

ORDNANCE NO. 17-10

ORDINANCE OF THE TOWNSHIP OF WASHINGTON, COUNTY OF WARREN, STATE OF NEW JERSEY APPROVING APPLICATION FOR TAX EXEMPTION AND AUTHORIZING EXECUTION OF FINANCIAL AGREEMENT IN CONNECTION THEREWITH FOR BLOCK 65, LOTS 1, 3.03, 8, 9, 11, 12, 13, 14, 15, 16 AND PORTIONS OF LOTS 2 AND 4; BLOCK 65.01 LOTS 1, 1C0001 (CONDO UNIT 4) AND 1C0002 (CONDO UNIT 3); BLOCK 65.02, LOT 1, IN THE TOWNSHIP OF WASHINGTON.

WHEREAS, the Township, by Resolution No. 16-122 dated August 16, 2016, duly designated an area consisting of Block 65, Lots 1, 3.03, 8, 9, 11, 12, 13, 14, 15, 16 and portions of Lots 2 and 4; Block 65.01, Lots 1, 1C0001 (condo unit 4) and 1C0002 (condo unit 3); and Block 65.02, Lot 1 (collectively the "Property"), as an Area in Need of Redevelopment in accordance with the provisions of the Local Redevelopment and Housing Law, codified at N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"), and specifically N.J.S.A. 40A:12A-5; and

WHEREAS, on December 20, 2016, the Township, by Resolution No. 16-149, designated Asbury Farms LP as Redeveloper for the Property (the "Redeveloper") and Redeveloper has agreed to implement the Redevelopment Plan and develop, design, finance and construct a project consisting of a total of approximately 628 dwelling units and 120,000 square feet of commercial/retail space in phases, along with the construction of sufficient parking as required by the Redevelopment Plan (the "Project") and in connection therewith, the Redeveloper has agreed to devote substantial cash assets and borrowed funds to the completion of the Project; and

WHEREAS, the Township, on March 21, 2017, adopted Ordinance No. 2017-2 approving a redevelopment plan (the "Redevelopment Plan") for the Hawk Pointe Redevelopment Area that included provisions permitting construction on the Property of residential, mixed use and commercial structures and other improvements; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Township entered into a redevelopment agreement with the Redeveloper dated June 20, 2017, (along with any amendments thereto, the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the Township and Redeveloper with respect to certain aspects of the Project; and

WHEREAS, on June 20, 2017, as permitted by the Redeveloper Agreement, Asbury Farms LP assigned the Redevelopment Agreement to the Entity; and

WHEREAS, despite the Entity's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, on July 18, 2017, the Entity filed an Application with the Township for approval of a long term tax exemption for the Improvements to enhance the economic viability of the Project; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Township will enter into a Financial Agreement pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "Financial Agreement" or "Agreement") with the Entity, governing payments made to the Township in lieu of real estate taxes on the Project pursuant to the Long Term Tax Exemption Law; and

WHEREAS, the provisions of the Long Term Tax Exemption Law authorize the Township to accept, in lieu of real property taxes, an annual service charge paid by Entity to the Township based on the enumerated formulas set forth in such laws; and

WHEREAS, the Entity has agreed to make payment of the annual service charge to the Township to be used by the Township for any lawful purpose in the exercise of the Township's sole discretion; and

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

WHEREAS, the Entity may convey portions of the Project to other urban renewal entities, which entities will undertake the construction of portions of the Project.

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the Township of Washington, County of Warren and State of New Jersey, that the Application and Financial Agreement are hereby approved.

BE IT FURTHER ORDAINED that the Mayor is here by authorized to execute the Financial Agreement in substantially the same form as that attached as an exhibit to the Application.

BE IT FURTHER ORDAINED that The Township Clerk is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and affix the corporate seal of the Township upon such document.

BE IT FURTHER ORDAINED if any part(s) of this Ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not effect the remaining parts of this Ordinance.

BE IT FURTHER ORDAINED that this Ordinance shall become effective immediately upon final passage and publication as required by law.

NOTICE

NOTICE IS HEREBY GIVEN that the foregoing Ordinance was introduced to pass on the first reading meeting of the Township Committee of the Township of Washington held on July 18, 2017 and ordered published in accordance with the law. Said Ordinance will be considered for final reading and adoption at a regular meeting of the Township Committee to be held on August 15, 2017 at 7:30 p.m. or as soon thereafter as the Township Committee may hear this Ordinance at the Municipal Building, 211 State Route 31 North, Washington, New Jersey at which time all persons interested may appear for or against the passage of said Ordinance.

ATTEST:

Anna C. Godfrey, Clerk

DATED: JULY 18, 2017

ADOPTED: JULY 18, 2017