

MOORESTOWN TOWNSHIP

ORDINANCE NO. 26-2023

AUTHORIZING CONVEYANCE OF PROPERTY AT 307 HARPER DRIVE TO PENNROSE, LLC FOR THE CONSTRUCTION OF AFFORDABLE HOUSING AND AUTHORIZING THE ACCEPTANCE OF A MORTGAGE AND NOTE WITH REGARD TO THE TOWNSHIP'S MUNICIPAL FINANCIAL CONTRIBUTION TO THE PROJECT IN PARTIAL SATISFACTION OF THE TOWNSHIP'S THIRD ROUND PLAN AND RELATED OBLIGATIONS

WHEREAS, the Township of Moorestown ("Township") received Final Judgment of Compliance and Release from the Superior Court on May 10, 2022; and

WHEREAS, the Township's Third Round Plan includes a project to be developed by Pennrose, LLC ("Pennrose") at 307 Harper Drive, more formally referred to as Block 3201, Lot 3 (the "Property"), consisting of 75 family rental affordable units, plus one on-site maintenance supervisor unit (the "Project"); and

WHEREAS, the Township and Pennrose entered into a Developer's Agreement dated as of January 1, 2020 and amended on or about August 22, 2022, wherein the Township is required to acquire and then convey the Property to Pennrose pursuant to Paragraph 4.f.; and

WHEREAS, the Township acquired the Property in accord with Ordinance 39-2019, adopted December 2, 2019 and Ordinance 25-2020 adopted October 5, 2020, and is the owner in fee of the Property by Deeds dated December 26, 2019 and February 25, 2021; and

WHEREAS, the Township is further, per the obligations of the Third Round Plan and the Developer's Agreement, required to provide supplemental or "gap" funding to ensure that the Project, along with all tax credit and outside entity funding, can be fully funded and constructed; and

WHEREAS, the Township, pursuant to its funding obligation, has negotiated and will enter into a Loan Agreement, Mortgage and Note in the amount of the funding contribution(s) and in favor of the Township as mortgagee/ lender; and

WHEREAS, the Local Lands and Buildings Law, N.J.S.A. 40A:12-1, et seq. permits the transfer of the Property by adoption of an ordinance, and this Ordinance is being adopted in accord with same.

NOW, WHEREFORE, BE IT HEREBY ORDAINED by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey that the Township hereby authorizes the conveyance of the Property (as defined and set forth above) to Pennrose for the nominal consideration of One Dollar (\$1.00), which conveyance is conditioned upon the construction of the Project (as defined above).

BE IT FURTHER ORDAINED that the Mayor, Township Manager, Township Clerk, Township Attorney, and such other officials, employees and agents of the Township are hereby authorized and directed to prepare, execute and transfer a Deed and all related documents in order to effectuate the transfer of the Property as authorized herein.

BE IT FURTHER ORDAINED that the Township is further authorized and shall receive as part of this transaction a Loan Agreement, Mortgage, and Note in the amount of the Township's financial contribution(s) to the Project, and the Mayor, Township Manager, Township Clerk, Township Attorney, Special Affordable Housing Counsel, and such other officials, employees and agents of the Township are hereby authorized and directed to receive said documents on behalf of the Township, ensure the filing of same with the County Clerk, and execute any documents necessary to effectuate same.

CERTIFICATION

I, Patricia L. Hunt, Township Clerk, hereby certify that the attached is a true and correct copy of Ordinance No. 26-2023 which was introduced and adopted on first reading on August 21, 2023 and heard on second reading and was duly adopted by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey at a meeting of the Township Council held on November 27, 2023.

<u>VOTE:</u>	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	YES
ZIPIN	RECUSED

Patricia L. Hunt, RMC
Township Clerk