ORDINANCE OF THE CITY OF EAST ORANGE, NEW JERSEY

1ST Reading: 2/22/2021

Public Hearing: 3/8/2021

2nd Reading & Adoption: . 3/8/2021

Referred to Planning Board: ____/____/____

Received from Planning Board: ____/____/____

Approved as to Formal and Legality
On Basis of Facts Set forth:

.....
City Counsel

Factual Contents Certified to By:

.....
Department Head

Appropriations:

.....
Comptroller

Tabled: ____/____/____ Removed From Table: ____/____/____

Councilman/ Councilwoman _____ Presents the following Ordinance:

ORDINANCE NO. 4 OF 2021

THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE REDEVELOPMENT AREA BOND FINANCING LAW, N.J.S.A. 40A:12A-64 ET SEQ., 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 HEREAFTER RECORDED

AN ORDINANCE AUTHORIZING THE EXECUTION OF FIRST AMENDMENTS TO FINANCIAL AGREEMENTS FOR PAYMENTS IN LIEU OF TAXES WITH EACH OF BRICK CHURCH URBAN RENEWAL I LLC, BRICK CHURCH URBAN RENEWAL II LLC, BRICK CHURCH URBAN RENEWAL III LLC, BRICK CHURCH URBAN RENEWAL IV LLC, BRICK CHURCH URBAN RENEWAL V LLC, AND BRICK CHURCH URBAN RENEWAL VI LLC PURSUANT TO THE LONG TERM TAX EXEMPTION LAW AND THE REDEVELOPMENT AREA BOND FINANCING LAW WITH RESPECT TO 533 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 1, 15-33 HALSTED STREET, ALSO IDENTIFIED AS BLOCK 683, LOT 1.01, 505 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.01, 507 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.02, AND 513-517 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 5, ALL IN THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

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

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

WHEREAS, on December 27, 2011, the City Council of the City of East Orange (the "**City**") adopted Resolution 357 declaring that all of the Urban Enterprise Zone ("**UEZ**") areas within the City meet the statutory criteria to qualify as an area in need of redevelopment (the "**Redevelopment Area**"); and

WHEREAS, on February 27, 2012, the City Council adopted Ordinance No. 5 of 2012 approving a redevelopment plan for all UEZ areas within the City (the "**Original UEZ Redevelopment Plan**"); and

WHEREAS, on September 26, 2017, the City Council adopted Ordinance No. 31 of 2017, amending the Original UEZ Redevelopment Plan to clarify that it applies to properties that are subject to another redevelopment plan, and that the land use regulations contained in such other redevelopment plans shall govern (the Original UEZ Redevelopment Plan, as amended, the "**Redevelopment Plan**"); and

WHEREAS, the City has elected to act as the redevelopment entity to effectuate the Redevelopment Plan; and

WHEREAS, the City has authorized a redevelopment agreement with Brick Church Developers LLC (the "**Redeveloper**") to redevelop various parcels within the Redevelopment Area identified as: 533 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 1; 15-33 Halsted Street, also identified as Block 683, Lot 1.01, 505 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 4.01; 507 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 4.02; and 513-517 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 5 (collectively, the "**Property**"); and

WHEREAS, the Property is located within the Redevelopment Area and governed by the Redevelopment Plan; and

WHEREAS, Brick Church Urban Renewal I LLC ("**Entity 1**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1A Retail Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common and limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 60,000 net square feet of anchor grocery (the "**Phase 1A Grocery Condo**"); (b) approximately 25,965 net square feet of the following commercial uses: retail sales, retail services, café/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, co-working spaces, dog day care centers, or dry cleaners (the "**Phase 1A Ancillary Retail Condo**"; together with the Phase 1A Grocery Condo, the "**Phase 1A Retail Project**"), to be implemented upon a portion of the Property (the "**Phase 1A Retail Property**"); and

WHEREAS, Brick Church Urban Renewal II LLC ("**Entity 2**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1A Affordable Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 80 residential rental affordable units, which shall be affordable to very low, low, and moderate income households (the "**Phase 1A Affordable Project**"), to be implemented upon a portion of the Property (the "**Phase 1A Affordable Property**"); and

