



Township Council
1 Municipal Plaza
Bloomfield, NJ 07003

Louise M. Palagano
Municipal Clerk

<http://www.bloomfieldtwpnj.com>

Meeting: 01/22/18 07:00 PM

18-07

2018 ORDINANCE PILOT

ORDINANCE OF THE TOWNSHIP OF BLOOMFIELD, COUNTY OF ESSEX, NEW JERSEY APPROVING AN APPLICATION FOR A LONG TERM TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT FOR A TAX EXEMPTION FOR AN URBAN RENEWAL PROJECT

WHEREAS, the New Jersey Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (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 at Section 3 of the Act, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Township of Bloomfield (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 for the redevelopment of the Redevelopment Area (the "Redevelopment Plan"); and

WHEREAS, on October 17, 2016, the Township Council adopted a resolution conditionally designating Metro Real Estate Development Corporation ("Metro") as redeveloper of the portion of the Redevelopment Area known as Block 225, Lots 1 and 9 on the Township's tax map (the "Redevelopment Project Site"), subject to the successful negotiation of a redevelopment agreement; and

WHEREAS, the Township has dissolved the Bloomfield Parking Authority (the "Authority") and assumed all of its assets, liabilities, rights and obligations; and

WHEREAS, as successor to the Authority, the Township owns the Redevelopment Project Site; and

WHEREAS, the Authority and Lackawanna Station Urban Renewal, LLC (the "Entity"), an affiliate of Metro, entered into that certain Purchase and Sale Agreement, dated January 19, 2017, (the "Purchase and Sale Agreement"), providing for the conveyance of a

APPROVED AS TO FORM AND PROCEDURE
ON BASIS OF FACTS SET FORTH

DIRECTOR OF LAW-TOWNSHIP ATTORNEY

portion of the Redevelopment Project Site to the Entity to enable the Entity to undertake the redevelopment of the Redevelopment Project Site by constructing thereon a mixed use project consisting of: (i) a parking garage with approximately 314 parking spaces (the "**Farrand Garage**"), (ii) approximately 176 residential units (the "**Project**") and (iii) approximately 2,700 square feet of space to be owned by the Township for community benefit purposes (the "**Community Space**"), and together with the Farrand Garage and the Project, collectively, the "**Redevelopment Project**"; and

WHEREAS, the Township has assumed all of the rights and obligations of the Authority pursuant to the Purchase and Sale Agreement; and

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

WHEREAS, the Redevelopment Project Site will be divided to create a 3-unit condominium, or some similar structure, the components of which will be owned as follows: (i) the Township will own the unit or portion of the Redevelopment Project Site containing the Farrand Garage (the "**Farrand Garage Property**"); (ii) the Township will own the unit or portion of the Redevelopment Project Site containing the Community Space (the "**Community Space Property**"); and (iii) the Entity will own the unit or portion of the Redevelopment Project Site containing the Project (the "**Land**"); and

WHEREAS, the Township and the Entity entered into that certain Redevelopment Agreement dated February 13, 2017 (the "**Redevelopment Agreement**"), pursuant to which the Entity agreed to construct the Redevelopment Project on the Redevelopment Project Site; and

WHEREAS, the Project is a "redevelopment project" as defined in the Act; and

WHEREAS, on February 14, 2017, the Entity and the Authority submitted an application to the Planning Board of the Township (the "**Planning Board**") for site plan approval in connection with the Project (the "**Planning Board Application**"); and

WHEREAS, after conducting public hearings relating to the Planning Board Application, the Planning Board granted site plan approval for the Redevelopment Project on May 9, 2017, and on June 13, 2017, the Planning Board adopted a resolution memorializing its findings and conclusions with respect to the Planning Board Application; and

WHEREAS, simultaneous with the execution of a Parking Agreement relating to the use of the Farrand Garage by residents of the Project, the Entity and the Township entered 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 Farrand Garage; and

WHEREAS, pursuant to and in accordance with the provisions of the Long Term Tax Exemption 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, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law, submitted an application to the Township for

the approval of the Project, an urban renewal project (the "Exemption Application"), in accordance with *N.J.S.A.* 40A:20-8; and

WHEREAS, upon review of the proposed Project, the Exemption Application and the Mayor's recommendation, the Township has made the following findings with respect to the Project pursuant to *N.J.S.A.* 40A:20-11:

1. The Redevelopment Area is not currently developed to its maximum potential. The Redevelopment Area is sparsely developed and underutilized and generates minimal taxes for the Township. Development in the Redevelopment Area is financially infeasible without financial assistance. Upon expiration of the exemption, the Project shall be fully assessed and conventionally taxed;

2. Given the costs as well as the uncertainty and instability of current economic and market conditions as well as aggressive competition within the region, the investment risk makes the financing of the Project infeasible in the absence of a tax exemption provided by the Township;

3. The construction of the Project will result in the remediation of the Redevelopment Area, substantial improvements to the infrastructure on the site as well as community benefits in the form of increased jobs and ratables;

4. The Project is consistent with the Redevelopment Plan, will further its objectives and will contribute to the economic growth of the Township;

5. The Financial Agreement was a material inducement to the Entity to undertake the Project in the Township and facilitate the redevelopment of the Redevelopment Area; and

WHEREAS, in accordance with the provisions of the LTTE Law, the Township desires to approve the Project and authorize the execution of the Financial Agreement.

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

Section 1. The forgoing recitals are incorporated herein as if set forth in full.

Section 2. The Entity is hereby approved as the redeveloper to implement the Project.

Section 3. An exemption from taxation as set forth in the Exemption Application is hereby approved and granted to the Entity, with respect to the Project in the Redevelopment Area in accordance with the term set forth in the Financial Agreement; provided that in no event shall the term of the Financial Agreement exceed the earlier of (i) thirty-five (35) years from the date of execution of the Financial Agreement 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.

Section 4. The form of Financial Agreement submitted by the Entity, on file with the Township Clerk, and made a part hereof, is hereby approved in accordance with Section 8 of the LTTE Law.

Section 5. The Mayor, in consultation with counsel to the Township, is hereby authorized to execute the Financial Agreement and prepare, amend or execute any other agreements necessary to effectuate this ordinance, subject to modification or revisions, as deemed necessary and appropriate.

Section 6. 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 7. The executed copy of the Financial Agreement shall be certified by and filed with the Office of the Township Clerk. Further, the Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Township and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the LTTE Law.

Section 8. The Project shall conform with all Federal, State, and municipal laws, ordinances and regulations relating to its construction and use.

Section 9. The Entity shall, in the operation of the Project, comply with all laws so that no person of race, religious principles, color, national origin or ancestry will be subject to discrimination.

Section 10. This ordinance shall take effect in accordance with all applicable laws.

* * * * *

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 FEBRUARY 26, 2018.

Louise M. Polyzano
Municipal Clerk of the Township of Bloomfield

M. V. G.
Mayor of the Township of Bloomfield

| ✓ Vote Record - Ordinance | | | | | | |
|---|-----------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | Yes/Aye | No/Nay | Abstain | Absent | |
| <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 | | | | | | |
| | Jenny Mundell | <input checked="" type="checkbox"/> | <input 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"/> | <input type="checkbox"/> |
| | Sarah Cruz | <input checked="" type="checkbox"/> | <input 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"/> | <input type="checkbox"/> |

Ordinance (ID # 6766)

Meeting of January 22, 2018

| | | | | | |
|---|--------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| <input type="checkbox"/> Veto by Mayor | Ted Gamble | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> Discussion | Richard Rockwell | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> Defeated | Michael J. Venezia | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> Discussion No Vote | | | | | |

Vote Record - Ordinance

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