

CITY COUNCIL

The City of Orange Township, New Jersey

DATE _____

NUMBER 34-2021

TITLE. AN ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF ORANGE TOWNSHIP AMENDING THE CENTRAL VALLEY REDEVELOPMENT PLAN TO INCLUDE BLOCK 4009, LOT 1, CURRENTLY OWNED BY NEW JERSEY TRANSIT CORPORATION, IN DISTRICT 4

WHEREAS, in accordance with the Local Redevelopment and Housing Law (“LRHL”), *N.J.S.A. 40A:12A-1 et seq.*, the Municipal Council (“Municipal Council”) of the City of Orange Township (“City”) adopted the current *Central Valley Redevelopment Plan* (“Redevelopment Plan”) on July 8, 2020, through Ordinance No. 18-2020; and,

WHEREAS, the Redevelopment Plan relates divides the Central Valley Redevelopment Area (“Redevelopment Area”) into 5 separate districts: District 1, District 2, District 3, District 4, and Train Tracks; and,

WHEREAS, New Jersey Transit Corporation (“Owner”) is the legal owner of a parcel located within the Redevelopment Area, designated on the City’s official tax maps as Block 4009, Lot 1, which fronts Scotland Road between Freeman and Stetson Streets and includes the active rail lines operated by the Owner (“Property”); and,

WHEREAS, the Property is currently designated as Train Tracks, with the only developable area being the portion situated to the east of the railroad platform, an enclave within District 4 of the Redevelopment Area; and,

WHEREAS, the Owner has expressed a desire to subdivide the Property to permit development on portions thereof it deems excess property, and has requested that the City re-designate the Property as part of District 4 rather than Train Tracks in order to permit such development; and,

WHEREAS, the Municipal Council has determined that amending the Redevelopment Plan to re-designate the Property as being within District 4 of the Redevelopment Area is consistent with the goals and objectives of the 2018 Land Use Plan Element of the Master Plan.

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

Section 1 Approval and Adoption of Amended Redevelopment Plan.

The *Central Valley Redevelopment Plan* adopted on July 8, 2020, through Ordinance No. 18-2020 pursuant to *N.J.S.A. 40A:12A-7*, is hereby amended to reflect that the parcel designated on the City’s official tax maps as Block 4009, Lot 1, is situated within District 4 of the Central Valley Redevelopment Area.

Section 2 Severability of Ordinance Provisions.

Each Section of this Ordinance is an independent Section and any part hereof found unconstitutional, void or ineffective for any cause shall not affect the validity or constitutionality of any other parts hereof.


Gracia Robert Montilus

Section 3 Conflicts and Inconsistencies.

All other Ordinances and parts of Ordinances that conflict or are inconsistent with this Ordinance are hereby repealed, but only to the extent of such conflict or inconsistency.

Section 4 Effective Date.

Following final passage, this Ordinance shall take effect upon the expiration of 20 days after publication, unless otherwise provided by the Municipal Council.

PURPOSE: To amend the Central Valley Redevelopment Plan.

FISCAL IMPACT: None.

Adopted:

Joyce L. Lanier
City Clerk

Kerry J. Coley
Council President

Approved:

Dwayne D. Warren, Esq.
Mayor

TAX MAP
CITY OF ORANGE TOWNSHIP
 PREPARED BY
ROBERT R. HEGGAN
 PROFESSIONAL LAND SURVEYOR
 LICENSE NO. 10037
 EXPIRES 03/31/2008

