

**ORDINANCE 26-04**

**AUTHORIZING THE RENEWAL OF THE PILOT AGREEMENT  
WITH RUNSEN ASSOCIATES, L.P. FOR BLOCK 135, LOT 41.02**

**WHEREAS**, Runsen Associates, L.P. (“Sponsor”) is the Owner of all that certain 100% affordable senior housing project established in the Borough in 1992, known as “Runsen House” (the “**Project**”), which is situated on that certain tract of real property, consisting of approximately 3.04 acres, designated on the Borough Tax Map as Block 135, Lot 41.02, commonly known as 825 E. Clements Bridge Road, Runnemede, NJ 08078 (the “**Property**”); and

**WHEREAS**, the Project consists of 81 Senior rental units, of which are occupied 40 units at or below 80% of Camden County’s low-income population and 41 units are at or below 50% moderate-income Senior Citizens, consistent with affordability controls and parameters established in the Balanced Housing Program, New Jersey Housing and Mortgage Financing Agency, and which were additionally mortgaged and financed by or with The Borough of Runnemede, Camden County Improvement Authority (Agency Take Out Mortgage Loan), NJHMFA (pursuant to project no. 1129) , Balanced Housing Program, Affordable Housing Program, Revolving Loan Program, all of which remain with outstanding balances;

**WHEREAS**, the Project currently is the subject of certain local, state, and federal subsidies (BHP, AHP, RLP, CCIA (ATO)) rental housing assistance payments and which subsidies impose affordability controls on the Project consistent with the current occupancy of the units, as aforesaid; and

**WHEREAS**, in furtherance of and to further support the sustainability of the Project for affordable housing, in 1990, the Borough entered into a written financial agreement with the Runsen House providing for the payment of an annual service charge for municipal services in lieu of traditional taxes, for so long as the Project remained subject to the original NJHMFA project no. 1129 mortgage and the affordability controls imposed as a condition of BHP, AHP, NJHMFA (the “**Existing Financial Agreement**”); and

**WHEREAS**, the payment in lieu of taxes established by N.J.S.A 55:14K-37 shall be effective, however, shall not extend beyond, the date on which the NJHMFA Mortgage No. 1129 is paid in full, which in accordance to HMFA law may not exceed a total of fifty years or default; and

**WHEREAS**, upon expiration of the original term of the said agreement, the aforesaid affordability controls also will terminate or expire pursuant to N.J.S.A. 55:14K-37b, whereupon all of the units in the Project may be marketed and rented or sold as market rate units, to the detriment of the Senior Citizens in residence at the Project and other low -income Senior Citizens who may wish to reside in the Borough in the future; and

**WHEREAS**, the Sponsor desires that the Project continue to be operated as an affordable housing project, and has requested that the Borough enter into a new financial agreement providing for the continued payment of an annual service charge for municipal services in lieu of traditional taxes, and, in furtherance thereof, and

**WHEREAS**, the Borough also desires that the Project continue to be operated as an affordable housing project for the benefit of low and moderate-income Senior Citizens residing, or who in the future may wish to reside, in the Borough, and is willing to enter into this Agreement providing for payments in lieu of traditional taxes, upon the terms and subject to the conditions set forth herein; and

**WHEREAS**, the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.) (the “**NJHMFA Law**”) and the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.) (the “**LTTE Law**”) authorize a municipality to continue a tax exemption previously granted to a State or federally subsidized affordable housing project, such as the Project, beyond the date on which initial NJHMFA financing is fully paid, so long as the project remains subject to affordability controls pursuant to, *inter alia*, project-based federal rental assistance authorized pursuant to Section 8 of the United States Housing Act of 1937, and

**WHEREAS**, the Borough desires to approve an agreement with Runsen Associates, L.P. to provide for a Payment in Lieu of Taxes in a form attached hereto and made apart hereof.

**NOW, THEREFORE, BE IT ORDAINED**, by the Borough Council of the Borough of Runnemede, County of Camden and State of New Jersey as follows:

1. The provisions of the **WHEREAS** clauses set forth above are incorporated herein by reference and made a part hereof.
2. The Borough of Runnemede approves the attached Agreement with Runsen Associates, L.P. to provide for a Payment in Lieu of Taxes
3. This Ordinance shall become effective immediately upon final passage and publication as required by law.

#### **NOTICE**

The above ordinance was introduced and passed on first reading at a meeting of the Borough Council of the Borough of Runnemede held on the 3<sup>rd</sup> day of February, 2026, and will be taken up for final consideration and passage at a meeting of the Borough Council of said Borough of Runnemede 24 N. Black Horse Pike, Runnemede, New Jersey on the 24<sup>th</sup> day of February, 2026, at which time and place all persons interested will be heard.

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Amanda Higareda, Deputy Clerk  
Upon First Reading