

RESOLUTION 2011-272

RESOLUTION OF THE TOWNSHIP OF BARNEGAT, COUNTY OF OCEAN, STATE OF NEW JERSEY APPROVING THE APPLICATION AND THE FINANCIAL AGREEMENT WITH LAUREL OAKS FAMILY APARTMENTS LLC FOR A TAX-EXEMPTION PURSUANT TO THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY LAW, N.J.S.A. 55:14K-1 ET SEQ. FOR THE CONSTRUCTION OF CERTAIN LOW-INCOME UNITS WITHIN THE LAUREL OAKS PROJECT

WHEREAS, Laurel Oaks Family Apartments LLC, a limited liability company of the State of New Jersey , having its principal office at 500 Barnegat Boulevard North, Building 100, Barnegat, New Jersey 08005 (hereinafter referred to as the "Sponsor") proposes to construct a housing project consisting of 70 units of multifamily low-income housing consisting of three (3) buildings, (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 municipality of Barnegat Township (hereinafter referred to as the "Municipality") on a site described as Block 159, Lot 2, and Block 159, Lot 3, as shown on the Official Assessment Map of the Township of Barnegat , Ocean County and commonly known as 473 North Main Street and 465 North Main Street, Barnegat, New Jersey; 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 Township Committee 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 Mayor and Township Committee of the Township of Barnegat (the "Township Committee") that:

- (1) The Township Committee finds and determines that the proposed Project will meet or meets an existing housing need;
- (2) The Township Committee 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 Township Committee 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 Township Committee hereby authorizes and directs the Mayor of the Township of Barnegat 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) The Township Committee 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.

I, Kathleen T. West, RMC, Township Clerk of the Township of Barnegat, Ocean County, New Jersey do hereby certify the foregoing being a true and exact copy of a resolution of the Mayor and Township Committee of the Township which was adopted by the Township Committee at a meeting held on the 23rd day of May, 2011, certified by me this 23rd day of May, 2011.

Kathleen T. West, RMC
Township Clerk

EXHIBIT A

Laurel Oaks Family Apartments LLC - Barnegat Township

No. of Bedrooms	No. of Units	Gross Rent	Tenant Paid Utilities	Net Rent	Monthly	Annual
1	1	\$ 281	\$101	\$ 180	\$ 180	\$ 2,160
2	2	\$ 337	\$126	\$ 211	\$ 422	\$ 5,064
3	2	\$ 389	\$152	\$ 237	\$ 474	\$ 5,688
1	1	\$ 496	\$101	\$ 395	\$ 395	\$ 4,740
2	1	\$ 595	\$126	\$ 469	\$ 469	\$ 5,628
3		\$ 688	\$152	\$ 536		
1	5	\$ 827	\$101	\$ 726	\$ 3,630	\$ 43,560
2	14	\$ 992	\$126	\$ 866	\$12,124	\$145,488
3	9	\$1,146	\$152	\$ 994	\$ 8,946	\$107,352
1	7	\$ 951	\$101	\$ 850	\$ 5,950	\$ 71,400
2	17	\$1,141	\$126	\$1,015	\$17,255	\$207,060
3	10	\$1,318	\$152	\$1,166	\$11,660	\$139,920
Potential Annual Gross Rent Revenue						\$738,060
LESS estimated vacancy						\$ 51,664
LESS estimated utilities						<u>\$ 54,100</u>
Net Estimated Annual Revenue						\$632,296
Municipal PILOT rate						6.28%
Payments to Municipality						\$ 39,708