

June 18, 2024

23-2024

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF ORANGE TOWNSHIP TO APPROVE A TAX EXEMPTION FOR A TWENTY-THREE (23) YEAR PERIOD AND TO AUTHORIZE THE TWENTY-THREE (23) YEAR EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT FOR PAYMENTS IN LIEU OF TAXES BETWEEN THE CITY AND MORROW STREET URBAN RENEWAL, LLC

WHEREAS, the property located at 566-588 Morrow Street and 507-515 South Jefferson Street (Block 6003, Lots 5, 6, 7, 8, 11, 12, 13, 14, 27, 28, 29 and 30) (collectively, the “**Property**”) is located within the Central Valley Redevelopment Area, District 2 Zone (the “**Redevelopment Area**”) and is governed by the Central Valley Redevelopment Plan (the “**Redevelopment Plan**”); and

WHEREAS, the City of Orange Township, in the County of Essex, New Jersey (the “**City**”) has heretofore designated the Redevelopment Area and adopted the Redevelopment Plan in accordance with the provisions of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”); and

WHEREAS, Morrow Street Urban Renewal, LLC, having its principal place of business at 5308 13th Avenue, Brooklyn, New York 11219 (the “**Entity**”), has proposed the construction, on the Property, of a redevelopment project consisting of the demolition of the existing structures located on the Property and the construction of a six-story multifamily mixed-use development, consisting of two (2) separate buildings to be connected via a second floor skybridge containing amenity space, and the two buildings to contain a total of two hundred and two (202) residential units, approximately two thousand (2,000) square feet of commercial space, and parking areas containing two hundred and two (202) parking spaces, all as described more fully within the hereinafter-defined Application (collectively, the “**Project**”); and

WHEREAS, the Project includes the construction of various infrastructure improvements to the Project Site and the streets abutting the Property that are required as a result of the construction of the Project, including but not limited to curb replacements, street resurfacing, and construction of sidewalks, street lighting, landscaping, crosswalks and similar improvements, all consistent with the Redeveloper’s approved site plan, to be determined in consultation with the City Planner (collectively, the “**Infrastructure Improvements**”); and

WHEREAS, the City expects to authorize, by resolution, the execution and delivery of a Redevelopment Agreement with the Entity (the “**Redevelopment Agreement**”), in order to fully set forth the understanding of the City and the Entity with respect to the construction and development of the Project; and

WHEREAS, the City expects to issue its general obligation bonds and/or notes in an aggregate principal amount not to exceed \$250,000 (collectively, the “**RAB Bonds**”) pursuant to the Redevelopment Area Bond Financing Law, *N.J.S.A. 40A:12A-64 et seq.* (the “**RAB Law**”),

the Redevelopment Law and/or the Local Bond Law, *N.J.S.A. 40A:2-1 et seq.* (the “**Local Bond Law**”), as applicable, in order to defray certain eligible costs of the portion of the Project comprising the Infrastructure Improvements, which RAB Bonds shall be not be secured by the annual charges payable under the hereinafter-defined Financial Agreement, but instead will constitute general obligations secured by the full faith and credit of the City; and

WHEREAS, the Project will conform to the 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; 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**”) and the RAB Law to grant tax exemptions to qualifying entities constructing redevelopment projects within redevelopment areas 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 improvements to be constructed in connection with 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 the RAB Law; and

WHEREAS, the Entity has demonstrated to the satisfaction of the Mayor and Municipal Council that the granting of a long term tax exemption and payments in lieu of taxes 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 Municipal 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 and parking, create both temporary and permanent jobs within the City, enhance the quality of life for residents in and around the neighborhood, and influence the locational decisions of probable new residents; and

WHEREAS, the Municipal 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 and the RAB Law;

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF ORANGE TOWNSHIP as follows:

SECTION 1: PROVISIONS

1. The Entity’s Application is hereby approved.

The Financial Agreement providing for a long term tax exemption and payments in lieu of taxes on the improvements to be constructed in connection with the Project is hereby approved with the intent that upon execution of the Financial Agreement and upon the terms set forth therein, the Improvements will be exempt from taxation for a period of twenty-three (23) years.

