

# SECOND READING

2024-56

I.

**ORDINANCE OF THE TOWNSHIP OF  
WOODBIDGE, COUNTY OF MIDDLESEX, NEW  
JERSEY APPROVING THE APPLICATION FOR A  
LONG-TERM TAX EXEMPTION AND  
AUTHORIZING THE EXECUTION OF A  
FINANCIAL AGREEMENT WITH IV5 RARITAN  
RIVER LOGISTICS CENTER URBAN RENEWAL  
LLC**

**WHEREAS**, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.*, as amended from time to time (the "**Redevelopment Law**"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment and/or rehabilitation; and

**WHEREAS**, the real property officially designated as Block 92, Lots 1 and 1.01 and Block 92.01, Lots 1.01 and 1.02 on the Tax Map of the City of Perth Amboy ("**Perth Amboy**"), located on Smith Street (collectively, the "**Perth Amboy Property**"), and the adjacent real property officially designated as Block 25, Lots 1.01 and 2.01, Block 25.01 Lot 1 and Block 1200.07, Lot 11 on the Tax Map of the Township of Woodbridge (the "**Woodbridge Property**"), comprising approximately 65 acres (collectively, the "**Redevelopment Area**" or "**Project Site**" as more particularly shown on Exhibit A annexed hereto), was formerly operated as a bulk petroleum and distribution facility known as the "**Buckeye Raritan Bay Terminal**"; and

**WHEREAS**, notably the Project Site straddles the borders of the City of Perth Amboy ("**Perth Amboy**" or the "**City**") and the Township of Woodbridge ("**Woodbridge**" or the "**Township**", collectively referred to herein as the "**Municipalities**"), with approximately 35% of the Project Site being located within Perth Amboy and 65% of the Project Site being located in Woodbridge; and

**WHEREAS**, the Parties acknowledge, however, that the only ingress/egress for the Project Site is from Smith Street in Perth Amboy; and

**WHEREAS**, pursuant to the Redevelopment Law, Perth Amboy desired to investigate the Perth Amboy Property to determine whether it is need of redevelopment and as such, an Area in Need of Redevelopment Study dated June 16, 2023 was undertaken and presented to the Planning Board of the City of Perth Amboy ("**Perth Amboy Planning Board**") in a public hearing on August 16, 2023; and

**WHEREAS**, at a duly noticed hearing of the Perth Amboy Planning Board on August 16, 2023, the Perth Amboy Planning Board determined that the Perth Amboy Property qualified as an area in need of redevelopment and adopted a Resolution formally recommending that the City Council of the City of Perth Amboy ("**Perth Amboy City Council**" and also referred to herein as a "**Governing Body**") so designate the Perth Amboy Property; and

**WHEREAS**, the Perth Amboy City Council considered the recommendation of the Perth Amboy Planning Board and on September 13, 2023, the Perth Amboy City Council adopted Resolution No. R-449-9/23 formally designating the Perth Amboy Property as a non-condemnation Area in Need of Redevelopment pursuant to the Redevelopment Law; and

**WHEREAS**, pursuant to the Redevelopment Law, Woodbridge desired to investigate the Woodbridge Property (i.e. that portion of the Project Site which is located within Woodbridge) to determine whether it is need of redevelopment and as such, an Area in Need of Redevelopment Study dated September 2023 was undertaken and presented to the Township of Woodbridge Planning Board ("**Woodbridge Planning Board**") in a public hearing on September 27, 2023; and

**WHEREAS**, at a duly noticed hearing of the Woodbridge Planning Board on September 27, 2023, the Woodbridge Planning Board determined that the Woodbridge Property qualified as an area in need of redevelopment and adopted a Resolution formally recommending that the Council of the Township of Woodbridge ("**Woodbridge Township Council**") and also referred to herein as a "**Governing Body**") so designate the Woodbridge Property; and

**WHEREAS**, the Woodbridge Township Council considered the recommendation of the Woodbridge Planning Board and on October 10, 2023, the Woodbridge Township Council adopted Resolution No. 30 formally designating the Woodbridge Property as a non-condemnation Area in Need of Redevelopment pursuant to the Redevelopment Law; and

