



Township Council
1 Municipal Plaza
Bloomfield, NJ 07003

Louise M. Palagano
Municipal Clerk

<http://www.bloomfieldtwpnj.com>

Meeting: 10/29/18 07:00 PM

2018 ORDINANCE BOND

ORDINANCE NO. 18-49 OF THE TOWNSHIP OF BLOOMFIELD

ORDINANCE OF THE TOWNSHIP OF BLOOMFIELD, COUNTY OF ESSEX, NEW JERSEY, APPROVING THE APPLICATION FOR A LONG TERM TAX EXEMPTION AND AUTHORIZING THE TOWNSHIP OF BLOOMFIELD TO ENTER INTO A FINANCIAL AGREEMENT WITH ROYAL URBAN RENEWAL, LLC AND GRANTING A TAX EXEMPTION

THIS ORDINANCE AND ANY FINANCIAL AGREEMENT ENTERED INTO AND ATTACHED HERETO FROM TIME TO TIME SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE "REDEVELOPMENT AREA BOND FINANCING LAW" AND THE LIEN HEREOF IN FAVOR OF THE OWNERS OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS HEREINAFTER RECORDED

18-49
WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law" or the "Act") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Act confers certain contract, planning and financial powers upon a redevelopment entity, as defined in Section 3 of the Act, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Township of Bloomfield in the County of Essex, New Jersey (the "Township") has elected to exercise these redevelopment entity powers directly, as permitted by Section 4 of the Act; and

WHEREAS, by resolution duly adopted on December 18, 2000, the Township designated a portion of the Township, consisting of the properties then identified as Block 220, Lot 40, Block 225, Lots 1 and 9, Block 227, Lots 1, 3, 5, 6, 8, 9, 10, 11, 12, 13, 15, 16, 17, 19, 20, 22, 24, 26, 30, 31, 32 and 35, Block 228, Lots 1, 4, 5, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 24, 27, 28, 29, 30, 31, 33 and 35, and Block 243, Lots 1, 3, 4, 5, 6, 7, 8, 10, 11, 13, 15, 17, 18 and 20 on the Township's tax map (collectively, the "Redevelopment Area"), as an area in need of redevelopment pursuant to the Act; and

WHEREAS, by ordinance finally adopted on December 15, 2008, the Township approved and adopted a Redevelopment Plan (as amended by ordinance finally adopted by the Township on November 21, 2011) known as the Bloomfield Center Redevelopment Plan for the redevelopment of the Redevelopment Area (the "Redevelopment Plan"); and

WHEREAS, pursuant to the Act, including Section 8 thereof (N.J.S.A. 40A:12A-8), a municipality is permitted to contract with a redeveloper to undertake redevelopment projects pursuant to a redevelopment plan within an area in need of redevelopment, as all such terms are defined in the Act; and

WHEREAS, on August 20, 2018, the Township Council duly adopted a resolution designating Royal Urban Renewal, LLC (the “**Entity**” or the “**Redeveloper**”) as sole redeveloper of the portion of the Redevelopment Area known as Block 227, Lots 1, 24, 26, 30, 31, 32, and 35 on the Township’s tax map (the “**Redevelopment Project Site**”), which resolution also authorized the execution of a redevelopment agreement with the Entity (the “**Redevelopment Agreement**”) for the redevelopment of the Redevelopment Project Site; and

WHEREAS, the Redevelopment Agreement was executed as of October 15, 2018; and

WHEREAS, the Township and the Entity have also entered into that certain Purchase and Sale Agreement, dated October 22, 2018 (the “**Purchase and Sale Agreement**”), providing for the conveyance of the portion of the Redevelopment Project Site owned by the Township, known as Block 227, Lots 1, 26, and 35 (the “**Township Property**”), to the Entity; and

WHEREAS, pursuant to the Purchase and Sale Agreement and the Redevelopment Agreement, the Township Property will be conveyed to the Entity and the Redevelopment Project Site will be divided to create a 4-unit condominium, or some similar structure, such that the Entity will undertake the redevelopment of the Redevelopment Project Site by constructing thereon a mixed use project consisting of: (i) a parking garage with approximately 312 parking spaces (the “**Royal Garage**”), (ii) approximately 210 rental residential units (the “**Rental Residential Component**”), (iii) approximately 15 for-sale townhome residential units (the “**Townhome Component**”, and together with the Rental Residential Component, the “**Residential Component**”), and (iv) approximately 8,000 square feet of retail space (the “**Retail Component**”, and together with the Residential Component, the “**Project**,” and together with the Royal Garage and the Project, collectively, the “**Redevelopment Project**”); and