WHEREAS, Brick Church Urban Renewal III LLC ("**Entity 3**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1A Market Residential Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common and limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 320 market rate residential rental units (the "**Phase 1A Market Residential Condo**"); and (b) a parking deck with approximately 1,236 parking spaces (the "**Phase 1A Parking Condo**"); together with the Phase 1A Market Residential Condo, the "**Phase 1A Market Residential Project**"), to be implemented on a portion of the Property (the "**Phase 1A Market Residential Property**"); and

WHEREAS, Brick Church Urban Renewal IV LLC ("**Entity 4**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1B Anchor Retail Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 48,900 net square feet of retail sales, retail services, café/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial

institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase 1B Anchor Retail Project**"), to be implemented upon a portion of the Property (the "**Phase 1B Anchor Retail Property**"); and

WHEREAS, Brick Church Urban Renewal V LLC ("**Entity 5**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1B Ancillary Retail Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 60,400 net square feet of retail sales, retail services, café/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase 1B Ancillary Retail Project**"), to be implemented upon a portion of the Property (the "**Phase 1B Ancillary Retail Property**"); and

WHEREAS, Brick Church Urban Renewal VI LLC ("**Entity 6**", and together with Entity 1, Entity 2, Entity 3, Entity 4, and Entity 5, the "**Entities**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase 1B Residential Application**", which is on file with the City Clerk, and together with the Phase 1A Retail Application, the Phase 1 Affordable Application, the Phase 1A Market Residential Application, the Phase 1B Anchor Retail Application, and the Phase 1B Ancillary Retail Application, the "**Applications**") with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 357 market rate residential rental units and approximately 63 workforce housing units (the "**Phase 1B Residential Project**", and together with the Phase 1A Retail Project, the Phase 1A Affordable Project, the Phase 1A Market Residential Project, the Phase 1B Anchor Retail Project, and the Phase 1B Ancillary Retail Project, the "**Project**"), to be implemented upon a portion of the Property (the "**Phase 1B Residential Property**"); and

WHEREAS, the Entities have been qualified by the State of New Jersey to do business as urban renewal entities under the provisions of the *Long Term Tax Exemption Law*, *N.J.S.A.* 40A:20-1 *et seq.* (the "**LTTE Law**"), and each was created for the development, operation and maintenance of its respective portion of the Project; and

WHEREAS, the Entities have each entered into financial agreements with the City pursuant to the LTTE Law (the "**Financial Agreements**"), which have been fully executed but remain in escrow in accordance with a certain document escrow agreement between the Parties and dated September 22, 2020 (the "**Document Escrow Agreement**"); and

WHEREAS, the Parties desire to amend Section 9.1, Conveyance of the Project, subsection (c), and subsection (d)(vi) of the Financial Agreements with each respective Entity; and

WHEREAS, Section 9.1(c) and subsection (d)(vi) of the Financial Agreements with Entity 1, Entity 4, and Entity 5 shall be revised substantially in the forms attached hereto as Exhibit A, and Section 9.1(d)(vi) of the Financial Agreements with Entity 2, Entity 3, and Entity 6 shall be revised substantially in the forms attached hereto as Exhibit B (the "**First Amendments**"); and

WHEREAS, the City Council desires to authorize the execution of the First Amendments, which shall be held in escrow in accordance with the Document Escrow Agreement,

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the City Council of the City of East Orange, 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. EXECUTION OF FIRST AMENDMENTS AUTHORIZED

(a) The Mayor is hereby authorized and directed to execute the First Amendments, substantially in the forms as they have been presented to the City Council, and attached hereto as Exhibit A and Exhibit B, subject to additions, deletions, modifications, or revisions deemed necessary or appropriate in consultation with counsel. After execution by the City and the Entity, the First Amendments shall be held in escrow in accordance with the Document Escrow Agreement.

(b) The Clerk of the City is hereby authorized and directed, upon the execution of the First Amendments in accordance with the terms of Section II (a) hereof, to attest to the signature of the Mayor upon each such document and is hereby further authorized and directed to affix the corporate seal of the City upon each such document.

