

**TOWNSHIP OF EVESHAM**

**ORDINANCE NO. 15-7-2018**

**ORDINANCE OF THE TOWNSHIP OF EVESHAM ADOPTING THE FINANCIAL AGREEMENT, ACCEPTING THE APPLICATION FOR TAX EXEMPTION UNDER N.J.S.A. 40A:21-1 ET SEQ, AND AUTHORIZING TAX EXEMPTION AND PAYMENT IN LIEU OF TAXES IN CONNECTION WITH THE EVESHAM FAMILY APARTMENTS DEVELOPMENT**

**WHEREAS**, Evesham Family Apartments Urban Renewal LLC (the “Entity”) has made a proposal for the construction of a sixty-four (64) unit affordable rental housing development, comprised of a mix of one, two, and three-bedroom rental units located on lot 2.03 in block 36 in the Township of Evesham, Burlington County, New Jersey (the “Development”); and

**WHEREAS**, the rental units in the Development 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 development” 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 have been reviewed and found consistent with the Township’s goals for development of the area and for the provision of affordable housing in the Township; and

**WHEREAS**, the Entity will be 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 Township acknowledges that the Entity, by effectuating the Development, has significantly limited its profits by maintaining affordability controls upon the Development for 45 years, and otherwise limiting its profits 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 Council an Application and Financial Agreement, copies of which are attached and incorporated herein by reference;

**NOW THEREFORE, BE IT ORDAINED**, by the Township Council of the Township of Evesham that:

**SECTION I.**

Evesham Family Apartments Urban Renewal LLC, as the entity proposing to undertake the development of the Development, 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 sixty-four (64) affordable rental housing units. Such exemption shall be triggered by the issuance of a Certificate of Occupancy (or TCO) for the final building in the Development and shall be structured as specified in the Financial Agreement governing the Development and as follows:

1. Stage 1 of the exemption period, from substantial completion/Certificate of Occupancy to the 15<sup>th</sup> year thereafter, the

Entity shall pay an annual service charge equal to five percent (5.00%) of annual gross revenue.

2. Stage 2 of the exemption period, for years 16 through 21, the Entity shall pay an annual service charge equal to 5.00% of gross revenue or twenty percent (20%) of the taxes otherwise due on the value of the land and improvements, whichever is greater.
3. Stage 3 of the exemption period, for years 22 through 27, the Entity shall pay an annual service charge equal to 5.00% of gross revenue or forty percent (40%) of the taxes otherwise due on the value of the land and improvements, whichever is greater.
4. Stage 4 of the exemption period, for years 28 through 29, the Entity shall pay an annual service charge equal to 5.00% of gross revenue or sixty percent (60%) of the taxes otherwise due on the value of the land and improvements, whichever is greater.
5. Stage 5 of the exemption period, for year 30, the Entity shall pay an annual service charge equal to 5.00% of gross revenue or eighty percent (80%) of the taxes otherwise due on the value of the land and improvements, whichever is greater.

## **SECTION II.**

The Township Council hereby approves the Financial Agreement submitted by Evesham Family Apartments Urban Renewal LLC, pursuant to N.J.S.A. 40A:20-1 et seq. in connection herewith governing the Development. The Township Council hereby authorizes and directs the Township Manager and the Township Clerk as may be necessary to execute on behalf of the municipality the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit A. The Council understands and agrees that the revenue projections set forth by the Developer are estimates and that the actual payments in lieu of taxes to be paid by the Entity to the Township shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the parties.

## **SECTION III. REPEALER; SEVERABILITY; EFFECTIVE DATE**

- A. Ordinances or provisions thereof inconsistent with the provisions of this Ordinance shall be and are hereby repealed to the extent of such inconsistency.
- B. If any section, paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall only apply to the section, paragraph, subdivision, clause or provision and the remainder of this Ordinance shall be deemed valid and effective.
- C. This Ordinance shall take effect upon adoption and publication according to law and the filing of same with the Burlington County Planning Board in accordance with N.J.S.A. 40:55D-16 and the Pinelands Commission in accordance with N.J.A.C. 7:50-3.31 through 3.45.

<b>ROLL CALL VOTE <i>Upon Introduction</i></b>						
<b>COUNCIL MEMBER</b>	INTRODUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
D' ANDREA						
DIENNA						
HACKMAN						
ZEULI						
MAYOR BROWN						

<b>ROLL CALL VOTE <i>Upon Adoption</i></b>						
<b>COUNCIL MEMBER</b>	INTRODUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
D' ANDREA						
DIENNA						
HACKMAN						
ZEULI						
MAYOR BROWN						

Adopted on second and final reading on

\_\_\_\_\_

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Township Clerk