

ORDINANCE NO. 2010-26

**ORDINANCE OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH
AUTHORIZING THE CONVEYANCE OF
CERTAIN BOROUGH OWNED PROPERTIES TO
THE RED BANK AFFORDABLE HOUSING DEVELOPMENT CORPORATION
FOR CONSTRUCTION OF THE CEDAR CROSSING AFFORDABLE HOUSING PROJECT**

WHEREAS, on July 31, 2008, the Borough of Red Bank entered into a Development Agreement with the Red Bank Affordable Housing Corporation, a non-profit housing corporation, (hereinafter, "the RBAHC") and the Red Bank Housing Authority with respect to the construction of the Cedar Crossing Affordable Housing project upon the lands currently owned by the Borough and designated on the Tax Map of the Borough of Red Bank as Block 75.03, Lots 50.01 and 69 and Block 75.01, Lots 83, 84 and 85 (hereinafter collectively referred to as, "the property"); and

WHEREAS, the RBAHC has obtained a financing commitment from the New Jersey Housing and Mortgage Finance Agency and other sources, to commence construction of this project; and

WHEREAS, a condition of such financing requires that the Borough convey the property to the RBAHC; and

WHEREAS, the terms and conditions of this financing and conveyance have been approved by the New Jersey Department of Community Affairs and the New Jersey Housing and Mortgage Finance Agency; and

WHEREAS, N.J.S.A. §40A:12-21(l) authorizes the conveyance of any real property owned by the Borough that is not needed for municipal purposes by private sale, for nominal consideration, to any duly incorporated non-profit housing corporation for the purpose of constructing housing for low or moderate income persons or families or handicapped persons; and

WHEREAS, conveyance of the aforementioned property and construction of the Cedar Crossing Affordable Housing project is in the best interests of the Borough;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Red Bank, Monmouth County, New Jersey as follows:

SECTION ONE:

- a. The Borough Council hereby authorizes the sale and conveyance of the properties designated on the Official Tax Map of the Borough of Red Bank as Block 75.03, Lots 50.01 and 69 and Block 75.01, Lots 83, 84 and 85 to the Red Bank Affordable Housing Corporation for the sum of one dollar (\$1.00);
- b. This conveyance is conditioned upon the limitation that all of these properties be used for affordable housing purposes in compliance with the Fair Housing Act, and the rules and regulations implementing same as they may exist from time to time, as well as the July 31, 2008 Development Agreement between the parties, and all amendments thereto, as well as all agreements and covenants incorporated therein, including, but not limited to, the Grant/Loan Agreement, dated January 31, 2007, between the Borough and the New Jersey Department of Community Affairs and the Mortgage, Note and Restrictive Covenant executed by the Borough in favor of the Department of Community Affairs, dated February 12, 2007, and that in the event that the property is not used in accordance with the aforementioned limitations, title thereto shall revert back to the Borough in

accordance with N.J.S.A. §40A:12-21;

- c. All other conditions and promises contained in the July 31, 2008 Development Agreement are hereby reaffirmed; and
- d. The Mayor, the Borough Clerk and the Borough Attorney are hereby authorized to execute any agreements, deeds, or other documents, necessary for the implementation of the conveyances authorized by this Ordinance, and/or the Development Agreement.

SECTION TWO: If any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid, such invalidity shall not effect the other provisions or applications of this Ordinance which can be given effect, and to this end, the provisions of this Ordinance are declared to be severable.

SECTION THREE: This Ordinance shall take effect upon adoption and publication in accordance with law.