

**TOWN OF PHILLIPSBURG
COUNTY OF WARREN
STATE OF NEW JERSEY**

RESOLUTION 2026- 100

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
PHILLIPSBURG, WARREN COUNTY, NEW JERSEY AUTHORIZING
EXECUTION OF AN AGREEMENT FOR PAYMENT IN LIEU OF TAXES
PURSUANT TO N.J.S.A. 55:14K-1 ET SEQ. WITH SOUTH MAIN LIHTC,
LLC CONCERNING PROPERTY LOCATED ON SOUTH MAIN STREET
AND DESIGNATED AS BLOCK 2806 LOTS 2, 3, 4, 5 & 7 ON THE TOWN
OF PHILLIPSBURG TAX MAPS**

WHEREAS, South Main LIHTC, LLC, (the "Sponsor") proposes to construct and operate forty-eight (48) units of affordable rental housing and other amenities (the "Project") on the property located along South Main Street and designated as Block 2806, Lots 2, 3, 4, 5 & 7 on the Town of Phillipsburg Tax Map, which lots are to be consolidated (the "Property"), 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 "HMFA Law"); and

WHEREAS, the Project will be subject to the requirements of the New Jersey Housing and Mortgage Finance Agency (the "HMFA"), including mortgage and loan documents executed pursuant to the HMFA Law; and

WHEREAS, the forty-eight (48) units of rental housing in the Project will qualify as low and moderate income units under the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. and the Uniform Housing Affordability Controls, N.J.A.C. 5:80-16.1 et seq.; and

WHEREAS, the HMFA Law permits the governing body of a municipality in which a housing project financed by the HMFA is located to exempt such housing project from real property taxation if the housing project's sponsor enters into an agreement (a "PILOT Agreement") with the municipality for payments to the municipality in lieu of taxes for municipal services;

WHEREAS, the Council finds that entering into a PILOT Agreement with the Sponsor is necessary to assure implementation of the Project and the construction of the affordable rental housing, and has negotiated a PILOT Agreement with the Sponsor consistent with the HMFA Law and applicable protocols, which obligates the Sponsor to pay an annual service charge equal to (i) 6.28% of Project revenues for the first fifteen (15) years, (ii) 7.28% of Project revenues for years sixteen (16) through twenty-two (22), and (iii) 8.28% of Project revenues for years twenty-three (23) through thirty (30), for a total term of thirty (30) years;

WHEREAS, the amount of the annual service charge payable in lieu of taxation shall be determined in accordance with the HMFA Law and the terms of this Agreement based upon Project Revenues, as defined herein; and

WHEREAS, the Council deems it appropriate to authorize and enter into a PILOT Agreement with the Sponsor.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Phillipsburg, County of Warren, State of New Jersey as follows:

1. The foregoing recitals are hereby incorporated as if fully set forth herein.
2. The Mayor and Town Clerk are hereby authorized to execute an Agreement for Payments in Lieu of Taxes with South Main LIHTC, LLC for the Project, in a form acceptable to the Township Attorney.
3. This Resolution is adopted with the intent and purpose that, upon execution of a permanent-only first mortgage by the Sponsor in favor of the HMFA, the Project, including the land and improvements attributable thereto, shall be exempt from real property taxation in accordance with the HMFA Law, provided that payments in lieu of taxes are made in accordance with the PILOT Agreement, all as more specifically set forth and detailed in the PILOT Agreement.
4. The Township Council hereby adopts this Resolution and makes the determinations and findings herein contained pursuant to the HMFA Law with the intent that the HMFA shall rely upon this Resolution in connection with its financing of the Project.
5. This Resolution shall take effect immediately.

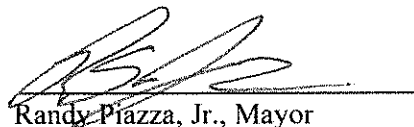
CERTIFICATION

I, Susan Turner, Acting Municipal Clerk for the Town of Phillipsburg, do hereby certify that the foregoing is a true copy of a resolution duly adopted by the Town Council at their June 23, 2026 meeting.

Adopted: June 23, 2026



Susan Turner, Acting Municipal Clerk



Randy Piazza, Jr., Mayor

