

**CITY COUNCIL****The City of Orange Township, New Jersey**DATE July 5, 2023NUMBER 277-2023**TITLE:**

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A COMMUNITY BENEFITS AGREEMENT WITH PEEK CLEVELAND I OWNER URBAN RENEWAL, LLC FOR THE REDEVELOPMENT OF THE PROPERTY LOCATED AT 66 CLEVELAND STREET (BLOCK 2102, LOT 11), 76 CLEVELAND STREET (BLOCK 2102, LOT 12), 82 CLEVELAND STREET (BLOCK 2102, LOT 13), AND 69 NORTH ESSEX STREET (BLOCK 2102, LOT 24)**

**WHEREAS**, the property located at 66 Cleveland Street (Block 2102, Lot: 11), 76 Cleveland Street (Block 2102, Lot 12), 82 Cleveland Street (Block 2102, Lot 13), and 69 North Essex Street (Block 2102, Lot 24) (collectively, the "Property") is located within the North Main Street Redevelopment Area (the "Redevelopment Area") and is governed by the North Main Street Redevelopment Plan (the "Redevelopment Plan"); and

**WHEREAS**, PEEK Cleveland I Owner Urban Renewal, LLC has requested that the City designate it as the exclusive redeveloper for the Property under the LRHL and enter into a redevelopment agreement with it so that PEEK Cleveland I Owner Urban Renewal, LLC may redevelop the Property with a residential redevelopment project consisting of the demolition of the existing two boarding houses and the two vacant single family homes located on the Property and the construction of a five-story 72 unit multi-family market-rate residential property which shall include twelve (12) studio units, thirty-three (33) one bedroom units, and twenty-seven (27) two bedroom units along with 82 garage parking spots, all as described more fully within Resolution 21-04 adopted by the City Planning Board on October 27, 2021 (the "Project"); and

**WHEREAS**, PEEK Cleveland I Owner Urban Renewal, LLC has also filed an application with the City requesting that the City enter into a financial agreement with PEEK Cleveland I Owner Urban Renewal, LLC providing it with a long term tax exemption for the Project in accordance with the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTEL"); and

**WHEREAS**, in consideration for the efforts of the City to facilitate the implementation of the Project on the Property, and also in recognition of the impacts of the Project on the residents of the Redevelopment Area and of the City, PEEK Cleveland I Owner Urban Renewal, LLC has agreed to enter into a Community Benefits Agreement with the City; and

**WHEREAS**, the Community Benefits Agreement shall require PEEK Cleveland I Owner Urban Renewal, LLC to make a voluntary community service contribution to the City in the amount of Two Hundred Eighty-Seven Thousand Dollars (\$287,000.00) in the manner described therein which will be used by the City for the public purposes as described within the Redevelopment Agreement; and



A. MIZMAH

**WHEREAS**, the City wishes to approve the Community Benefits Agreement with PEEK Cleveland I Owner Urban Renewal, LLC and to authorize the Mayor to sign the Community Benefits Agreement with PEEK Cleveland I Owner Urban Renewal, LLC in substantially the form attached to this resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Municipal Council of the City of Orange Township that:

**SECTION 1:** The Municipal Council hereby approves the Community Benefits Agreement with PEEK Cleveland I Owner Urban Renewal, LLC in substantially the form attached hereto and authorizes the Mayor to sign the Redevelopment Agreement with PEEK Cleveland I Owner Urban Renewal, LLC on behalf of the City.

**SECTION 2:** All other resolutions or parts of resolutions in conflict or inconsistent with this resolution are hereby repealed, but only to the extent of such conflict or inconsistency.

**SECTION 3:** All headings within this resolution are for convenience only and are not deemed to be part of this resolution.

**SECTION 4:** This resolution shall take effect as provided by law.

ADOPTED: July 5, 2023

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Joyce L. Lanier  
Municipal Clerk

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Council President

## COMMUNITY BENEFITS AGREEMENT

**THIS COMMUNITY BENEFITS AGREEMENT** (this “Agreement”), made this \_\_\_\_ day of \_\_\_\_\_, 2023 by and between **PEEK Cleveland I Owner Urban Renewal, LLC**, a New Jersey limited liability company qualified to do business under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A: 20-1 et seq. (the “LTTE Law”), having its principal office at 300 Executive Drive, Suite 360 West Orange, NJ 07052 (hereinafter referred to as the “Redeveloper”), and **the City of Orange Township**, a Municipal Corporation in the County of Essex and the State of New Jersey, having offices at City Hall, 29 North Day Street, Orange, New Jersey 07050 (hereinafter referred to as the “City”).

### R E C I T A L S :

**WHEREAS**, the the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “LRHL”), provides a process for municipalities to participate in the redevelopment and improvement of areas designated by the municipality as an area in need of redevelopment; and

**WHEREAS**, the Redeveloper is or will be the owner of the properties located at 66 Cleveland Street (Block 2102, Lot: 11), 76 Cleveland Street (Block 2102, Lot 12), 82 Cleveland Street (Block 2102, Lot 13), and 69 North Essex Street (Block 2102, Lot 24) (collectively, the “Property”) which are located within the North Main Street Redevelopment Area (the “Redevelopment Area”) and which are governed by the North Main Street Redevelopment Plan (the “Redevelopment Plan”); and

**WHEREAS**, the Redeveloper is proposing to redevelop the Property with a residential redevelopment project consisting of the demolition of the existing two boarding houses and the two vacant single family homes located on the Property and the construction of a five-story 72 unit multi-family market-rate residential property which shall include twelve (12) studio units, thirty-three (33) one bedroom units, and twenty-seven (27) two bedroom units along with 82 garage parking spots, all as described more fully within Resolution 21-04 adopted by the City Planning Board on October 27, 2021 (the “Project”), as more fully described within the Redevelopment Agreement and the Financial Agreement to be entered between the City and the Redeveloper; and

**WHEREAS**, the Redeveloper and the City seek to maximize the benefits of the Project to the residents of the Redevelopment Area and of the City; and

**WHEREAS**, pursuant to this Community Benefits Agreement, the Redeveloper will establish certain community benefits to the City in consideration for the efforts of the City to facilitate the implementation of the Project and in recognition of the impacts of the Project to the City.

