

**TOWNSHIP OF HOPEWELL
MERCER COUNTY, NEW JERSEY**

R E S O L U T I O N #25-147

**RESOLUTION OF THE TOWNSHIP COMMITTEE OF
THE TOWNSHIP OF HOPEWELL MEMORIALIZING
ITS INTENT TO CONDITIONALLY COMMIT PILOT
FUNDS FOR A SCHOOL FACILITIES PROJECT**

WHEREAS, “Hopewell Parc” is an inclusionary development of market rate and affordable units located on the west side of Scotch Road in Hopewell Township, which at full buildout will include 108 low income units, 108 moderate income units, and 861 market rate units, for a total of 1,077 units; and

WHEREAS, Hopewell Parc is being developed pursuant to the Township’s constitutional obligation under the Mount Laurel Doctrine to provide for its fair share of the regional need for affordable housing, and as approved by the New Jersey Superior Court in the Township’s Final Third Round Judgment of Compliance and Repose; and

WHEREAS, taxation of the Hopewell Parc development is governed by a financial agreement entered between the Township and the developer, U.S. Home at Hopewell Parc Urban Renewal, L.L.C., U.S. Home Corporation d/b/a Lennar (“Lennar”), on March 15, 2022; and

WHEREAS, that financial agreement provides that property owners within the development will pay an annual service charge, in lieu of taxes, for a 30-year period, as allowed by the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.; and

WHEREAS, this annual service charge is otherwise known as a “PILOT” payment; and

WHEREAS, the financial agreement further provides that “[t]he Township may, in its sole discretion, discuss the potential impact of the Project on the Hopewell Valley Regional School District with the School Board and the potential use of a portion of the Annual Service Charge proceeds to address such impact”; and

WHEREAS, on March 17, 2022, Hopewell Borough, Pennington Borough, Paul Anzano, and James Davy (“Plaintiffs”), filed a Complaint in Lieu of Prerogative Writs in the New Jersey Superior Court (the “Litigation”), challenging the financial agreement between the Township and Lennar; and

WHEREAS, on May 1, 2023 the Superior Court dismissed the Litigation with prejudice; and

WHEREAS, the Plaintiffs appealed the Superior Court’s dismissal of the Litigation to the Appellate Division; and

WHEREAS, the Appellate Division heard oral argument on October 1, 2024, and as of the date of this resolution has not issued an opinion; and

WHEREAS, the Hopewell Valley Regional Board of Education would like to make capital improvements to the Bear Tavern Elementary School facility, which the Hopewell Valley Regional Board of Education has said will cost \$16.1 million, and the Hopewell Township Committee would like to pledge PILOT revenue raised as a result of the Lennar financial agreement to assist that facilities project; and

WHEREAS, a recently-enacted state law, P.L. 2023, c.311 (effective January 16, 2024), amended by P.L. 2024, c.79 (effective September 12, 2024) (N.J.S.A. 18A:7G-15.1a), allows a school district to raise bonds for a school facilities project without the approval of the

voters of the district if the school district enters into a contract with one or more municipalities, wherein the municipality provides the district with a portion of the payments in lieu of taxes received from one or more designated properties that is to be sufficient for the repayment of the amount of debt service on the school facilities project bonds that remains after the application of any State debt service aid paid on the bonds; and

WHEREAS, the state law requires that any such contract and bond issuance be approved by the Local Finance Board and any such bond issuance be further approved by the Commissioner of Education; and

WHEREAS, this state law provides a legal mechanism for the Township to assist a school facilities project with dedicated PILOT revenues, as contemplated by the Township Committee when it entered the financial agreement with Lennar.

NOW, THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Hopewell intends to provide payment of the actual cost, not to exceed \$16.1 million, of the Board of Education's Bear Tavern Elementary School facilities project, from PILOT revenue raised as a result of the Lennar financial agreement, conditioned upon (1) dismissal of the Litigation by the Plaintiffs, (2) entering a contract with the Board of Education that meets the requirements of the parties and is consistent with the requirements of state law, and (3) approval of the contract and bond issuance by the requisite state agencies.

BE IT FURTHER RESOLVED, that the Mayor, Administrator and Township Attorney, or their designees, are hereby authorized to negotiate such terms with the Plaintiffs and the Board of Education as are consistent with this resolution.

Date Adopted: April 14, 2025

CERTIFICATION

I, Katherine Fenton-Newman, Municipal Clerk, of the Township of Hopewell, County of Mercer, State of New Jersey, do hereby certify that the foregoing resolution was duly adopted by the Township Committee at the regular meeting held on the 14th day of April, 2025, in the Municipal Building Auditorium, Hopewell Township, New Jersey and via Zoom Video Communications.



Katherine Fenton-Newman, CMR, RMC

Municipal Clerk