

**TOWNSHIP OF LONG HILL
ORDINANCE 539-24**

ORDINANCE OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF LONG HILL, COUNTY OF MORRIS, NEW JERSEY, APPROVING THE APPLICATION FOR A LONG-TERM TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT WITH 1449 VALLEY ROAD URBAN RENEWAL, LLC

WHEREAS, Lounsberry Meadow, LP ("**Lounsberry Meadow**") owns and operates a 52-unit affordable housing residential community (the "**Residential Community**") for seniors and persons with disabilities with low and moderate incomes, at 1449 Valley Road, Stirling, New Jersey and identified as Block 10301, Lot 16.04 (the "**Property**") on the official tax map of the Township of Long Hill (the "**Township**"); and

WHEREAS, 1449 Valley Road Urban Renewal, LLC (the "**Entity**") is the contract purchaser of the Property; and

WHEREAS, the Entity proposes acquire and substantially renovate the Residential Community located on the Property, including, but not limited to, [replacement of windows, installation of new water heaters, elevator modernization, updated kitchens in the apartments, vinyl siding, roof shingle repairs, paving and striping, and upgrades to the security cameras and site lighting] (collectively, the "**Project**"); and

WHEREAS, the Entity has represented to the Township that the Project would not be feasible in its intended scope but for the provision of financial assistance by the Township; and

WHEREAS, the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "**Long Term Tax Exemption Law**") authorize the Township to accept, in lieu of real property taxes, an annual service charge with respect to the Project; and

WHEREAS, in order to make the Project economically viable, the Entity submitted to the Mayor an application (the "**Application**"), which is on file with the Township Clerk, for approval of a long term tax exemption for the Project; and

WHEREAS, the Entity also submitted to the Mayor a form of financial agreement, a copy of which is attached as an exhibit to the Application, establishing the rights, responsibilities and obligations of the Entity; and

WHEREAS, the Mayor submitted the Application and the financial agreement on file with the Township Clerk (the "**Financial Agreement**") to the Township Council along with his recommendation for approval, a copy of which recommendation is on file with the Township Clerk; and

WHEREAS, pursuant to the terms of the Financial Agreement, in lieu of real property taxes on the Project, the Entity will pay an annual service charge (the "**Annual Service Charge**") to the Township; and

WHEREAS, pursuant to the terms of the Financial Agreement, the Property will also be exempt from paying real property taxes in accordance with N.J.S.A. 40A:20-12; and

WHEREAS, the Township Council has determined that the Project represents an undertaking permitted by the Exemption Law, and hereby finds that the relative benefits of the Project justify the long term tax exemption requested in the Application; and

WHEREAS, the Township has made the following findings with respect to the Project:

- A. Relative benefits of the Project when compared to the costs:
 - i. Relative benefits of the Project to the area greatly outweigh cost of tax exemption through the direct benefit to the health, welfare and financial well-being of the

Township and its citizens because it allows for the renovations of fifty-two (52) affordable housing units and ensures that such affordable housing units are retained for the life of the tax exemption (and in perpetuity thereafter) in satisfaction of the Township's Constitutional obligation to provide housing to persons of low and moderate incomes, including in satisfaction of the Township's "Round Four" obligation, commencing in 2025.

- B. Assessment of the importance of the tax exemption in obtaining development of the Project:
- i. The relative stability and predictability of the Annual Service Charge associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project;
 - ii. The Annual Service Charge improves the economic viability of the Project which, without the Annual Service Charge, would not be undertaken.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF LONG HILL, IN THE COUNTY OF MORRIS, NEW JERSEY AS FOLLOWS:

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. The Application and form of Financial Agreement are hereby approved.

Section 3. The Mayor is hereby authorized and directed to execute the Financial Agreement with the Entity in substantially the form on file with the Township Clerk, subject to modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 4. The Clerk of the Township is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Township upon such Financial Agreement.

Section 5. The Township Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Township in accordance with Section 12 of the Exemption Law.

Section 6. In accordance with P.L. 2015, c. 247, within ten (10) calendar days following the later of the effective date of this Ordinance or the execution of the Financial Agreement by the Entity, the Township Clerk also shall transmit a certified copy of this Ordinance and the Financial Agreement to the chief financial officer of Morris County and to the Morris County Counsel for informational purposes.

Section 7. The Mayor and Township Clerk are hereby authorized to take such action and to execute such other documents, on behalf of the Township, in consultation with counsel, as is necessary to effectuate the terms of the Financial Agreement.

Section 8. If any part(s) of this Ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this Ordinance.

Section 9. This Ordinance shall take effect in accordance with applicable law.

ATTEST


Megan Phillips, RMC


Guy Piserchia, Mayor

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