**NOW, THEREFORE,** in consideration of the foregoing, of mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereby agree as follows:

1. **Definitions.** Any capitalized term hereunder not otherwise specifically defined within this Agreement will have the same meaning ascribed to such capitalized term under the Financial Agreement (as such term is herein defined). As used herein, the following terms have the following meanings:

- a. **“Community Benefits”** are defined in Section 4 of this Agreement.
- b. **“Default Notice”** as defined in Section 9 of this Agreement.
- c. **“Financial Agreement”** means the financial agreement for the Project on the Property dated [\_\_\_\_\_], 2023, and entered into by both parties.

2. **Terms.** This Agreement shall commence on the date hereof and shall continue until the Redeveloper’s payment obligations as described in Section 4 herein are fully satisfied.

3. **Governance and Oversight.** The City’s Chief Financial Officer will establish an accounting system to collect or monitor payment(s) and ensure compliance with the provisions highlighted under this Agreement.

4. **Community Benefits.** The Redeveloper hereby agrees and acknowledges that it shall make the following monetary contributions in order to facilitate the Project, to improve the quality of life for the City’s residents, and to effectuate positive community impacts (collectively, the “Community Benefits”).

a. **Payment Of The Community Benefits.** The Community Benefits shall consist of a community service contribution in the amount of Two Hundred Eighty Seven Thousand Dollars (\$287,000.00), which shall be paid by the Redeveloper to the City as follows: (i) half of the Community Benefits, which is an amount totaling One Hundred Forty Three Thousand Five Hundred Dollars (\$143,500.00), shall be paid by the Redeveloper to the City within thirty (30) days of the Redeveloper’s receipt of building permits for the Project, and (ii) the other half of the Community Benefits, which is an amount totaling One Hundred Forty Three Thousand Five Hundred Dollars (\$143,500.00), shall be paid by the Redeveloper to the City within thirty (30) days of the issuance of a Certificate of Occupancy for the Project on the Property.

b. **The City’s Use Of The Community Benefits.** It is the current intent of the City to use the Community Benefits for either (i) the acquisition of land for the construction of the new Joyce Carnegie Memorial Park (replacing an existing 10’ x 10’ corner memorial), and/or (ii) towards the costs of the Main Street Improvement Project (streetscape improvements

such as new lights, sidewalks, traffic lights and street improvements). Although each of these proposed projects are outside of the Redevelopment Area, they will benefit the residents of the Redevelopment Area and this Project as well as the citizens of the City. Notwithstanding this expression of the City's current intent with regard to the use the Community Benefits, the parties agree that the Community Benefits may be used by the City, in the sole discretion of the City administration, for any lawful purpose which benefits the Redevelopment Area, the Project, and./or the citizens of the City.

5. **Representations and Warranties.** The Redeveloper represents to the City that it has authority to enter into this Agreement, and the execution of this Agreement has been duly authorized by all necessary corporate action, and is valid and binding upon, and enforceable against, the Entity in accordance with its terms.

6. **Cooperation and Good Faith.** The Redeveloper shall cooperate with the City in the Redeveloper's performance of its obligations hereunder. The parties further agree to act reasonably and in good faith in performing their respective roles and responsibilities pursuant to this Agreement.

7. **Notices.** All notices and other communication permitted or required hereunder shall be made in accordance with the terms of the Financial Agreement.

8. **Governing Law.** This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in all respects in accordance with the laws of the State of New Jersey.

9. **Default; Cure Upon Default.** Should the Redeveloper be in breach or default under this Agreement, the City shall send written notice to the Redeveloper of the breach or default ("**Default Notice**"). The Default Notice shall set forth with particularity the basis of the alleged Default. The Redeveloper shall have sixty (60) days, from receipt of the Default Notice, to cure any Default. However, if a Default cannot be cured within sixty (60) days using reasonable diligence, the time to cure may be extended for an additional thirty (30) days (or for an additional period in the sole discretion of the City) for so long as the Redeveloper is diligently pursuing such cure to completion. Failure to cure a breach or default within the period set forth herein shall be an Event of Default. The parties acknowledge that an Event of Default hereunder shall also constitute an Event of Default under the Financial Agreement.

10. **Incorporation by Reference.** The Parties agree that all terms and provisions set forth in the authorizing legislation, by and between the City and the Redeveloper, are hereby incorporated by reference with the same force and effect as though fully set forth herein.

**IN WITNESS WHEREOF**, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

**PEEK CLEVELAND I OWNER  
URBAN RENEWAL, LLC**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Emanuel Klein, Member

ATTEST:

**THE CITY OF ORANGE  
TOWNSHIP**

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Dwayne D. Warren, Esq., Mayor

Approved as to Form and Sufficiency

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City Attorney