

Resolution 21 - 198

Resolution Authorizing Payment in Lieu of Taxes for Special Needs Project

WHEREAS, DHS Communities, Inc. (hereinafter referred to as the "Sponsor") proposes to develop two-(2) unit special needs housing projects for which each unit will serve two (2) individuals with disabilities (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 Collingswood (hereinafter referred to as the "Borough") on sites described as Block 68, Lot 20 and as Block 96, Lot 29 as shown on the Borough's Tax Map and commonly known as 104 Wesley Avenue, Collingswood NJ 08108 and 6 W. Knight Avenue, Collingswood, NJ 08108; and

WHEREAS, the Sponsor has represented that the Project will be subject to the HMFA Requirements a 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, the Borough has adopted a Resolution of Need setting forth the need for the Project;

WHEREAS, the Sponsor has presented to the Board of Commissioners of the Borough 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 Board of Commissioners of the Borough that:

(1) The Commissioners hereby adopt the within Resolution and make the determination and finding 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 develop, own and operate the Project; and

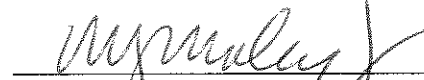
(2) The Commissioners hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, 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

(3) The Commissioners hereby authorize and direct the Mayor or the Borough Administrator to execute, on behalf of the Borough, the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit "B"; and

(4) The Commissioners understand and agree 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 Borough shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the Sponsor and Borough.

Adopted: November 1, 2021

BOROUGH OF COLLINGSWOOD


M. James Maley, Jr., Mayor


Robert Lewandowski, Commissioner


Morgan Robinson, Commissioner


K. Holly Mannel, Borough Clerk

Exhibit A – Revenue Calculation

Revenue Projection

104 Wesley Avenue and 6 W. Knight Avenue
Collingswood NJ 08108

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Rent	33,840	34,855	35,901	36,978	38,087	39,230	40,407	41,619	42,867	44,154	45,478	46,842
Vacancy (5%)	(1,692)	(1,743)	(1,795)	(1,849)	(1,904)	(1,961)	(2,020)	(2,081)	(2,143)	(2,208)	(2,274)	(2,342)
Net Rent	32,148	33,112	34,106	35,129	36,183	37,268	38,386	39,538	40,724	41,946	43,204	44,500
PILOT Rate	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Projected Revenue To Borough:	4,822	4,967	5,116	5,269	5,427	5,590	5,758	5,931	6,109	6,292	6,481	6,675

	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Rent	48,248	49,695	51,186	52,722	54,303	55,932	57,610	59,339	61,119	62,952	64,841	66,786	68,790
Vacancy	(2,412)	(2,485)	(2,559)	(2,636)	(2,715)	(2,797)	(2,881)	(2,967)	(3,056)	(3,148)	(3,242)	(3,339)	(3,439)
Net Rent	45,835	47,210	48,627	50,086	51,588	53,136	54,730	56,372	58,063	59,805	61,599	63,447	65,350
PILOT Rate	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Projected Revenue To Borough:	6,875	7,082	7,294	7,513	7,738	7,970	8,209	8,456	8,709	8,971	9,240	9,517	9,803

**RESOLUTION OF NEED REGARDING
DHS COMMUNITIES, INC. PROJECT**

WHEREAS, DHS Communities, Inc. (hereinafter referred to as the "Sponsor") proposes to develop two (2) – unit special needs housing projects (hereinafter referred to as the "Project") for which each unit will serve two (2) individuals with disabilities in each unit 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. 5:80-1.1 et seq., and all applicable guidelines promulgated thereunder (the foregoing hereinafter collectively referred to as the "HMFA Requirements") within the Borough of Collingswood (hereinafter referred to as the "Borough") on sites described as Block 68, Lot 20 and as Block 96, Lot 29 as shown on the Borough's Tax Map and commonly known as 104 Wesley Avenue, Collingswood, NJ 08108 and 6 W. Knight Avenue, Collingswood, NJ 08108; and

WHEREAS, the Sponsor has represented to the Borough that the Project will be subject to the HMFA Requirements, a 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 Board of Commissioners of the Borough have determined that there is a need for this housing project in the Borough.

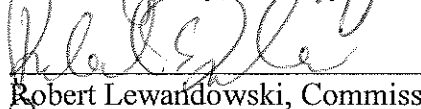
NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Borough of Collingswood (the "Commission") that the Project proposed by the Sponsor meets or will meet an existing housing need; and

BE IT FURTHER RESOLVED that the Commissioners hereby adopt the within Resolution and make the determination and finding herein contained by virtue of, pursuant to and in conformity with the provisions of the HMFA Law to enable the Agency to process the Sponsor's application for Agency funding to finance the Project.

Adopted: November 1, 2021

BOROUGH OF COLLINGSWOOD


M. James Maley, Jr., Mayor


Robert Lewandowski, Commissioner


Morgan Robinson, Commissioner


K. Holly Marnel, Borough Clerk