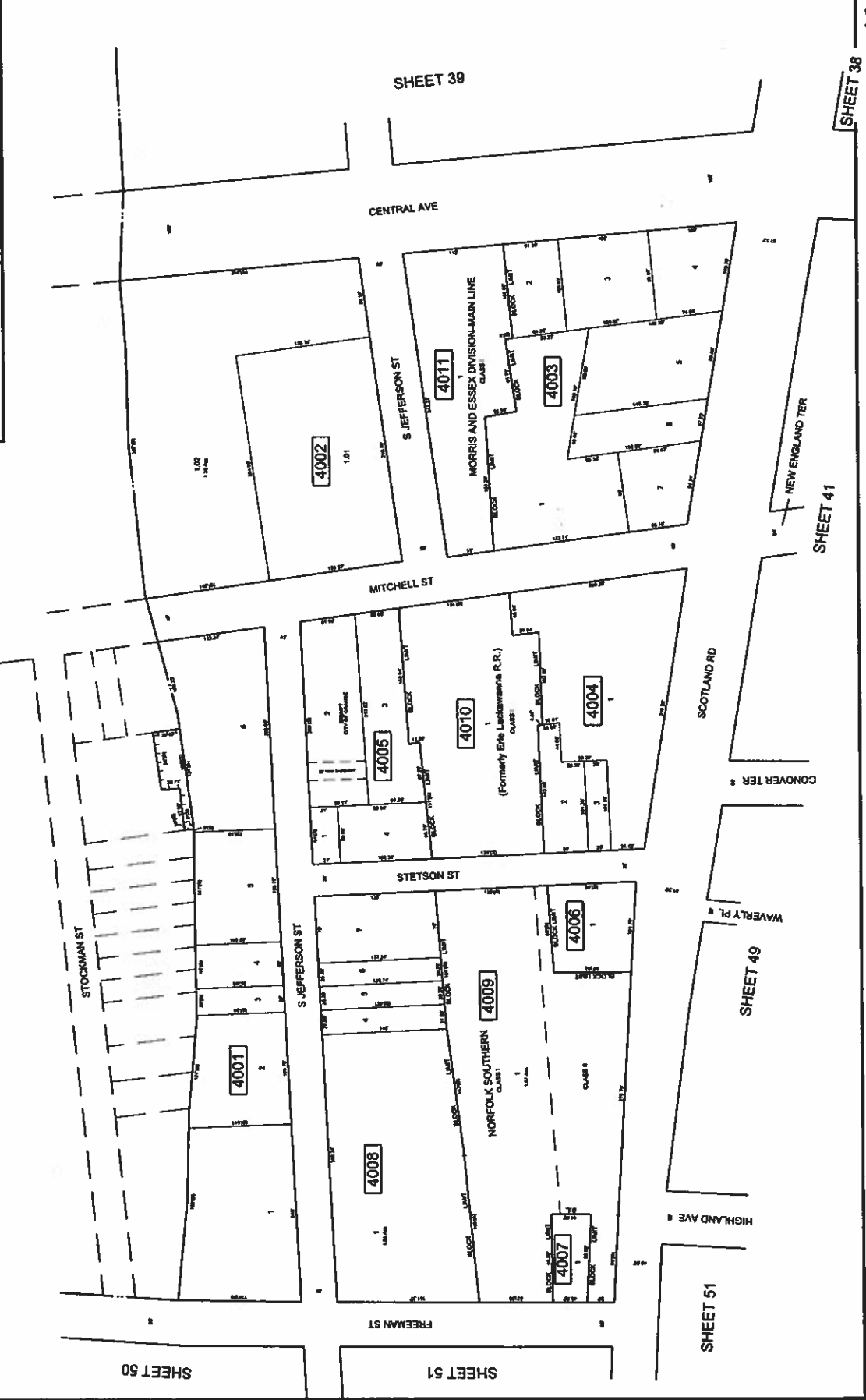
THIS MAP WAS FORMALLY
 CERTIFIED BY THE
 DIVISION OF TAXATION ON
 OCTOBER 6, 2005, SIGNED
 BY SANTO C. DIDONATO, CTA AND
 ASSIGNED SERIAL NUMBER 686

TOWN OF WEST ORANGE
ESSEX COUNTY

REVISIONS

NO.	DATE	BY	DESCRIPTION
1	11/10/05	R.H.	ISSUE
2	01/11/06	R.H.	REVISION
3	03/21/06	R.H.	REVISION
4	07/25/06	R.H.	REVISION

* THIS SHEET WAS BUILT USING COMPUTER AIDED DRAWING / DESIGN (CAD) AND COORDINATE GEOMETRY (COG).



Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

June 14, 2021

VIA Electronic Mail: andrew@handsinc.org

Housing and Neighborhood Development Services (HANDS), Inc.
15 South Essex Avenue
Orange, NJ 07050
Attn: Andrew Regenstein

RE: Transit Oriented Development at Highland Ave. Station, Orange, NJ (Block 4009, Lot 1)

Dear Mr. Regenstein.

New Jersey Transit Corporation ("NJ TRANSIT") has conducted a review of the unsolicited proposal and related addenda submitted (the "Proposal") by HANDS, Inc. ("HANDS") to develop NJ TRANSIT property currently utilized as vacant land in the City of Orange (the "Property"), adjacent to Highland Avenue Station (the "Station"). Additionally, NJ TRANSIT is in receipt of your concurrence to the terms set forth in its letter dated October 20, 2020 regarding the matter.

Regarding the proposed Redevelopment Plan amendment under consideration by the City to include the subject NJ TRANSIT parcel in the District 4 zone of the locally designated Redevelopment Area, NJ TRANSIT has no objection.

In furtherance of a prospective conveyance of development rights at the Property, on or prior to July 9, 2021, please provide the below supplementary information, together with an administrative fee payment in the amount of \$7,500 to offset ongoing NJ TRANSIT costs incurred in support of the Proposal's review.


1. Please propose non-refundable earnest money payments to NJ TRANSIT during the pre-development period, delivered at key milestone events, to secure HANDS' exclusive development rights for a defined period of time.
2. A financial pro forma to reflect the development program, including the below terms. NJ TRANSIT's preferred deal structure is a long-term unsubordinated ground lease incorporating a minimum annual guaranteed base rent and upside participation:
 - a. A minimum base rent;
 - b. Additional mechanisms for NJ TRANSIT to participate in operating performance and market value appreciation over time (i.e. capital event participation, including sale, assignment and refinancing events; proposed percentage of effective gross income; base rent resets);

- c. Editable excel files for all cash flow projections
3. Please state whether any of the following events have occurred in the last ten (10) years with respect to HANDS. If any answer is yes, explain fully the circumstances surrounding the subject matter of the affirmative answer
 - a. Whether HANDS, or an affiliate currently or previously associated with HANDS, has ever filed a petition in bankruptcy, taken any actions with respect to insolvency, reorganization, receivership, moratorium or assignment for the benefit of creditors, or otherwise sought relief from creditors?
 - b. Whether HANDS has been the subject of any civil or criminal proceeding in which there was a final adjudication adverse to HANDS which directly arose from activities conducted by HANDS?
4. Please provide proof of financial capacity to complete all due diligence and pre-development responsibilities (audited accounting statements, bank reference letter or other)
5. Please provide letters of support from potential lenders whom you would consider partnering with on this project
6. Please summarize the local jurisdiction's involvement in the project, including applicable letters from the municipality or partner agencies indicating support and/or direct involvement

Upon receipt of this information, and completion of its initial plan review to determine the project's alignment with NJ TRANSIT's TOD program goals and the agency's broader transportation mission (the "Initial Plan Review"), NJ TRANSIT will determine whether to proceed with continued negotiations to convey development rights at the Property, and request more fully developed project plans. Alternatively, NJ TRANSIT may elect to reject the Proposal for a sole-source procurement, proceed with a public procurement process, or take no further action, at its sole discretion.

Thank you for your interest in partnering with NJ TRANSIT, and we look forward to receiving the requested additional information in support of the proposed project. Should you have any questions, please contact Brian Smith, Manager, Transit Oriented Development, at 862-229-3192.

Sincerely,



Carmen Faveras
Chief of Real Estate, Economic & Transit Oriented Development

CC: Sean Massey, Transit Oriented Development
Brian Smith, Transit Oriented Development
Lia Stokes, Property Management
Barbara Lazzaro, Government and Community Relations
Jauhara Pressey, Government and Community Relations
Megan Massey, Capital Planning
Michael Swan, Capital Planning