**WHEREAS**, thereafter, PARA and the WRA (each, an "**Agency**" and collectively, the "**Agencies**") negotiated an initial agreement (the "**MOU**") outlining their mutual understanding regarding, and generally establishing the overall framework for, the following joint activities (collectively referred to herein as the "**Joint Scope of Work**"): (i) preparation of a joint Redevelopment Plan for the entirety of the Project Site, (ii) undertaking of certain community meetings in connection with a proposed joint Redevelopment Plan and the overall redevelopment of the Project Site, (iii) formal consideration of a proposed joint Redevelopment Plan by PARA and WRA and the recommendation of same to the Perth Amboy City Council and the Woodbridge Township Council, respectively, (iv) undertaking a process for the joint vetting, selection and conditional designation of a redeveloper, (v) drafting and negotiation of a joint Redevelopment Agreement to be executed by and among PARA, WRA and a qualified, experienced redeveloper to be designated for the cohesive redevelopment of the Site to address, *inter alia*, the combined sewer overflow on the Project Site, improvement of the waterfront areas and provision to the public of access to same, and implementation of the overall redevelopment of the Site, including with regard to consolidating permitting, undertaking inspections, issuing Certificate of Occupancy determinations, and coordinating and determining the procedure of any future emergency services to the Site for the benefit of the Municipalities and the communities within them; and

**WHEREAS**, on January 23, 2024, PARA and WRA entered into the MOU for the purpose of setting forth in greater detail their respective undertakings, rights, and obligations in connection with all of the above; and

**WHEREAS**, PARA and the WRA prepared a joint Redevelopment Plan dated April 1, 2024, for consideration by the Perth Amboy City Council and the Woodbridge Township Council, respectively, for the cohesive redevelopment of the entirety of the Project Site and ultimately, for the joint identification of a potential partner to effectuate the goals, design concepts, and phasing of such a Redevelopment Plan in connection with the potential redevelopment of the Site; and

**WHEREAS**, the Project Site is owned by the Entity, an indirect subsidiary of Brookfield Strategic Real Estate Partners IV (“**BSREP IV**”) which is a real estate private equity investment fund; and

**WHEREAS**, more specifically, the Entity is a holding company within BSREP IV and BSREP IV is solely managed and controlled by Brookfield Corporation; and

**WHEREAS**, the Entity will also create a public waterfront park on the Project Site along the Raritan River which will include, *inter alia*, a walkway, kayak launch, fishing platform, pavilion, bike racks, benches, picnic tables, and dedicated parking spaces (the “**Outdoor Amenities**”); and

**WHEREAS**, the Entity is remediating the Properties and seeks to redevelop the Properties, consisting of, *inter alia*, construction of a Class A, LEED-Certified warehouse building with a footprint of approximately 971,962 square-feet, along with associated drive aisles, loading docks, trailer parking spaces, and car parking spaces, including a 3-level parking deck, and all associated site improvements such as utilities, landscaping, lighting, sustainability features and stormwater improvements, all as further described herein (along with the Outdoor Amenities collectively, the “**Project**”); and

**WHEREAS**, the Project is anticipated to generate approximately 150 – 250 construction jobs and approximately 275-450 permanent jobs; and

**WHEREAS**, Redeveloper has agreed to implement the Woodbridge-Perth Amboy Redevelopment Plan to effectuate the Project and in connection therewith, Redeveloper has agreed to devote substantial assets and funds to complete the Project; and

**WHEREAS**, the PARA, WRA, and the Entity entered into a Joint Redevelopment Agreement; and

**WHEREAS**, pursuant to and in accordance with the provisions of the Act and the Long Term Tax Exemption Law, the Township is authorized to provide for a tax exemption within a redevelopment area and for payments in lieu of taxes (“**PILOTS**”) in accordance with certain applicable provisions of the Long Term Tax Exemption Law; and

**WHEREAS**, in order to enhance the economic viability of and opportunity for a successful project, the Township will enter into this Agreement with the Entity governing the PILOTS made to the Township on the Project pursuant to the Bond Financing Law, the Long Term Tax Exemption Law and the Redevelopment Law; and

**WHEREAS**, in accordance with the Long Term Tax Exemption Law, the Entity filed an application, attached hereto as **Exhibit A** (the “**Application**”), with the Township for approval of a long term tax exemption for the Improvements; and

**WHEREAS**, upon review of the Application and the Project, the Township has made the following findings:

A. Relative Benefits of the Project:

The Redevelopment Area and Township will benefit from the construction of this Project. The Project is expected to produce approximately 150 – 250 construction jobs and approximately 275-450 permanent jobs. Furthermore, the Property currently generates approximately \$1,179,868 per year in real estate taxes (based on final 2023 taxes), of which \$303,025 is retained by the Township. Upon completion, the Project is estimated to generate an initial annual service charge of approximately \$2,102,728, as well as total annual service charges of more than \$102,745,208 over the thirty (30) year term of the tax exemption.