(c) Once released from escrow in accordance with the Document Escrow Agreement, the City Clerk shall file certified copies of this ordinance and the First Amendments with the Tax Assessor of the City. In accordance with P.L. 2015, c. 247, within ten calendar days following the later of the effective date of this Ordinance or the execution of the First Amendments by the Entities, the City Clerk also shall transmit a certified copy of this Ordinance and the First Amendments to the chief financial officer of Essex County and to the Essex County Counsel for informational purposes.

III. SEVERABILITY

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

IV. ACTION REGARDING FIRST AMENDMENTS

The Mayor is hereby authorized and directed to determine all matters and terms in connection with the First Amendments, all in consultation with the counsel to the City, and the manual or facsimile signature of the Mayor upon any documents shall be conclusive as to all such determinations. The Mayor, the Business Administrator, the Chief Financial Officer, the City Clerk and any other City official, officer or professional, including but not limited to, redevelopment counsel, bond counsel, the financial advisor and the auditor to the City, 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 financial advisor and the auditor to the City, and any and all actions taken heretofore with respect to the transactions contemplated hereby are hereby ratified and confirmed.

V. AVAILABILITY OF THE ORDINANCE

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

VI. EFFECTIVE DATE

This Ordinance shall take effect according to law.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF ORDINANCE NO 4 ADOPTED BY THE CITY COUNCIL OF EAST ORANGE AT ITS MEETING HELD MARCH 8, 2021

CITY CLERK, EAST ORANGE, NJ

FIRST READING

COUNCILMEMBER	AYE	NAY	N.V.	A. B.	VETO
GOMEZ	✓				
BRENT	✓				
PULLINS, JR.	✓				
GARRETT-WARD	✓				
LENEUS	✓				

COUNCILMEMBER	AYE	NAY	N.V.	A.B.	VETO
HOLMAN	✓				
AWE	✓				
LEWIS				✓	
CLAYBROOKS	✓				
JAMES	✓				

RECORD OF COUNCIL VOTE ON SECOND READING & FINAL PASSAGE

COUNCILMEMBER	AYE	NAY	N.V.	A. B.	VETO
GOMEZ	✓				
BRENT	✓				
PULLINS, JR.	✓				
GARRETT-WARD	✓				
LENEUS	✓				

COUNCILMEMBER	AYE	NAY	N.V.	A.B.	VETO
HOLMAN	✓				
AWE	✓				
LEWIS	✓				
CLAYBROOKS	✓				
JAMES				✓	

x- *Indicates Vote* **A.B.-** *Absent* **N.V.** *-Not Voting (Abstained or Excused)* **ACTION ON VETO**: *✓ To Sustain √√ To Over-Ride*

Passed on First Reading: 2 / 22 / 2021

Adopted on final Reading: 3 / 8 / 2021

Presented to Mayor: 3 / 9 / 2021

Approved: 3 / 10 / 2021 Vetoed: ____/____/2021 Reconsidered by Council: _____/_____/2021

Council Chairman
Christopher D. James

Mayor
Ted R. Green

City Clerk
Cynthia S. Brown

EXHIBIT A

Section 9.1(c) shall be revised to read as follows:

(c) Transfers Via Lease Agreement.

(i) To the extent that the City has provided its credit enhancement with respect to the Bonds and to the extent such Bonds are outstanding, the Entity shall not enter into any lease agreement with a third-party tenant or end user of a portion of the Project consisting of ten thousand (10,000) square feet or more without the advance, written consent of the City, unless such tenant satisfies any of the following criteria, in which case any such lease may be entered into without the City's consent: (x) such tenant or the guarantor of such tenant's obligations has a net worth in excess of one hundred million dollars ($100,000,000); (y) such tenant or the guarantor of such tenant's obligations has a credit rating equal to or better than any of the following: S&P long term BB, short term A3; Moody's long term Baa; or Dunn & Bradstreet's long term 5A2; or (z) such tenant is a national or regional retailer having twenty (20) or more retail stores operating under the same trade name. The City's review under this section (if applicable) shall be limited to whether such tenant possesses the experience and capitalization to fulfill its obligations under the lease agreement, and if the tenant satisfies such criteria the City shall be obligated to promptly provide its consent.

