

2015-14 AN ORDINANCE BY PRINCETON AUTHORIZING CONTRIBUTION FROM THE PRINCETON AFFORDABLE HOUSING TRUST FUND TO THE ACQUISITION OF REAL PROPERTY, KNOWN AS 9 HILLTOP DRIVE AND DESIGNATED AS LOT 5401 IN BLOCK 5 ON THE PRINCETON MUNICIPAL TAX MAP, BY YOUTH CONSULTATION SERVICE, INC., AND THE RENOVATION AND CREATION OF A GROUP HOME PROJECT BY YCS, IN CONSIDERATION OF YCS IMPLEMENTING AFFORDABLE HOUSING RESTRICTIONS ON THE PROPERTY SO AS TO PROVIDE PRINCETON WITH AFFORDABLE HOUSING CREDITS TOWARD PRINCETON'S FAIR SHARE AFFORDABLE HOUSING OBLIGATION

WHEREAS, pursuant to the Fair Housing Act (P.L. 1985, c. 222) (the "Act"), municipalities in the State of New Jersey are required to provide their fair share of housing that is affordable to low and moderate income households in accordance with the provisions of the Act; and,

WHEREAS, Princeton administers the Princeton Affordable Housing Program for the purpose of meeting its fair share affordable housing obligation in accordance with the provisions of the Act; and,

WHEREAS, as part of its Affordable Housing Program, Princeton administers an Affordable Housing Trust Fund; and,

WHEREAS, Youth Consultation Service, Inc. ("YCS"), is under Contract of Sale dated January 29, 2015 (the "Contract of Sale"), to acquire certain real property known as 9 Hilltop Drive, Municipality of Princeton, County of Mercer and State of New Jersey, designated as Lot 5401 in Block 5 on the Princeton Municipal Tax Map (the "Property"); and,

WHEREAS, YCS is acquiring the Property for the purpose of renovating, creating and operating a group home for low and moderate income qualified individuals with developmental

disabilities, which group home will consist of four (4) bedroom units (the “Group Home Project”); and,

WHEREAS, Princeton and YCS wish to restrict the Property for use as low or moderate income affordable housing for income qualified individuals with developmental disabilities; and,

WHEREAS, the Group Home Project will provide Princeton with credits for the 4 bedroom Group Home Project toward Princeton’s fair share affordable housing obligation pursuant to requirements of the New Jersey Council on Affordable Housing (“COAH”); and,

WHEREAS, pursuant to the terms of a Funding Agreement between Princeton and YCS (the “Funding Agreement”), Princeton will contribute the sum of Four Hundred Thousand (\$400,000.00) Dollars towards YCS’s acquisition of the Property and the renovation and creation of the Group Home Project in consideration of YCS executing a Declaration of Covenants Conditions and Restrictions (the “Declaration”) restricting the Property for affordable housing purposes, which Declaration shall be recorded in the Office of the Mercer County Clerk immediately following the recording of the deed of conveyance vesting title to the Property in YCS; and,

WHEREAS, YCS will obtain any additional funding or gap financing from additional sources and/or shall contribute all additional funds necessary to complete the acquisition of the Property and the renovation and creation of the Group Home Project, including all closing costs associated with YCS’s acquisition of the Property; and,

WHEREAS, as set forth in a Memorandum of Understanding (the “MOU”) by and between Princeton, New Jersey Housing and Mortgage Finance Agency (the “HMFA”), and State of New Jersey Department of Human Services (the “State”), the purpose of which is to coordinate the

creation of housing for individuals with developmental disabilities, Princeton will contribute a portion of its total commitment by transferring the sum of \$250,000 from its Affordable Housing Trust Fund within fifteen business days of executing the MOU to the HMFA for funding the Group Home Project. The remaining \$150,000 of Princeton's commitment shall be wired by Princeton directly to the Attorney Trust Account of counsel for YCS prior to closing on YCS's acquisition of the Property; and,

WHEREAS, the Declaration shall implement affordable housing controls on the property, and shall ensure that the Property remains affordable to low or moderate income qualified individuals with developmental disabilities for a period of thirty (30) years from the date the Declaration is recorded in the Office of the Mercer County Clerk; and,

WHEREAS, pursuant to the Declaration, the Property shall be a part of the Princeton Affordable Housing Program, and subject to the rules and regulations of the Princeton Affordable Housing Program and COAH, as the same may amended and supplemented from time to time; and,

WHEREAS, the Declaration will be executed at closing on YCS's acquisition of the property, and will be recorded immediately following recording of the deed of conveyance vesting title to the property in YCS; and,

WHEREAS, YCS will acquire title to the Property under the Contract of Sale on or about May 15, 2015,

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of Princeton as follows:

1. The Mayor and Municipal Clerk are authorized and directed to execute the Funding

Agreement providing for the contribution of the sum of Four Hundred Thousand (\$400,000.00) Dollars from the Princeton Affordable Housing Trust Fund to YCS's acquisition of the Property and renovation and creation of the Group Home Project. The funds contributed by Princeton shall be paid from the Princeton Affordable Housing Trust Fund.

2. The Mayor and Municipal Clerk are further authorized and directed to execute the MOU, and the Princeton Chief Financial Officer is authorized and directed to effectuate the transfer of a portion of the total funds committed by Princeton to the Group Home Project as set forth in the MOU and to effectuate the wire of the remaining funds to the Attorney Trust Account of counsel for YCS prior to closing of title on YCS's acquisition of the Property.

3. The Mayor, Clerk and Chief Financial Officer are further authorized and directed to undertake all other actions as may be necessary to effectuate this ordinance.

4. The Funding Agreement, Declaration of Covenants, Conditions and Restrictions and Memorandum of Understanding are on file in the office of the Princeton Municipal Clerk and may be inspected during regular office hours.

5. This ordinance shall take effect upon its passage and publication as provided for by law.

I, Kathleen K. Brzezynski, Deputy Clerk of Princeton, County of Mercer, State of New Jersey, do hereby certify that the foregoing is a true copy of an ordinance adopted by the Mayor and Council of Princeton at its meeting held April 27, 2015.



Kathleen K. Brzezynski
Deputy Clerk