use to which the Lease Portion was put during the prior year; BCUW’s activities undertaken in furtherance of the public purpose for which the leasehold was granted; the approximate value or cost of these activities, and an affirmation of the continued tax-exempt status of BCUW as a nonprofit corporation pursuant to both state and federal law.

3. This Ordinance will take effect upon final approval and publication, according to law.

ATTEST:  TOWNSHIP OF WARREN

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Cathy Reese, Township Clerk        Gary P. DiNardo, Mayor

INTRODUCED: March 14, 2019
ADOPTED:   April 11, 2019
EFFECTIVE: April 18, 2019