(ii) The City hereby provides its consent to the Entity entering into lease agreements for ten thousand (10,000) square feet or more with the following tenants: Shop Rite, Burlington, Target, Home Goods, Marshalls, Saks Off 5th, Chuckie Cheese, Amazon, Bed Bath & Beyond, Big Lots, Barnes & Noble, Bass Pro Shops, Dicks Sporting Goods, Rainbow, Saint James, Newark Community Health, Kohls, and National Wholesale Liquidators (which consent extends to any such entity's affiliates who succeed to such tenant's rights by assignment).

(iii) Any tenant for whom a lease agreement for ten thousand (10,000) square feet or more is approved in accordance with the terms hereof, including, without limitation, those tenants pre-approved by the City pursuant to Section 9.1(c)(ii) above (each, an "Anchor Tenant") may sublet all or a portion of the such leased space, or assign the lease agreement for all or a portion of such leased space, without the City's consent, but only if such Anchor Tenant remains responsible to the Entity for, and is not released of its obligation to make, all payments under the lease agreement between the Entity and the Anchor Tenant.

(iv) Should the Entity recapture any portion of the Project following an Anchor Tenant causing such portion of the Project to go dark (the "Recaptured Space"), the Entity may re-lease up to fifty percent (50%) of such Recaptured Space without any further consent of the City, even if fifty percent (50%) of the Recaptured Space is in excess of ten thousand (10,000) square feet. The Entity shall be required to obtain the City's consent to re-lease the remaining fifty percent (50%) of the Recaptured Space.

(v) If no City credit enhancement is provided, or for any time period the Bonds are not outstanding, lease agreements with a third-party tenant or end user of a portion of the Project of ten

thousand (10,000) square feet or more shall only require notice to the City of said Transfer within fourteen (14) business days after the occurrence of the Transfer.

(vi) To the extent that the City has provided its credit enhancement with respect to the Bonds and to the extent such Bonds are outstanding, transfers via lease agreement to a third-party tenant or end user of a portion of the Project consisting of less than ten thousand (10,000) square feet shall require notice to the City of said Transfer within fourteen (14) business days after the occurrence of the Transfer.

(vii) In all events, tenants shall be required to perform periodic maintenance, updating and upkeep needed to maintain the Class A retail classification.

Section 9.1(d)(vi) shall be revised to read as follows:

(vi) such transfer is the replacement by the Investor Member of the Managing Member of the Entity upon the occurrence of a Default hereunder, provided that the Investor Member (a) replaces the Managing Member with a Replacement Developer capable of completing the Project, if prior to Substantial Completion, and/or operating the Project, if after Substantial Completion, in accordance with this Agreement as evidenced by it (or any Affiliate entity) having developed and completed and/or operated, as applicable, projects reasonably similar in type and scope as the Project; (b) provides notice to the City pursuant to Section 9.1(f) hereof and represents and provides reasonable evidence to the City that such entities have the financial capability to complete the Project, if prior to Substantial Completion, or operate the Project, if after Substantial Completion; and (c) within ten (10) days of the notice provided in (b) above, cures any uncured monetary Default under this Agreement. Any transfer effected without satisfaction of the conditions specified herein shall be without any force and effect. Notwithstanding the foregoing, the City shall have an approval right (which approval shall not be unreasonably withheld, conditioned or delayed) over a Replacement Developer where the Replacement Developer or the entity controlling the day to day activities of such Replacement Developer: (1) has commenced or threatened to commence legal proceedings against City, or (2) has been declared to have caused a default under any prior agreement with the City, or (3) has (or has a principal who has) been convicted in the 5 years prior to becoming the Replacement Developer of a felony for a criminal act of baseness, vileness, or depravity in the private and social duties owed to one's fellow man or woman that seriously violates accepted moral standards in New Jersey which, in the reasonable judgment of the City, has or may reasonably be expected to have a material adverse effect on the City or the Project; or

