

ORDINANCE 25-18

ORDINANCE OF THE CITY OF SOUTH AMBOY, IN THE COUNTY OF MIDDLESEX, NEW JERSEY APPROVING THE ASSIGNMENT OF A FINANCIAL AGREEMENT FROM SA 101 MAIN STREET URBAN RENEWAL LLC TO SOUTH AMBOY URBAN RENEWAL LLC

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, in full accordance with all applicable provisions of the Act, the City of South Amboy (the “**City**”) adopted the Northern Waterfront Redevelopment Plan (as amended, the “**Redevelopment Plan**”) which Redevelopment Plan consists of certain property in the City as set forth therein including the Project Area (as hereinafter defined) (the “**Redevelopment Area**”); and

WHEREAS, SA 101 Main Street Urban Renewal LLC, a New Jersey limited liability company (the “**Redeveloper**”), has agreed to develop the portion of the Redevelopment Area designated as Block 160, Lot 1 on the tax maps of the City (the “**Project Area**”); and

WHEREAS, the project constructed in the Project Area comprises an approximately 285,742 square foot warehouse and related improvements, for which Project the City issued a certificate of occupancy on October 1, 2025 (the “**Project**”); and

WHEREAS, in order to enhance the economic viability of and opportunity of the Project, the City and the Redeveloper entered into that certain Financial Agreement, dated January 28, 2022 (the “**Financial Agreement**”), which governs payments made to the City in lieu of real estate taxes on the Project pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**Tax Exemption Law**”); and

WHEREAS, the Redeveloper desires to transfer its interest in the Project Area, and assign, convey, set over and transfer all of its right, title, interest and obligations in, to and under the Financial Agreement, in each case to South Amboy Urban Renewal LLC (the “**Transferee**”), a New Jersey limited liability company and urban renewal entity qualified as such pursuant to the Tax Exemption Law; and

WHEREAS, to effectuate such transfer, the Redeveloper and the Transferee will execute an Assignment and Assumption of the Financial Agreement (the “**Assignment Agreement**”), pursuant to which the Redeveloper will assign to the Transferee, and the Transferee will assume from the Redeveloper, all the rights and obligations under the Financial Agreement; and

WHEREAS, under Section 7.01 of the Financial Agreement, the City desires to express its approval of the above-described transfer, provided the Redeveloper and Transferee execute the Assignment Agreement and the Transferee closed on the acquisition of the Project Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of South Amboy as follows:

Section 1. The recitals above are hereby incorporated by reference as if set forth in length herein.

Section 2. The City hereby consents to and approves the transfer of Redeveloper's interest in the above-referenced Project and Project Area and the assignment of the Financial Agreement, in each case to South Amboy Urban Renewal LLC, and the Assignment Agreement, a copy of which is annexed hereto, is hereby approved.

Section 3. The Mayor and the Clerk are hereby authorized and directed to take all action necessary, if any, to cause the execution and effectuation of the Assignment.

Section 4. If any part of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 5. This ordinance shall take effect in accordance with law.