

**TOWNSHIP OF EAST AMWELL  
ORDINANCE NO. 23-08**

**ORDINANCE OF THE TOWNSHIP OF EAST AMWELL, COUNTY OF HUNTERDON, STATE OF NEW JERSEY, ADOPTING THE FINANCIAL AGREEMENT, ACCEPTING THE APPLICATION FOR TAX EXEMPTION UNDER N.J.S.A. 40A:20-1 ET SEQ., AUTHORIZING TAX EXEMPTION AND PAYMENT IN LIEU OF TAXES IN CONNECTION WITH THE EAST AMWELL SENIOR HOUSING DEVELOPMENT AND CONFIRMING THAT THE EAST AMWELL SENIOR HOUSING DEVELOPMENT HELPS TO SATISFY A NEED FOR AFFORDABLE HOUSING IN THE TOWNSHIP**

**WHEREAS**, East Amwell UAW Urban Renewal Housing Corp, a New Jersey nonprofit corporation (the "Entity") has made a proposal for the construction of a 24 affordable rental unit development to be known as East Amwell Senior Apartments located at Block 27.01, Lot 18.01 in the Township of East Amwell, Hunterdon County, New Jersey (the "Project"); and

**WHEREAS**, the rental units in the Project would be leased exclusively to tenants whose incomes are at or below sixty percent (60%) of the area median income, and so qualifies as a "low and moderate income housing project" under the provisions of the Long Term Tax Exemption Law, N.J.S.A., 40A:20-1, et seq.; and

**WHEREAS**, the Entity's proposal and conceptual plan is subject to approvals from the East Amwell Planning Board and appears to be consistent with the Township's goal for the provision of affordable housing in the Township; and

**WHEREAS**, the Entity has been qualified as an "urban renewal entity" pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, et seq.; and

**WHEREAS**, the Entity has submitted to the Township Committee an Application and a draft Financial Agreement, copies of which are attached; and

**WHEREAS**, the East Amwell Township Committee has determined that in the event that this project is approved by the Planning Board, it is in the best interest of the Township to grant a tax exemption and enact this Ordinance to allow the Entity to obtain a program for payments in lieu of taxes, and to approve a financial agreement as a means of facilitating the same; and

**WHEREAS**, the East Amwell Township Committee has given substantial consideration to the Project and the request of the Entity for a long-term tax exemption pursuant to N.J.S.A. 40A:20-1, et seq., and has had the advice of various consultants to establish the reasonableness, fairness, and feasibility of this action; and

**WHEREAS**, the Project design appears to be consistent with the Master Plan of the Township of East Amwell and there will be no businesses or residences displaced or relocated as a result of the development of the Project; and

**WHEREAS**, the Project will result in significant benefits to the municipality by providing quality housing units affordable to low-income households; and

**WHEREAS**, such benefits are far greater to the Township than the cost, if any, associated with the proposed ~~draft~~ Financial Agreement; and

**WHEREAS**, the Township acknowledges that the Entity, by effectuating the Project, has significantly limited its profits by maintaining affordability controls upon the Project for 30 years, and otherwise limiting its profits pursuant to the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1, et seq.

**NOW THEREFORE, BE IT ORDAINED**, by the Township Committee of the Township of East Amwell that:

The proposed 24 affordable housing unit development known as East Amwell Senior Housing, helps address the need for affordable housing in the Township; and

East Amwell UAW Urban Renewal Housing Corp, a New Jersey nonprofit corporation, as the entity proposing to undertake the development of the Project, is hereby granted tax exempt status on a tax phase-in basis, as permitted by N.J.S.A. 40A:20-1. et seq., for the 24 affordable rental housing units. Such exemption shall be triggered by the substantial completion of the Project and shall be structured as specified in the Financial Agreement governing the Project and as follows:

Stage 1 of the exemption period shall have a term of fifteen (15) years. During Stage 1, the annual service charge shall be equal to 3.10% percent of the annual gross revenue, calculated pursuant to N.J.S.A. 40A:20-3 and 40A:20-12; and

Stage 2 of the exemption period shall have a term of six (6) years (years 16 through 21). During Stage 2, the annual service charge shall be equal to the greater of the figure in (1) above, or twenty (20%) percent of the amount of taxes otherwise due on the value of the land and improvements; and

Stage 3 of the exemption shall have a term of six (6) year (years 22 through 27). During Stage 3, the annual service charge shall be equal to the greater of the figure in (1) above, or forty (40%) percent of the amount of taxes otherwise due on the value of the land and improvements; and

Stage 4 of the exemption shall have a term of two (2) years (years 28 through 29). During Stage 4, the annual service charge shall be equal to the greater of the figure in (1) above, or sixty (60%) percent of the amount of taxes otherwise due on the value of the land and improvements; and

Stage 5 of the exemption shall have a term of one (1) year (year 30). During Stage 4, the annual service charge shall be equal to the greater of the figure in (1) above, or eighty (80%) percent of the amount of taxes otherwise due on the value of the land and improvements.

The Township Committee is hereby authorized to enter into and hereby approves a Financial Agreement as negotiated with the East Amwell UAW Urban Renewal Housing Corp, a New Jersey

nonprofit corporation, pursuant to N.J.S.A. 40A:20-1 et seq. in connection herewith governing the Project.

INTRODUCED/PASSED ON FIRST READING: June 8, 2023

ROLL CALL VOTE				
COMMITTEE MEMBER	YES	NO	ABSTAIN	ABSENT
DENDIS	X			
MILLS	X			
RAMSEY	X			
DI PIRRO	X			
CASPER-BLOOM	X			


PUBLISHED: June 15, 2023


AMENDED: July 13, 2023

ADOPTED: July 13, 2023

ROLL CALL VOTE				
COMMITTEE MEMBER	YES	NO	ABSTAIN	ABSENT
DENDIS	✓			
MILLS	✓			
RAMSEY	✓			
DI PIRRO	✓			
CASPER-BLOOM	✓			

ATTEST:

  
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Linda Giliberti, RMC  
Township Clerk

  
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Jenna Casper-Bloom  
Mayor