EXHIBIT B

Section 9.1(d)(vi) shall be revised to read as follows:

(vi) such transfer is the replacement by the Investor Member of the Managing Member of the Entity upon the occurrence of a Default hereunder, provided that the Investor Member (a) replaces the Managing Member with a Replacement Developer capable of completing the Project, if prior to Substantial Completion, and/or operating the Project, if after Substantial Completion, in accordance with this Agreement as evidenced by it (or any Affiliate entity) having developed and completed and/or operated, as applicable, projects reasonably similar in type and scope as the Project; (b) provides notice to the City pursuant to Section 9.1(f) hereof and represents and provides reasonable evidence to the City that such entities have the financial capability to complete the Project, if prior to Substantial Completion, or operate the Project, if after Substantial Completion; and (c) within ten (10) days of the notice provided in (b) above, cures any uncured monetary Default under this Agreement. Any transfer effected without satisfaction of the conditions specified herein shall be without any force and effect. Notwithstanding the foregoing, the City shall have an approval right (which approval shall not be unreasonably withheld, conditioned or delayed) over a Replacement Developer where the Replacement Developer or the entity controlling the day to day activities of such Replacement Developer: (1) has commenced or threatened to commence legal proceedings against City, or (2) has been declared to have caused a default under any prior agreement with the City, or (3) has (or has a principal who has) been convicted in the 5 years prior to becoming the Replacement Developer of a felony for a criminal act of baseness, vileness, or depravity in the private and social duties owed to one's fellow man or woman that seriously violates accepted moral standards in New Jersey which, in the reasonable judgment of the City, has or may reasonably be expected to have a material adverse effect on the City or the Project; or

EAST ORANGE

THE CITY OF
EAST ORANGE, NEW JERSEY

ORDINANCE NO. 4 OF 2021
On First Reading

THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE REDEVELOPMENT AREA BOND FINANCING LAW, N.J.S.A. 40A:12A-64 ET SEQ., 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 HEREAFTER RECORDED

AN ORDINANCE AUTHORIZING THE EXECUTION OF FIRST AMENDMENTS TO FINANCIAL AGREEMENTS FOR PAYMENTS IN LIEU OF TAXES WITH EACH OF BRICK CHURCH URBAN RENEWAL I LLC, BRICK CHURCH URBAN RENEWAL II LLC, BRICK CHURCH URBAN RENEWAL III LLC, BRICK CHURCH URBAN RENEWAL IV LLC, BRICK CHURCH URBAN RENEWAL V LLC, AND BRICK CHURCH URBAN RENEWAL VI LLC PURSUANT TO THE LONG TERM TAX EXEMPTION LAW AND THE REDEVELOPMENT AREA BOND FINANCING LAW WITH RESPECT TO 533 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 1, 15- 33 HALSTED STREET, ALSO IDENTIFIED AS BLOCK 683, LOT 1.01, 505 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.01, 507 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.02, AND 513-. 517 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 5, ALL IN THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

PURPOSE: An Ordinance Authorizing the Execution of First Amendments to Financial Agreements for Payments in Lieu of Taxes with each of Brick Church Urban Renewal I LLC to Brick Church Urban Renewal VI LLC Pursuant to the Long Term Tax Exemption Law and the Redevelopment Area Bond Financing Law with Respect to 533, 505, 507 and 513-517 Dr. Martin Luther King , Jr. Boulevard also Identified as Block 683, Lot1, Block 683, Lot 4.01, Block 683, Lot 4.02 and Block 683, Lot 5 Nd 15-33 Halsted Street also Identified as Block 683, Lot 1.01 All in the City of East Orange

Public Notice is hereby given that at a Regular Meeting of the East Orange City Council held on Monday, February 22, 2021, the following Ordinance was Introduced and passed on First Reading and that said Ordinance will be taken up for further consideration and final passage at a Meeting of the East Orange City Council to be held on Monday, March 8, 2021 at 6:00 PM at East Orange City Hall, 44 City Hall Plaza, East Orange, NJ in City Council Chambers.

