

Explanation: This Ordinance authorizes a Financial Agreement between the Township and Warren LIHTC Urban Renewal, LLC, a New Jersey limited liability company, and its permitted assigns.

**TOWNSHIP OF WARREN
ORDINANCE NO. 18-14**

AN ORDINANCE AUTHORIZING A FINANCIAL AGREEMENT WITH WARREN LIHTC URBAN RENEWAL, LLC REGARDING PAYMENT OF AN ANNUAL SERVICE CHARGE IN LIEU OF TAXES FOR PROPERTY LOCATED AT BLOCK 114 LOT 22.03

WHEREAS, by Resolution No. 2017-58 adopted on January 26, 2017, the Township designated property (the "Property") located at Block 114, Lot 22.03 as shown on the Tax Map of the Township of Warren as an area in need of redevelopment (the "Redevelopment Area") pursuant to the Local Housing and Redevelopment Law, N.J.S.A. 40A:12A-1 *et seq.* (the "LRHL"); and

WHEREAS, by Ordinance No. 17-18, adopted on October 5, 2017, the Township adopted a Redevelopment Plan as defined in the LRHL (the "Redevelopment Plan"); and

WHEREAS, on January 25, 2018, PIRHL Acquisitions, LLC ("PIRHL") was designated the redeveloper of the Redevelopment Area pursuant to Resolution No. 2018-46; and

WHEREAS, PIRHL Acquisitions, LLC has executed a Redevelopment Agreement with the Township for the redevelopment of the Redevelopment Area; and

WHEREAS, Warren LIHTC Urban Renewal LLC, a New Jersey limited liability company, having its principal office at c/o PIRHL Acquisitions, LLC, 800 West St. Clair Avenue, 4th Floor, Cleveland, OH 44113, and its permitted assigns (the "Urban Renewal Entity") is an affiliate of PIRHL; and

WHEREAS, the Urban Renewal Entity intends to construct, manage and operate 80 units of low and moderate low income multi-family housing on the Property (the "Project"), together with such other improvements as may be necessary, including leasing offices, community meeting space, landscaping, curbing and pavement (the "Project"); and

WHEREAS, the Township Committee has determined that the Project will qualify for tax exemption under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.* (the "LTTEL"); and

WHEREAS, the Urban Renewal Entity has proposed to pay an Annual Service Charge in lieu of taxes ("PILOT") on the land and improvements, as more specifically set forth in the Financial Agreement (the "Financial Agreement"), a copy of which has been reviewed and approved as to form and content by the Township Attorney and is attached hereto and made a part hereof and is on file with the Township Clerk and available for inspection by the public during normal business hours.

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:

Section 1. Findings.

- a. The Annual Service Charge will exceed the amount of taxes generated by the Property in the last full year in which ad valorem taxes are to be charged;
- b. The Project will provide for the redevelopment of the Redevelopment Area, prevent decline in its condition and value, permit the Township to rely upon it as a source of payment of future tax revenues and enhance its long-term value;
- c. The tax exemption is important to obtain development of the Project and provide affordable housing:
 - I. Without the exemption, the Project is not financially viable, and
 - II. The exemption permits private development of affordable housing in the Redevelopment Area.

Section 2. Authorization of PILOT.

The development of the Project is hereby approved for a grant of a tax exemption under the LTTEL.

The Township Committee hereby authorizes the execution by the Mayor and Township Clerk of a Financial Agreement with the Urban Renewal Entity authorizing the payment of an Annual Service Charge in lieu of taxes on the land and improvements as set forth in the Financial Agreement.

The Township Committee understands and agrees that the revenue projections set forth in the Financial Agreement are estimates and the actual PILOT payments to be paid by the Urban Renewal Entity to the Township shall be determined pursuant to the Financial Agreement.

A certified copy of this Ordinance and the fully executed copy of the Financial Agreement shall be filed with the Township Clerk, and certified copies of the Ordinance and fully executed Financial Agreement shall be forwarded to the following parties:

The Warren Township Tax Assessor; and
Katharine Coffey, Esq., counsel for the Urban Renewal Entity
c/o Day Pitney LLP
One Jefferson Road
Parsippany, New Jersey 07054

- a. Within ten (10) calendar days following the latter of the effective date of this Ordinance or the execution of the Financial Agreement by the Urban Renewal Entity, the Township Clerk shall transmit a certified copy of the Ordinance and the Financial Agreement to the following:

Nicola Trasente, Chief Financial Officer
County of Somerset
20 Grove Street
3rd Floor
Somerville, NJ 08876; and

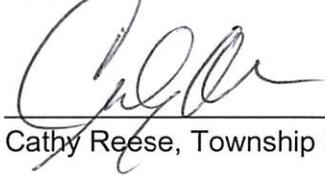
William Cooper, Esq., Somerset County Counsel
P.O. Box 1034
25 West High Street
Somerville, New Jersey 08876

Section 3. Repealer. All ordinances and resolutions or parts thereof inconsistent with this ordinance are repealed.

Section 4. Severability. If any section, paragraph, subsection, clause or provision of this ordinance shall be adjudged by the courts to be invalid, such adjudged by the courts to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and the remainder of this ordinance shall be valid and enforceable.

Section 5. Effective Date. This ordinance shall take immediately after adoption and publication according to law.

ATTEST:



Cathy Reese, Township Clerk

TOWNSHIP OF WARREN



Victor J. Sordillo, Mayor

INTRODUCED	May 10, 2018
ADOPTED	June 14, 2018
EFFECTIVE	June 21, 2018

Alfred J. G. J.