

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 13-191

**A RESOLUTION AUTHORIZING EXECUTION OF A PAYMENT IN LIEU OF
TAXES (PILOT) AGREEMENT WITH GS REALTY FOR AFFORDABLE
HOUSING DEVELOPMENT AT BLOCK 42 LOT 19.01**

Mr. DuPont offered the following resolution and moved its adoption:

WHEREAS, GS Realty Corp. (hereinafter referred to as the "Sponsor") proposes to construct an affordable rental housing development (hereinafter referred to as the "Project") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter referred to as the "HMFA Requirements") within the Borough of Red Bank (hereinafter referred to as the "Municipality") on a site described as Lot 19.01 Block 42 as shown on the Official Assessment Map of the Borough of Red Bank Monmouth County; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing project in the Municipality; and

WHEREAS, the Sponsor has presented to the Municipal Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and made a part hereof as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Red Bank (the "Council") that:

- (1) The Council finds and determines that the proposed Project will meet or meets an existing housing need and is essential to the Borough's Plan for the provision of the Borough's fair share of affordable housing;
- (2) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in the conformity with the provisions of the HMFA Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall construct, own and operate the Project; and
- (3) The Council does hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, provided that payments in lieu of taxes for municipal services supplied to the Project are made to the municipality in such amounts and manner set forth in the Agreement for Payments in Lieu of Taxes attached hereto as Exhibit "B"; and
- (4) The Council hereby authorizes and directs the Mayor of the Borough of Red Bank to execute, on behalf of the municipality, the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit "B"; and

- (5) That the execution of the Agreement for Payment in Lieu of Taxes is conditioned upon the Sponsor obtaining funding from the New Jersey Housing and Mortgage Finance Agency and upon the Sponsor obtaining all necessary municipal approvals; and
- (6) The Council understands and agrees that the revenue projections set forth in Exhibit "A" are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the municipality shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the Sponsor and municipality.
- (7) The Council hereby consents to any Assignment of this PILOT Resolution and the PILOT Agreement by GS Realty Corp. to any rightful land owner of the Property.

Seconded by Mr. Zipprich and adopted on roll call by the following vote:

| | Yes | No | Abstain | Absent |
|--------------|-------|-----|---------|--------|
| Ms. Lewis | (x) | () | () | () |
| Mr. Zipprich | (x) | () | () | () |
| Mr. DuPont | (x) | () | () | () |
| Ms. Horgan | (x) | () | () | () |
| Ms. Lee | (x) | () | () | () |
| Mr. Murphy | (x) | () | () | () |

Dated: August 14, 2013

I hereby certify the above to be a true copy of a resolution adopted by the Council of the Borough of Red Bank, in the County of Monmouth, at a meeting held on August 14, 2013.

Pamela Borghi, Municipal Clerk