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

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

WHEREAS, on December 27, 2011, the City Council of the City of East Orange (the "**City**") adopted Resolution 357 declaring that all of the Urban Enterprise Zone ("**UEZ**") areas within the City meet the statutory criteria to qualify as an area in need of redevelopment (the "**Redevelopment Area**"); and

WHEREAS, on February 27, 2012, the City Council adopted Ordinance No. 5 of 2012 approving a redevelopment plan for all UEZ areas within the City (the "**Original UEZ Redevelopment Plan**"); and

WHEREAS, on September 26, 2017, the City Council adopted Ordinance No. 31 of 2017 amending the Original UEZ Redevelopment Plan to clarify that it applies to properties that are subject to another redevelopment plan, and that the land use regulations contained in such other redevelopment plans shall govern (the Original UEZ Redevelopment Plan, as amended, the "**Redevelopment Plan**"); and

WHEREAS, the City has elected to act as the redevelopment entity, to effectuate the Redevelopment Plan; and

WHEREAS, the City has authorized a redevelopment agreement with Brick Church Developers LLC (the "**Redeveloper**") to redevelop various parcels within the Redevelopment Area identified as: 533 Dr. Martin Luther King, Jr. Boulevard, also identified as Block /583, Lot 1; 15-33 Halsted Street, also identified as Block 683, Lot 1.01, 505 Dr. Martin Luther King, Jr.· Boulevard, also identified as Block 683, Lot 4.01; 507 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 4.02; and 513-517 Dr. Martin Luther King, Jr. Boulevard also identified as Block 683, Lot 5 (collectively, the "**Property**"); and

WHEREAS, the Property is located within the Redevelopment Area and governed by the Redevelopment Plan; and

WHEREAS, Brick Church Urban Renewal I LLC ("**Entity 1**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IA Retail Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common and limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 60,000 net square feet of anchor grocery (the "**Phase IA Grocery Condo**"); (b) approximately 25,965 net square feet of the following commercial uses: retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, . and/or governmental offices), financial institutions, entertainment venues. art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, co-working spaces, dog day care centers, or dry cleaners (the "**Phase IA Ancillary Retail Condo**"; together with the Phase IA Grocery Condo, the "**Phase IA Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IA Retail Property**"); and

WHEREAS, Brick Church Urban Renewal II LLC ("**Entity 2**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, .the "**Phase IA Affordable Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 80 residential rental affordable units, which shall be affordable to very low, low, and moderate income households (the "**Phase IA Affordable Project**"), to be implemented upon a portion of the Property (the "**Phase IA Affordable Property**"); and

WHEREAS, Brick Church Urban Renewal III LLC ("**Entity 3**"), an affiliate of the · Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IA Market Residential Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common an-d limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 320 market rate residential rental units (the "**Phase IA Market Residential Condo**"); and (b) a parking deck with approximately 1,236 parking spaces (the "**Phase IA Parking Condo**"); together with the Phase IA Market Residential . Condo, the "**Phase IA Market Residential Project**"), to be implemented on a portion of the Property (the "**Phase IA Market Residential Property**"); and

WHEREAS, Brick Church Urban Renewal IV LLC ("**Entity 4**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Anchor Retail Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 48,900 net square feet of retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation· facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase IB Anchor Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IB Anchor Retail Property**"); and

WHEREAS, Brick Church Urban Renewal V LLC ("**Entity 5**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Ancillary Retail Application**", which is on file with the City Clerk) with respect to . the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 60,400 net square feet of retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase IB Ancillary Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IB Ancillary Retail Property**"); and

WHEREAS, Brick Church Urban Renewal VI LLC ("**Entity 6**", and together with Entity 1, Entity 2, Entity 3, Entity 4, and Entity 5, the "**Entities**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Residential Application**", which is on file with the City Clerk, and together with the Phase IA Retail Application, the Phase 1 Affordable Application, the Phase IA Market Residential Application, the Phase IB Anchor Retail Application, and the Phase IB Ancillary Retail Application, the "**Applications**") with respect to the implementation of one (1) master· condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 357 market rate residential rental units and approximately 63 workforce housing units (the "**Phase IB Residential Project**", and together with the Phase IA Retail Project, the Phase IA Affordable Project, the Phase IA Market Residential Project, the Phase IB Anchor Retail Project, and the Phase IB Ancillary Retail Project, the "**Project**"), to be implemented upon a portion of the Property (the "**Phase IB Residential Property**"); and

