



RESOLUTION 20-291

Resolution Authorizing an Affordable Housing Agreement and Payment in Lieu of Taxes ("Pilot") Agreement for Affordable Housing Project to be Located within Princeton Community Village off of Bunn Drive on a Portion of Lot 2 in Block 4401 on the Tax Map of Princeton

WHEREAS, Princeton Community Village Associates, LP ("Owner") is the owner of certain real property located off of Bunn Drive, Princeton, New Jersey, which is designated as Lot 2 in Block 4401 on the Tax Map of Princeton (the "Property"); and

WHEREAS, the Property is currently improved with an affordable housing residential development known as "Princeton Community Village"; and

WHEREAS, PCH Development Corporation ("PCHDC") is the managing agent of Owner (Owner and PCHDC are hereinafter collectively referred to as "Developer") and has proposed the creation of 25 new affordable housing units in a new mid-rise building to be constructed within Princeton Community Village on the Property (the "Project"); and

WHEREAS, the Project will assist Princeton in meeting its Mount Laurel affordable housing obligation; and

WHEREAS, Developer is actively working on plans for the Project and pursuing all approvals necessary for commencement of the Project, and is in the process of completing its application submission to the New Jersey Housing & Mortgage Finance Agency ("NJHMFA") for alternative tax exempt bond financing; and

WHEREAS, N.J.A.C. 5:97-8.7(a) specifies that a municipality may use affordable housing funds for the construction of new affordable housing units, related development costs and for infrastructure directly serving affordable housing developments, for a rehabilitation program, for the acquisition and/or improvement of land to be used for affordable housing, for maintenance and repair of affordable housing units, and for any other activity as specified in an approved spending plan; and

WHEREAS, as a project being funded by NJHMFA, the New Jersey Housing and Mortgage Finance Agency Law of 1983, N.J.S.A. 55:14K-1, *et seq.* authorizes a municipality to enter into a Payment in Lieu of Taxes ("PILOT") Agreement pursuant to N.J.S.A. 55:14K-37; and

WHEREAS, to facilitate and assist in the development and operation of the Project, Princeton will provide financial support to the Project and grant a long term tax exemption for the Property, and seeks to enter into an affordable housing agreement with PCHDC and PILOT Agreement with Owner providing for the development and Princeton's support thereof; and


WHEREAS, in order to provide funding to the Project, Princeton will rely on the funds in its Affordable Housing Trust Fund and/or funds obtained by bonding ordinance contemplated and set forth in a settlement agreement, dated December 18, 2019, that settled and resolved Princeton's Mount Laurel declaratory judgment action filed in the Superior Court of New Jersey, entitled In the Matter of the Application of the Municipality of Princeton in Mercer County, bearing Docket No. MER-L-1550-15, said agreement having been approved by the Court at a Fairness Hearing held on February 7, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Municipality of Princeton, on this 14th day of September, 2020, as follows:

1. The preamble to this resolution is hereby incorporated as if fully restated herein.
2. Princeton hereby commits the sum of Two Million One Hundred Thousand (\$2,100,000.00) Dollars for the construction of the Project.
3. Princeton is hereby authorized to enter into an Affordable Housing Agreement (the "Agreement") with PCH Development Corporation as set forth and authorized by this Resolution. The Mayor and Clerk are authorized and directed to sign the Agreement on behalf of Princeton, a copy of which is on file in the Municipal Clerk's Office, or such other substantially similar agreement, the terms and form of which shall have been reviewed and approved by the Municipal Attorney in consultation with the Mayor and Administrator.
4. Princeton commits to fund said Project by utilizing its affordable housing trust fund and/or will consider and adopt the necessary bonding ordinance to provide such funds.
5. Princeton does hereby commit that the Property, from the date of execution of a first mortgage with NJHMFA, the land and improvements comprising the Property shall be exempt from real property taxes and the existing PILOT Agreement shall terminate, provided that Owner shall make payments in lieu of taxes to Princeton in such amounts and in the manner set forth in the Agreement for Payment in Lieu of Taxes, a copy of which is on file in the Municipal Clerk's Office, or such other substantially similar agreement, the terms and form of which shall have been reviewed and approved by the Municipal Attorney in consultation with the Mayor and Administrator.
6. The Princeton Mayor, Administrator, Clerk, Finance Officer, Attorney, and other appropriate officers, employees and professionals are hereby authorized and directed to prepare and execute any and all documents regarding the agreement authorized above and undertake any and all further acts necessary to accomplish the purposes hereof.
7. This resolution shall take effect immediately.

Councilperson	Absent	Present	1 st	2 nd	Yea	Nay	Abstain	Disqualified
Mr. Cohen		X	X		X			
Ms. Fraga		X		X	X			
Ms. Niedergang		X			X			
Ms. Pirone Lambros		X			X			
Ms. Sacks		X			X			
Mr. Williamson		X			X			
Mayor Lempert		X						

I, Delores A. Williams, Municipal Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a meeting held September 14, 2020.


 Delores A. Williams, Municipal Clerk

ATTACHMENTS:

- PCV AH Agmt (2020-09-10 Final) (PDF)
- PCV Pilot Agmt (2020-09-10 Final) (PDF)