

ORDINANCE OF THE CITY OF ORANGE TOWNSHIP TO APPROVE A TAX EXEMPTION FOR A TWENTY-TWO (22) YEAR PERIOD AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT BETWEEN THE CITY AND 617 SCOTLAND URBAN RENEWAL LLC

WHEREAS, 617 Scotland Urban Renewal LLC (the “**Entity**”) has applied for a long-term tax exemption for a redevelopment project on property located at 611-617 Scotland Road and 517-519 Beach Street in the City of Orange Township identified on the City tax map as Block 6105, Lots 2, 3, 4 and 5 (the “**Property**”) which is located within the Central Valley Redevelopment Area, District 4 and which is governed by the Central Valley Redevelopment Plan; and

WHEREAS, as described more fully within the application for long term tax exemption that the Entity filed with the City, the proposed project consists of the demolition of the existing structures on the Property and the construction of a six (6) story multifamily residential building, consisting of seventy eight (78) market rate rental units, along with seventy eight (78) off-street parking spaces and other amenities (collectively, the “**Project**”); and

WHEREAS, the Project will conform to the Central Valley Redevelopment Plan and all applicable municipal zoning ordinances, to the extent it contains provisions that are relevant to the Project, and will also conform with the master plan of the City of Orange Township (the “**City**”); and

WHEREAS, the City is authorized under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”) to grant tax exemptions to qualifying entities constructing redevelopment projects within urban enterprise zones governed by redevelopment plans and to enter into financial agreements with such entities governing payments made to the City in lieu of real estate taxes on the Project; and

WHEREAS, pursuant to N.J.S.A. 40A:20-8, the Entity filed an application (the “**Application**”) with the City for approval of a long term tax exemption for the Project and has agreed to enter into a financial agreement with the City (the “**Financial Agreement**”); and

WHEREAS, the Financial Agreement sets forth the terms and conditions under which the Entity and the City shall carry out their respective obligations with respect to the long term tax exemption for the Project; and

WHEREAS, the Mayor, together with counsel for the City, has reviewed the Application and found that it complies with the provisions of the LTTE Law; and

WHEREAS, the Entity has demonstrated to the satisfaction of the Mayor and City Council that the granting of a long term tax exemption will improve the quality of life for the occupants of the Project and the quality of life for the City of Orange: and

WHEREAS, the Mayor and City Council finds that the relative benefits of the Project to the City outweigh the costs to the City associated with granting the long term tax exemption in that it will provide needed housing for families, create both temporary and permanent jobs within the City, enhance the quality of life for residents in and around the Project and that it will be important in influencing the locational decisions of probable occupants of the Project; and

WHEREAS, the City Council has determined that the assistance provided to the Project pursuant to the Financial Agreement is necessary for the creation of the Project and will be a significant inducement for the Entity to proceed with the Project; and

WHEREAS, the Financial Agreement represents an arm's length transaction between the parties and all promises and agreements, express or implied, payment of fees or other benefits, terms or conditions related thereto are incorporated therein as it concerns the Project and the parties hereto as well as their agents and servants; and

WHEREAS, the Entity hereby certifies its compliance with the applicable municipal ordinances as well as the strictures of the LTTE Law.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Orange Township as follows:

SECTION 1: PROVISIONS

1. The Entity's Application is hereby approved.
2. The Financial Agreement providing for a long term tax exemption on the Project is hereby approved with the intent that upon execution of the Financial Agreement and upon the terms set forth therein, the Project will be exempt from taxation for a period of twenty-two (22) years.
3. The Mayor of the City is hereby authorized to execute the Financial Agreement substantially in the form as it has been presented to the City Council subject to modification or revision deemed necessary and appropriate in consultation with counsel.
4. The Clerk of the City is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms set forth herein, to attest to the signature of the Mayor upon such document, and is hereby further authorized and directed thereupon affix the corporate seal of the City upon such document.
5. The City Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the City and the Director of the Division of Local Government Services within the Department of Community Affairs in accordance with Section 12 of the LTTE Law.

SECTION 2: INCONSISTENCIES

All other ordinances and parts of ordinances in conflict or inconsistent with this ordinance are hereby repealed but only to the extent of such conflict or inconsistency.

SECTION 3: HEADINGS

All headings within this ordinance are for convenience only and are not deemed to be part of this ordinance.

SECTION 4: EFFECTIVE DATE

This ordinance shall take effect as required by law.

ADOPTED: December 19, 2023

Joyce L. Lanier
City Clerk

Tency A. Eason
Council President

APPROVED:

Dwayne D. Warren, Mayor