

AN ORDINANCE AUTHORIZING TAX ABATEMENT AND PILOT AGREEMENT WITH E'PORT FAMILY HOMES URBAN RENEWAL, LP

WHEREAS, E'Port Family Homes Urban Renewal, LP (the "Sponsor") has made application to the City of Elizabeth for a tax abatement on certain property identified as Block 2, Lots 372, 371, 369 and 112 and Block 3, lots 1026, 1024, and 1023 and for a payment in lieu of taxes (PILOT) agreement pursuant to the Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1, et seq.) and

WHEREAS, N.J.S.A. 40A:20-1, et seq., permits the City to grant such tax abatement and enter into a PILOT agreement with an urban renewal entity for a low- and moderate-income housing project; and

WHEREAS, Sponsor has agreed to develop low- and moderate-income housing containing 60 units, 15 of which are supportive housing units (Project); and

WHEREAS, the Sponsor has presented to the City Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project; and

WHEREAS, the City Council believes that it is in the best interests of the City to grant the requested tax abatement and enter into a PILOT agreement with the Sponsor in order to provide it with a long-term tax exemption pursuant to N.J.S.A. 40A:20-1, et seq., so as to develop and maintain the Project as low- and moderate-income housing; and

WHEREAS, pursuant to N.J.S.A. 40A:20-9 the PILOT agreement shall not take effect until approved by ordinance of the municipality; and

WHEREAS, the City Council has by resolution approved the project and authorized the Mayor to enter into a Financial Agreement with the Sponsor; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELIZABETH, COUNTY OF UNION, STATE OF NEW JERSEY:

SECTION 1. – The City Council hereby authorizes a tax abatement pursuant to Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1, et seq.) for the Project.

SECTION 2. – The City Council hereby further approves the agreement between the Sponsor and the City of Elizabeth for a payment in lieu of taxes (PILOT) agreement pursuant to the Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1, et seq.).

SECTION 3. – The PILOT agreement shall be substantially in the form that is on file in the City Clerk's office authorizing an in lieu tax payment fixed at five (5%) percent of the gross income of the Project for the first fifteen (15) years of the abatement period, which shall be subject to statutory staged increases over the term of the tax exemption for Years 16-30.

SECTION 4. – The Mayor shall be and is hereby authorized to execute the agreement and any and all documents necessary to enter into said agreement.

SECTION 5. - All ordinances or parts of ordinance inconsistent with the provisions of this ordinance be and the same are hereby repealed.

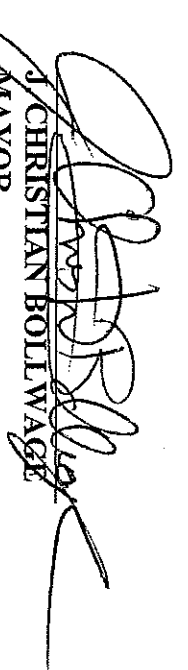
SECTION 6. - If any clause, sentence, paragraph, section or part of this ordinance or any other codes or ordinances incorporated herein shall be adjudged by any court of competent jurisdiction to be invalid, such judgement shall not affect, impair or invalidate the remainder hereof, but shall be confined in its operation of the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which said judgment shall have been rendered.


SECTION 7. - The effective date of this ordinance shall be twenty (20) days after its final passage by City Council and approval by the Mayor at the time and in the manner provided by law.

PASSED: 4/11/17


CARLOS L. TORRES
PRESIDENT OF CITY COUNCIL

APPROVED: 4/12/17


J. CHRISTIAN BOLLWAGE
MAYOR

ATTEST:

YOLANDA M. ROBERTS, R.M.C.
MUNICIPAL CLERK