

RESOLUTION NO. 07 of 2014

**RESOLUTION AUTHORIZING AND EXTENDING THE TAX ABATEMENT
AGREEMENT WITH MARGATE TERRACE CORPORATION THROUGH
2049.**

WHEREAS, the City of Margate is a party to a Tax Abatement Agreement with Margate Terrace Corporation, a non-profit corporation of the State of New Jersey, for a housing facility known as Margate Terrace Apartments, located at 610 North Fredericksburg Avenue, Margate, New Jersey 08402, dated January 28, 1988; and

WHEREAS, the duration of the current Tax Abatement Agreement is for a period of fifty (50) years which shall expire on January 1, 2039; and

WHEREAS, Margate Terrace Corporation is currently seeking to refinance its existing U.S. Housing and Urban Development (HUD) loan to reduce its annual debt service and provide funds to complete both critical and non-critical repairs to insure that Margate Terrace Apartments is a well maintained and viable housing project into the future; and

WHEREAS, the HUD refinance loan shall be for a period not to exceed thirty-five (35) years and as a condition of the refinancing, HUD requires that the Tax Abatement Agreement be extended for the term of the HUD refinanced loan; and

WHEREAS, the City of Margate has the authority to extend the Tax Abatement Agreement to run co-terminus with the HUD refinance loan pursuant to N.J.S.A. 40A:20-13.1.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Margate that it does hereby authorize the Mayor to execute, on behalf of the City of Margate City, a Tax Abatement Agreement Extension with Margate Terrace Corporation, in form attached hereto and made a part hereof, through 2049, commencing and effective upon Margate Terrace Corporation refinancing its mortgage loan with HUD.

DATE: January 2, 2014

I, **Thomas D. Hiltner**, Clerk of Margate City, Atlantic County, do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by the Commissioners of the City of Margate at a meeting of said Commission held on January 2, 2014 and said Resolution was adopted by not less than a two-thirds vote of the members of the Commission.

THOMAS D. HILTNER, RMC, City Clerk

**TAX ABATEMENT AGREEMENT EXTENSION BY AND BETWEEN MARGATE
TERRACE CORPORATION AND THE CITY OF MARGATE CITY FOR THE
MARGATE TERRACE APARTMENTS LOCATED AT
610 N. FREDERICKSBURG AVENUE, MARGATE, NJ**

This Tax Abatement Agreement Extension made this ____ day of _____, 2014 between MARGATE TERRACE CORPORATION, a non-profit corporation of the State of New Jersey (the “Corporation”), with a housing facility known as Margate Terrace Apartments, located at 610 North Fredericksburg Avenue, Margate, New Jersey 08402 (the “Project”), and the CITY OF MARGATE CITY, a municipal corporation, in the County of Atlantic and State of New Jersey (the “City”).

WHEREAS, the City and the Corporation are parties to a Tax Abatement Agreement on the Project dated January 28, 1988; and

WHEREAS, it is the intention of the City to extend the Tax Abatement Agreement through December 31, 2049 or such longer term as may be required by HUD or such other federal agency subsidizing the Project;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for good and valuable consideration, it is mutually agreed as follows:

1. This Agreement is made pursuant to the authority of *N.J.S.A. 40A:20-1, et seq.*, the “Long Term Tax Exemption Law” and specifically Section 5.1, and Resolutions of the City Board of Commissioners being Resolution dated January 28, 1988 and Resolution No. 07 of 2014, the terms of which are incorporated herein by reference.

2. The term of the Tax Abatement Agreement is extended for a term uninterrupted through December 31, 2049, or such period of time as the federal agency subsidizing the Project may require as a condition of a subsidy.

3. The address for notice to the Corporation shall be 610 North Fredericksburg Avenue, Margate, New Jersey 08402, or to such other address as the Corporation may hereafter designate in writing.

4. In all other respects, all of the terms and conditions of the Tax Abatement Agreement dated January 28, 1988, a copy of which is attached hereto and made a part hereof, are hereby ratified and confirmed by the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

ATTEST:

MARGATE TERRACE CORPORATION

By: _____
President

Secretary

ATTEST:

CITY OF MARGATE

By: _____
Michael Becker, Mayor

Thomas D. Hiltner, Clerk