B. Assessment of the importance of the tax exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

The Entity is making a significant equity contribution toward the cost of the Project. In order to improve the economic viability of the development of the Project so that the Project can compete on an equitable footing with comparable projects within the municipality and surrounding market, the Township has agreed to provide the tax exemption for the Project pursuant to this Agreement. The stability and predictability of the PILOT will make the Project more competitive and assist the Entity to undertake the Project in the Township.

**WHEREAS**, in order to enhance the economic viability of and opportunity for a successful project, the Township seeks to enter into a financial agreement (the “**Financial Agreement**”) in the form attached hereto as **Exhibit B** which shall govern the terms of the tax exemption for the Project and the Annual Service Charge to be paid to the Township in lieu of conventional taxation; and

**WHEREAS**, the Township Council has determined that the Project represents an undertaking permitted by the Long Term Tax Exemption Law, and has further determined that the Project is an improvement made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Township, as authorized by the Long Term Tax Exemption Law; and

**WHEREAS**, the Mayor has submitted the Application and Financial Agreement to the Township Council with his recommendation for approval (the “**Mayor’s Recommendation**”), a copy of which recommendation is on file with the Township Clerk.



**NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WOODBRIDGE, NEW JERSEY AS FOLLOWS:**

1. An exemption from taxation as set forth in the Application is hereby granted to the Entity, with respect to the Project on the Property for the term set forth in the Financial Agreement; provided that in no event shall the tax exemption exceed the earlier of (i) thirty-five (35) years from the date of execution of the Financial Agreement or (ii) to the extent permitted by N.J.S.A. 40A:20-12, thirty (30) years from the Entity's receipt of a Certificate of Occupancy for the Project or phase thereof and only so long as the Entity remains subject to and complies with the Financial Agreement and the Long Term Tax Exemption Law and any other agreement related to the Project or the Property; and provided further, that in no event shall the Annual Service Charge, for every year the property tax exemption is in effect, be less than the total taxes levied against the Property in the last full tax year it was subject to taxation.

2. The Mayor, in consultation with counsel to the Township, is hereby authorized to execute and/or amend, modify or make such necessary changes to the Application, the Mayor's Recommendation, the Financial Agreement and any other agreements or documents necessary to effectuate this ordinance and the Financial Agreement.

3. The executed copy of the Financial Agreement and this ordinance shall be certified by the Township Clerk and filed with the Tax Assessor for the Township and the Director of the Division of Local Government Services.

4. The Project shall conform to all federal and state law and ordinances and regulations of the Township relating to its construction and use, including the Redevelopment Plan.

5. The Entity shall, in the operation of the Project, comply with all laws so that no person because of race, religious principles, color, national origin or ancestry, will be subject to discrimination.

6. The Entity shall, from the time the Annual Service Charge becomes effective, pay the Annual Service Charge as set forth in the Financial Agreement.

7. The following occurrences are express conditions to the grant of this tax exemption, to be performed by the Entity:

(a) The Entity shall not, without prior consent of the Township as set forth in the Financial Agreement, convey, mortgage or transfer all or any part of the Project which would sever, disconnect or divide the improvements being tax exempted under the Financial Agreement from the land underlying the exempted improvements.

(b) The Entity shall complete the Project within the timeframes set forth in the Redevelopment Agreement.

Said Ordinance and Exhibits remains on file in the Office of the Municipal Clerk for inspection and is also available on line at [www.twp.woodbridge.nj.us](http://www.twp.woodbridge.nj.us) (under Clerk's Department)

Notice is further given that said Ordinance will be further considered for Final Passage by said Municipal Council at a Regular Meeting of that body, to be held at the Memorial Municipal Building, 1 Main St., Woodbridge, NJ on Tuesday, August 6, 2024 at 6:00 p.m. in the evening, at which time and place all persons interested therein will be given an opportunity to be heard concerning the same.

AUG 06 2024



John M. Mitch, RMC/CMC/CMR  
Municipal Clerk"