

ORDINANCE OF THE TOWNSHIP OF WEST ORANGE, COUNTY OF ESSEX, NEW JERSEY APPROVING AN APPLICATION FOR A LONG-TERM TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT WITH 18 CENTRAL AVENUE URBAN RENEWAL, LLC

WHEREAS, the Township Council of the Township of West Orange, in the County of Essex, New Jersey (the “**Township Council**”) adopted Resolution 228-16 on October 26, 2016 pursuant to the provisions of the Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1 *et seq.* (the “**Redevelopment Law**”), and based upon the report and recommendation of the West Orange Planning Board (the “**Planning Board**”), designating the properties identified as Block 9, Lots 11.01, 11.02, 11.03, 32, & 36 and Block 7, Lot 22 on the official tax maps of the Township, as an area in need of redevelopment (the “**Redevelopment Area**”); and

WHEREAS, the Redevelopment Area includes the properties identified as Block 9, Lot 36 and Block 7, Lot 22 on the tax maps of the Township known as 18 Central Avenue (the “**Selecto-Flash Property**”) currently owned by the Township following the issuance of a final judgment dated December 7, 2016 in an In Rem Tax Foreclosure; and

WHEREAS, pursuant to *N.J.S.A.* 40A:12A-7, the Township Council, in accordance with the applicable provisions and requirements of the Redevelopment Law, passed Ordinance 2499-16 adopting a Redevelopment Plan for the Redevelopment Area (as may be amended and supplemented from time to time, the “**Redevelopment Plan**”); and

WHEREAS, on March 7, 2017, the Township Council adopted Resolution 74-17 which authorized the designation of the Alpert Group, LLC, a New Jersey limited liability company, having its offices at One Parker Plaza, Fort Lee, New Jersey 07024 (the “**Redeveloper**”), as the interim redeveloper of the Redevelopment Area and the execution of an Interim Redevelopment Agreement with the Redeveloper (the “**Interim Agreement**”); and

WHEREAS, as the interim redeveloper, the Redeveloper was provided a right to purchase the Selecto-Flash Property for a purchase price of \$1.5 million; and

WHEREAS, in addition to the designation of the Redeveloper as the interim redeveloper for the Redevelopment Area, the Interim Agreement also provided that the Redeveloper would fund and perform demolition of the existing structure on the Selecto-Flash Property; and

WHEREAS, on September 4, 2018, the Township Council adopted Resolution 192-18 which authorized the execution of a First Amendment to Interim Agreement between Township and the Redeveloper (the “**First Interim Agreement Amendment**”); and

WHEREAS, the First Interim Agreement Amendment provided for the assignment of the Agreement of Sale for the purchase of the property identified as Block 9, Lot 32 on the official tax maps of the Township known as 8-10 Central Avenue or 4-10 Central Avenue (the “**Biddleman Property**”) to allow the Township to purchase the Biddleman Property and for the Redeveloper to fund the purchase to be credited towards the purchase price of the Selecto-Flash Property; and

WHEREAS, on December 11, 2018, the Township Council adopted Resolution 270-18 which authorized the execution of a Second Amendment to Interim Agreement between Township and the Redeveloper (the “**Second Interim Agreement Amendment**”); and

WHEREAS, the Second Interim Agreement Amendment provided that the Redeveloper would fund 25% of that portion of the Remedial Action Workplan for the Selecto-Flash Property representing the removal of the underground storage tanks from the Selecto-Flash Property as a credit to the purchase price for the Selecto-Flash Property; and

WHEREAS, on March 23, 2021, the Township Council adopted Resolution 51-21 which: (i) designated the Redeveloper as the authorized redeveloper for the Selecto-Flash Property and the Biddleman Property (collectively the “**Properties**”); and (ii) authorized the Township to execute a Redevelopment Agreement between the Township and the Redeveloper (the “**Redevelopment Agreement**”); and

WHEREAS, the pursuant to Article 4 of the Redevelopment Agreement, the Redeveloper shall purchase the Properties following the environmental remediation of the Properties, as defined therein; and

WHEREAS, the Section 3.05(b)(v) of the Redevelopment Agreement allows the Redeveloper to assign or transfer its rights under the Redevelopment Agreement to “an Affiliate of the Redeveloper” or “an entity controlled by the Redeveloper” as a “Permitted Transfer;” and

WHEREAS, the Redeveloper has or intends to transfer both its designation as the redeveloper of the Properties and its rights under the Redevelopment Agreement to an affiliate and newly established Urban Renewal Entity called 18 Central Avenue Urban Renewal, LLC (the “**Entity**”); and

WHEREAS, the Redeveloper and/or the Entity wishes to develop the Properties with a five-story 94 residential unit project including 1,223 square feet of amenity space, 3,640 square feet of commercial space, parking and related infrastructure (the “**Project**”) and in accordance with the Redevelopment Plan; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful Project, the Entity submitted to the Mayor an application dated as of April 7, 2021 (the “**Application**”), which is on file with the Township Clerk, seeking a tax exemption in connection with the Project pursuant to the Long-Term Tax Exemption Law, *N.J.S.A. 40A:20-1 et seq.* (the “**Exemption Law**”), in exchange for which the Entity proposes to make payments to the Township in lieu of taxes; and

WHEREAS, the Entity also submitted to the Mayor a form of financial agreement referenced in the Application, establishing the rights, responsibilities and obligations of the Entity; and

WHEREAS, the Mayor submitted the Application and the financial agreement attached hereto as Exhibit A (the “**Financial Agreement**”) to the Township Council with his recommendation for approval, a copy of which recommendation is on file with the Township Clerk; and

WHEREAS, the Township Council has determined that the Project represents an undertaking permitted by the Exemption Law,

NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, NEW JERSEY AS FOLLOWS:

Section 1. The Application for tax exemption and Financial Agreement are hereby approved.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement substantially in the form as attached hereto as Exhibit A, subject to modification or revision as deemed necessary and appropriate after consultation with counsel.

Section 3. The Clerk of the Township is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Township upon such document.

Section 4. The Township Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Township in accordance with Section 12 of the Exemption Law.

Section 5. In accordance with P.L. 2015, c. 247, within ten (10) calendar days following the later of the effective date of this Ordinance or the execution of the Financial Agreement by the Entity, the Township Clerk also shall transmit a certified copy of this Ordinance and the Financial Agreement to the chief financial officer of Essex County and to the Essex County Counsel for informational purposes.

Section 6. The Mayor and Township Clerk are hereby authorized to take such action and to execute such other documents, on behalf of the Township, in consultation with counsel, as is necessary to effectuate the terms of the Financial Agreement.

Section 7. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 8. This ordinance shall take effect in accordance with applicable law.

Robert D. Parisi, Mayor

Cindy Matute-Brown, Council President

**Karen J. Carnevale, R.M.C.
Municipal Clerk**

Introduced : May 18, 2021

Adopted : June 8, 2021

EXHIBIT A
FORM OF FINANCIAL AGREEMENT