WHEREAS, the ownership of the Redevelopment Project Site will be as follows: (i) the unit or portion of the Redevelopment Project Site containing the Royal Garage (the “**Parking Garage Property**”) by the Township; (ii) the unit or portion of the Redevelopment Project Site containing the Rental Residential Component (the “**Rental Residential Component Property**”) by the Entity; (iii) the unit or portion of the Redevelopment Project Site containing the Townhome Component (the “**Townhome Component Property**”, and together with the Rental Residential Component Property, the “**Residential Component Property**”) by the Entity; and (iv) the unit or portion of the Redevelopment Project Site containing the Retail Space (the “**Retail Space Property**” and together with the Residential Component Property, the “**Land**”) by the Entity; and

WHEREAS, the Royal Garage will be available to serve the residents and patrons of the Project as well as other permit holders with parking permits issued by the Township; and

WHEREAS, simultaneous with the execution of a parking agreement(s) relating to the use of the Royal Garage by residents of the Project, the Entity and the Township anticipates entering into that certain Parking Garage Construction Agreement (the “**Parking Garage Construction Agreement**”), under which the Entity will construct, and the Township will pay for the construction of, the Royal Garage; and

WHEREAS, the Entity has been qualified by the State of New Jersey to do business as an urban renewal entity under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”), and was created for the redevelopment, operation and maintenance of the Redevelopment Project; and

WHEREAS, pursuant to and in accordance with the provisions of the LTTE Law, the Township is authorized to provide for and accept, in lieu of real property taxes, an annual service charge paid by the Entity to the Township; and

WHEREAS, the Entity submitted an application to the Township for the approval of the Redevelopment Project, an urban renewal project (the “**Application**”), in accordance with N.J.S.A. 40A:20-8; and

WHEREAS, there was also submitted as part of the Application a form of a financial agreement (the “**Financial Agreement**”), pursuant to which the Entity agrees to pay, in lieu of tax payments, an Annual Service Charge; and

WHEREAS, the Entity has represented to the Township that the Redevelopment Project would not be feasible in its intended scope but for the provision of financial assistance by the Township; and

WHEREAS, improvements (the “**Improvements**”) to property located within an area in need of rehabilitation or redevelopment may qualify for tax exemptions; and

WHEREAS, the Redevelopment Project will be constructed in accordance with the requirements of the Redevelopment Plan and will be in conformance with the Township’s Master Plan; and

WHEREAS, after review of the Application, the Mayor recommended that the Application be approved on such terms as set forth in a proposed form of Financial Agreement substantially in the form attached hereto as Exhibit A, and by this reference incorporated herein, as may be modified in consultation with counsel as set forth herein; and

WHEREAS, the Township Council has reviewed the Application and the terms of the Financial Agreement, and wishes to approve the Application on such terms; and

WHEREAS, the Township Council has determined that the Redevelopment Project represents an undertaking permitted by the LTTE Law, and has further determined that the Redevelopment Project is an improvement made for the purposes of clearance, replanning, development, or redevelopment of an area in need of redevelopment within the Township, as authorized by the LTTE Law and shall promote and further the redevelopment of the Township; and

WHEREAS, the Township hereby finds that the relevant benefits of the Redevelopment Project to the redevelopment of the Redevelopment Project Site outweigh the costs, if any, associated with the tax exemption, and in fact increase Township revenues over current levels by granting the long term tax exemption for the Project, which relevant benefits are further described in the Application and the Financial Agreement; and

WHEREAS, the Township hereby determines that the assistance provided to the Redevelopment Project pursuant to the Financial Agreement will be a significant inducement for the Entity to proceed with the Redevelopment Project and that based on information set forth in the Application, the Redevelopment Project would not be feasible without such assistance; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Area Bond Financing Law, constituting Chapter 310 of the Pamphlet Laws of 2001 of the State, and the acts amendatory thereof and supplemental thereto (the “**Redevelopment Bond Law**”, as codified in N.J.S.A. 40A:12A-64 et seq., and together with the Act and the LTTE Law, the “**Acts**”), specifically N.J.S.A. 40A:12A-66(a), the Township is authorized to provide for such tax exemption and payments in lieu of taxes in accordance with the LTTE Law, except that the provisions of the LTTE Law (i) establishing a minimum or maximum annual service charge and requiring staged increases in annual service charges over the term of the exemption period, and (ii) permitting an urban renewal entity to relinquish its status under the LTTE Law, shall not apply to redevelopment projects financed with bonds issued in accordance with the Redevelopment Bond Law.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Mayor and Township Council of the Township of Bloomfield, in the County of Essex, State of New Jersey as follows:

I. GENERAL

The aforementioned recitals are incorporated herein as though fully set forth at length.

II. APPROVAL OF EXEMPTION FROM TAXATION

An exemption from taxation as set forth in the Application is hereby approved and granted to the Entity with respect to the Improvements for the Project in accordance with the terms set forth in the Financial Agreement; provided that in no event shall the term of the Financial Agreement exceed the earlier of thirty-five (35) years from the date of execution thereof or (ii) to the extent permitted by the LTTE Law, thirty (30) years from the Entity’s receipt of a Certificate of Occupancy (as defined in the Financial Agreement) for the Project and only so long as the Entity remains subject to and in compliance with the Financial Agreement and the LTTE Law and any other agreement related to the Project or the Redevelopment Project Site; and provided, further, that in no event shall the resulting property tax obligation in each year the property tax exemption is in effect, when combined with the Annual Service Charge as defined in the Financial Agreement, be less than the amount of the Land Taxes (as defined in the Financial Agreement) prior to redevelopment.