WHEREAS, the Entities have been qualified by the State of New Jersey to do business as urban renewal entities under the provisions of the *Long Term Tax Exemption Law, N.J.S.A.* 40A:20-1 *et seq.* (the "**LTTE Law**"), and each was created for the development, operation and maintenance of its respective portion of the Project; and

WHEREAS, the Entities have each entered into financial agreements with the City pursuant to the LTTE Law (the "**Financial Agreements**"), which have been fully executed but remain in escrow in accordance with a certain document escrow agreement between the Parties and dated September 22, 2020 (the "**Document Escrow Agreement**"); and

WHEREAS, the Parties desire to amend Section 9.1, Conveyance of the Project, subsection (c), and subsection (d)(vi) of the Financial Agreements with each respective Entity; and

WHEREAS, Section 9.l(c) and subsection (d)(vi) of the Financial Agreements with Entity 1, Entity 4, and Entity 5 shall be revised substantially in the forms attached hereto as Exhibit A,· and Section 9.1(d)(vi) of the Financial Agreements with Entity 2, Entity 3, and Entity 6 shall be revised substantially in the forms attached hereto as Exhibit B (the "**First Amendments**"); and

WHEREAS, the City Council desires to authorize the execution of the First Amendments, which shall be held in escrow in accordance with the Document Escrow Agreement,

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the City Council of the City of East Orange, 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. EXECUTION OF FIRST AMENDMENTS AUTHORIZED

(a) The Mayor is hereby authorized and directed to execute the First Amendments, substantially in the forms as they have been presented to the City Council, and attached hereto as Exhibit A and Exhibit B, subject to additions, deletions, modifications, or revisions deemed necessary or appropriate in consultation with counsel. After execution by the city and the Entity, the First Amendments shall be held in escrow in accordance with the Document Escrow Agreement.

(b) The Clerk of the City is hereby authorized and directed, upon the execution of the First · Amendments in accordance with the terms of Section II (a) hereof, to attest to the signature of the Mayor upon each such document and is hereby further authorized and directed to affix the corporate seal of the City upon each such document.

(c) Once released from escrow in accordance with the Document Escrow Agreement, the City Clerk shall file certified copies of this ordinance and the First Amendments with the Tax Assessor of the City. In accordance with P.L. 2015, c. 247, within ten calendar days following the later of the effective date of this Ordinance or the execution of the First Amendments by the Entities, the City Clerk also shall transmit a certified copy of this Ordinance and the First Amendments to the chief financial officer of Essex County and to the Essex County Counsel for informational purposes.

III. SEVERABILITY

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

IV. ACTION REGARDING FIRST AMENDMENTS

The Mayor is hereby authorized and directed to determine all matters and terms in connection with the First Amendments, all in consultation with the counsel to the City, and the manual or facsimile signature of the Mayor upon any documents shall be conclusive as to all such determinations. The Mayor, the Business Administrator, the Chief Financial Officer, the City Clerk and any other City official, officer or professional, including but not limited to, redevelopment counsel, bond counsel, the financial advisor and the auditor to the City, 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 financial advisor and the auditor to the City, and any · and all actions taken heretofore with respect to the transactions contemplated hereby are hereby ratified and confirmed.

V. AVAILABILITY OF THE ORDINANCE

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

VI. EFFECTIVE DATE

This Ordinance shall take effect according to law.

By Order of the East Orange City Council

CYNTHIA S. BROWN
City Clerk

CHRISTOPHER D. JAMES
City Council Chairman

Copies of the above Ordinance are posted on the Bulletin Boards in the Council Chambers, City Hall Lobby and the City Clerk's Office. Additional copies are available upon request in the City Clerk's Office during regular business hours.

E98228 EOR March 4, 2021 ($185.04)