

**RESOLUTION AUTHORIZING THE EXECUTION OF THE TAX ABATEMENT  
AGREEMENT BY AND BETWEEN CENTENNIAL COURT PRESERVATION, LP  
AND THE BOROUGH OF WHARTON INVOLVING WHARTON SENIOR HOUSING  
PROJECT**

WHEREAS, Centennial Court Preservation (hereinafter referred to as the “Sponsor”) proposes to acquire from Wharton Senior Citizen Housing Limited Partnership, and to rehabilitate, a 101 unit apartment complex known as Wharton Senior Housing Project (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. 55:15K-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”) of the New Jersey Housing and Mortgage Finance Agency (the “Agency”), within the Borough of Wharton (hereinafter referred to as the “Municipality”) on a site described as Block 0903, Lot 1 as shown on the Official Tax Map of the Borough of Wharton, Morris County, more commonly referred to as 100 North Main Street, Wharton (the “Project”); and

WHEREAS, the Project will be subject to the HMFA Requirements and the Sponsor will seek to obtain a mortgage loan from the Agency; and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a continuing need for this 101 unit apartment complex in the Municipality; and

WHEREAS, the Project is an affordable housing project and Sponsor will continue to maintain the Project as an affordable housing project; and

WHEREAS, in order to assist the Sponsor in maintaining the Project as an affordable housing project, the Sponsor and the Municipality wish to approve the execution of an Agreement for Payment in Lieu of Taxes; and

WHEREAS, the Sponsor desires to obtain said Agreement for Payment in Lieu of Taxes (“Financial Agreement”) with the Municipality in anticipation of its mortgage financing with the Agency, which agreement shall require payments commencing at the time of the closing of the Agency financing, as set forth in the Financial Agreement, and at which time an existing tax abatement agreement shall expire; and

WHEREAS, the Sponsor has submitted an application for a tax exemption to be granted to the property pursuant to N.J.S.A. 55:14K-37, which application includes the form of the Financial Agreement that the Sponsor would enter into with the Municipality if this resolution is approved; and

WHEREAS, the proposed Financial Agreement would provide for the Municipality to receive payments in lieu of taxes calculated on the basis of the standard rate required by the Agency as a condition of its support of projects of this type; and

**WHEREAS, the Sponsor has presented to the Municipal Governing Body a rental revenue projection for the Project which sets forth the anticipated rental 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 Borough Council of the Borough of Wharton (hereinafter referred to as "Borough Council") that:**

**(1) The Borough Council finds and determines that the proposed Project does meet and will meet an existing housing need.**

**(2) The application of the Sponsor, for the provision of a tax exemption for the property identified on the official maps of the tax assessor of the Municipality as Block 0903, Lot 1, and further described in the application attached hereto and made a part hereof, is hereby accepted and approved, subject to the terms of the Financial Agreement contained within the application and further subject to the terms outlined below.**

**(3) Throughout the term of the exemption, the Property must continue to be used for residential purposes in a manner consistent with the terms of its financing agreement with the Agency and with all of the rules and regulations of the Agency as apply to the property.**

**(4) The Borough Council makes the determination and findings herein contained by virtue of, pursuant to, and in 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.**

**(5) The Borough Council takes this action with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project including both the land the 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".**

**(6) The Borough Council hereby authorizes and directs the Mayor of the Borough of Wharton to execute, on behalf of the Municipality, the Financial Agreement in substantially the form annexed hereto as Exhibit "B".**

**(7) The Borough Council understands and agrees that the rental 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 Financial Agreement executed between the Sponsor and Municipality.**

**(8) The exemption shall not be granted until all of the following have occurred:**

**A. All necessary property subdivisions and /or mergers, as applicable, are completed and title to the property is transferred to and recorded in the name of**

**Centennial Court Preservation, LP, with a certified copy of the recorded deed presented to the Clerk of the Municipality; and**

**B. Documents authorizing the financing of the Project are executed by the Sponsor and the Agency, with copies of all executed documents presented to the Clerk of the Municipality; and**

**C. The Sponsor has executed the Financial Agreement in a form satisfactory to the Municipality with advice of counsel; and**

**D. The property receives site plan approval, approval of all construction permits and other governmental approvals as may be required for the implementation of the Project, with evidence thereof to be made available to the designated representative of the Municipality; and**

**E. All required construction activity has been completed, as evidenced by the issuance of a permanent certificate of occupancy for the Project.**

**Adopted: February 2, 2015**

**BOROUGH OF WHARTON**

**ATTEST:**

**\_\_\_\_\_  
WILLIAM J. CHEGWIDDEN,  
MAYOR**

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Gabrielle Evangelista,  
Municipal Clerk**