III. EXECUTION OF FINANCIAL AGREEMENT AUTHORIZED

(a) The Mayor and/or Township Administrator, in consultation with legal counsel to the Township, are hereby authorized and directed to execute the Financial Agreement, substantially in the form as it has been presented to the Township Council, and attached hereto as Exhibit A, subject to additions, deletions, modifications, or revisions deemed necessary and appropriate in consultation with counsel, and any other agreements necessary to effectuate the Financial Agreement.

(b) The Clerk of the Township is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms of Section III (a) hereof, to attest to the signature of the Mayor upon such document and is hereby further authorized and directed to affix the corporate seal of the Township upon such document.

(c) Within thirty (30) days of its execution, the Township Clerk shall file certified copies of this ordinance and the executed Financial Agreement with the Tax Assessor of the Township and shall forward a certified copy of this Ordinance and the executed Financial Agreement to the Director of the Division of Local Government Services within the New Jersey Department of Community Affairs in accordance with Section 12 of the LTTE Law.

(d) The executed copy of the Financial Agreement shall be filed with the Office of the Township Clerk.

IV. ENTITY OBLIGATIONS

(a) The Redevelopment Project shall conform with all Federal and State laws and ordinances and regulations of the Township relating to its construction and use.

(b) The Entity shall, in the operation of the Redevelopment Project, require compliance with all laws so that no person because of race, religious principles, color, national origin or ancestry, will be subject to discrimination.

(c) The Entity shall, from the time that the Annual Service Charge becomes effective, pay the Annual Service Charge as set forth in the Financial Agreement.

(d) The Entity shall complete the Redevelopment Project within the timeframes set forth in the Redevelopment Agreement.

V. SEVERABILITY

If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereof shall not affect the remaining parts of this Ordinance.

VI. ACTION REGARDING FINANCIAL AGREEMENT

The Mayor is hereby authorized and directed to determine all matters and terms in connection with the Financial Agreement, all in consultation with the counsel to the Township, and the manual or facsimile signature of the Mayor upon any documents shall be conclusive as to all such determinations. The Mayor, the Township Administrator, the Chief Financial Officer/Treasurer, the Township Clerk and any other Township official, officer or professional, including but not limited to, redevelopment counsel, bond counsel, the municipal advisor and the auditor to the Township, are each hereby authorized and directed to execute and deliver such documents as are necessary to facilitate the transactions contemplated hereby, and to take such actions or refrain from such actions as are necessary to facilitate the transactions contemplated hereby, in consultation with, as applicable, redevelopment counsel, bond counsel, the municipal advisor and the auditor to the Township, and any and all actions taken heretofore with respect to the transactions contemplated hereby are hereby ratified and confirmed.

VI. AVAILABILITY OF THE ORDINANCE

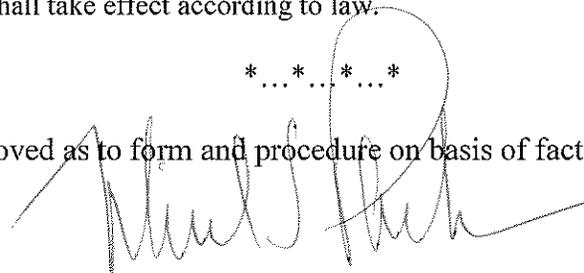
A copy of this Ordinance shall be available for public inspection at the offices of the Township Clerk.

VII. EFFECTIVE DATE

This Ordinance shall take effect according to law.

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Approved as to form and procedure on basis of facts set forth.



Director of Law-Township Attorney

I hereby certify that the above ordinance was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on *NOVEMBER 26, 2018.*

Grise M. Polyzano
Municipal Clerk of the Township of Bloomfield



Mayor of the Township of Bloomfield

✓ Vote Record - Ordinance					
<input type="checkbox"/> Adopt <input type="checkbox"/> Deny <input type="checkbox"/> Withdrawn <input type="checkbox"/> Table <input type="checkbox"/> Not Discussed <input type="checkbox"/> First Reading <input type="checkbox"/> Table with no Vote <input type="checkbox"/> Approve <input type="checkbox"/> Veto by Mayor <input type="checkbox"/> Discussion <input type="checkbox"/> Defeated <input type="checkbox"/> Discussion No Vote		Yes/Aye	No/Nay	Abstain	Absent
	Jenny Mundell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nicholas Joanow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sarah Cruz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Wartyna Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Ted Gamble	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Richard Rockwell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Michael J. Venezia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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