2. The Mayor of the City is hereby authorized to execute the Financial Agreement substantially in the form as it has been presented to the Municipal Council subject to modification or revision deemed necessary and appropriate in consultation with counsel.

3. The City Clerk 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(s), and is hereby further authorized and directed to thereupon affix the corporate seal of the City upon such document(s).

4. 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: June 18, 2024

Joyce L. Lanier
Municipal Clerk

Tency A. Eason
Council President

APPROVED:

Dwayne D. Warren, Esq.
Mayor

Dated: June 21, 2024

NOTICE OF PENDING ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the foregoing ordinance was duly introduced and passed upon first reading at a regular meeting of the City Council of the City of Orange Township, in the County of Essex, New Jersey, held on **May 21, 2024**. The ordinance authorizes the execution and delivery of a Financial Agreement with Morrow Street Urban Renewal, LLC (the “Entity”) in connection with a redevelopment project to be located at 566-588 Morrow Street, 567-585 Morrow Street and 507-515 South Jefferson Street (Block 6003, Lots 5, 6, 7, 8, 11, 12, 13, 14, 27, 28, 29 and 30) and consisting of the demolition of the existing structures located on the property and the construction of a six-story multifamily mixed-use development, consisting of two (2) separate buildings to be connected by a second floor skybridge containing amenity space, and the two buildings to contain a total of two hundred and two (202) residential units, approximately two thousand (2,000) square feet of commercial space, and parking areas containing two hundred and two (202) parking spaces (the “Project”). Under the Financial Agreement, the improvements to be constructed in connection with the Project will receive a 23-year tax exemption and the redeveloper will be obligated to pay certain annual service charges to the City in lieu of taxes on the improvements. Further notice is hereby given that said ordinance will be considered for final passage and adoption, after public hearing thereon, at a regular meeting of said City Council to be held on **June 18, 2024 at 7:00 PM** via audio-video the week prior to and up to and including the date of such meeting, copies of said ordinance will be made available without cost at the City Clerk's Office to the members of the general public who shall request the same.

Joyce L. Lanier, City Clerk

NOTICE OF ADOPTION OF ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the ordinance published herewith has been finally adopted by the City Council of the City of Orange Township, in the County of Essex, New Jersey on **June 18, 2024 and approved** by the Mayor June 21, 2024. The ordinance authorizes the execution and delivery of a Financial Agreement with Morrow Street Urban Renewal, LLC (the “Entity”) in connection with a redevelopment project to be located at 566-588 Morrow Street, 567-585 Morrow Street and 507-515 South Jefferson Street (Block 6003, Lots 5, 6, 7, 8, 11, 12, 13, 14, 27, 28, 29 and 30) and consisting of the demolition of the existing structures located on the property and the construction of a six-story multifamily mixed-use development, consisting of two (2) separate buildings to be connected by a second floor skybridge containing amenity space, and the two buildings to contain a total of two hundred and two (202) residential units, approximately two thousand (2,000) square feet of commercial space, and parking areas containing two hundred and two (202) parking spaces (the “Project”). Under the Financial Agreement, the improvements to be constructed in connection with the Project will receive a 23-year tax exemption and the redeveloper will be obligated to pay certain annual service charges to the City in lieu of taxes on the improvements. A copy of the ordinance has been filed for public inspection in the City Clerk’s Office, located at City Hall, 29 North Day Street, Orange, New Jersey 07050. Further notice is hereby given that any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of ordinance or the actions authorized to be taken as set forth in the ordinance shall be commenced within 20 days after the publication of this notice, as stated below.

Date of publication: June 27, 2024.

Joyce L. Lanier, City Clerk