

CITY COUNCIL**The City of Orange Township, New Jersey**DATE October 3, 2023NUMBER 407-2023

TITLE: RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A COMMUNITY BENEFITS AGREEMENT WITH VA 100M URBAN RENEWAL, LLC FOR THE REDEVELOPMENT OF THE PROPERTY LOCATED AT 92-106 SOUTH MAIN STREET AND 13-27 PRINCE STREET AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF ORANGE TOWNSHIP AS BLOCK 3002, LOTS 6, 7, 8, 9, 10, 11, 12, 13 AND 14

WHEREAS, VA 100M Urban Renewal, LLC has applied for a long-term tax exemption for a redevelopment project on property located at 92-106 South Main Street and 13-27 Prince Street in the City of Orange Township identified on the City tax map as Block 3002, Lots 6, 7, 8, 9, 10, 11, 12, 13, and 14 (the "Property") which is located within the Main Street Redevelopment Area and is governed by the Main Street Redevelopment Plan; and

WHEREAS, as described more fully within the application for long term tax exemption that VA 100M Urban Renewal, LLC filed with the City, the proposed project consists of the construction of a three hundred seven (307) unit multi-family residential building with three hundred sixty-seven (367) on-site parking spaces provided on the ground floor, and other related improvements on the Property (collectively, the "Project"); 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 Main Street Redevelopment Area and of the City, VA 100M Urban Renewal, LLC has agreed to enter into a Community Benefits Agreement with the City; and

WHEREAS, the Community Benefits Agreement shall require VA 100M Urban Renewal, LLC to make a voluntary community service contribution to the City in the amount of One Million Seventy-Four Thousand Five Hundred Dollars (\$1,074,500.00) in the manner described therein which will be used by the City for the public purposes as described within the Redevelopment Agreement; and

WHEREAS, the City wishes to approve the Community Benefits Agreement with VA 100M Urban Renewal, LLC and to authorize the Mayor to sign the Community Benefits Agreement with VA 100M 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 VA 100M Urban Renewal, LLC in substantially the form attached hereto and authorizes the Mayor to sign the Redevelopment Agreement with VA 100M 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: October 3, 2023

Joyce L. Lanier
Municipal Clerk

Tency A. Eason
Council President

COMMUNITY BENEFITS AGREEMENT

THIS COMMUNITY BENEFITS AGREEMENT (this “**Agreement**”), is made as of this ____ day of _____, 2023, by and among **VA 100M Urban Renewal, LLC**, a New Jersey limited liability company having an address at 1449 37th Street, Suite 414, Brooklyn New York 11218 (the “**Redeveloper**”), and the **City of Orange Township**, a municipal corporation of the State of New Jersey, having an address at 29 North Day Street, Orange, New Jersey 07050 (the “**City**”).

W I T N E S S E T H :

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “**Redevelopment Law**”), 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 owns certain property located at 92-106 South Main Street and 13-27 Prince Street in the City identified on the City tax map as Block 3002, Lots 6, 7, 8, 9, 10, 11, 12, 13, and 14 (the “**Property**”); and

WHEREAS, the Property is located within the Main Street Redevelopment Area and is governed by the Main Street Redevelopment Plan; and

WHEREAS, the Redeveloper has been qualified by the State of New Jersey to do business as an urban renewal entity under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”), and was created for the development, operation and maintenance of the Project; and

WHEREAS, the Redeveloper intends to construct a redevelopment project on the Property consisting of the construction of a three hundred seven (307) unit multi-family residential building with three hundred sixty-seven (367) on-site parking spaces provided on the ground floor, and other related improvements on the Property, all as described more fully within the application for long term tax exemption that the Redeveloper filed with the City (collectively, the “**Project**”); and

WHEREAS, the Redeveloper and the City seek to maximize the benefits of the Project to the residents in and around the City; and

WHEREAS, pursuant to this 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. The recitals set forth above are hereby made a part of this Agreement. Any capitalized term hereunder not otherwise specifically defined will carry the same meaning ascribed to such capitalized term under the Financial Agreement (as such term is herein defined).

2. Community Benefits. The Redeveloper hereby agrees and acknowledges that the Redeveloper shall make the following contributions to facilitate the Project, improve the quality of life for all residents and accomplish positive community impacts from the Project (the “Community Benefits”).

a. Contributions. The Community Benefits shall consist of a voluntary community service contribution in the amount of One Million Seventy-Four Thousand Five Hundred Dollars (\$1,074,500.00) payable as follows: (i) 50% upon receipt of building permits for the Project, (ii) 25% upon the Project’s receipt of a Certificate of Occupancy, and (iii) the final 25% once at least 60% of the residential units constructed for the Project are leased. It is the intent of the City to use such contributions for municipal programs intended to improve the quality of life for City residents and to accomplish positive community impacts from the Project. However, said contribution shall be used, at the sole discretion of the City administration, for any lawful purpose.

b. Limitation. Notwithstanding anything in this Agreement or the Financial Agreement to the contrary, neither the Redeveloper nor any affiliate thereof shall be under any obligation whatsoever to undertake any act, or fail to undertake any act, hereunder if doing so would constitute a violation of any federal, state, local or municipal, statute, law, rule, regulation, ordinance, code, order, injunction, judgment, decree or ruling, by which such entity is bound or to which it is subject.

3. Term. The Redeveloper shall comply with the terms and conditions of this Agreement at all times for so long as the Financial Agreement is in force and effect.

4. 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 shall 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.

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 Redeveloper in accordance with its terms.

6. Cooperation and Good Faith. The City shall cooperate with the Redeveloper 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. Counterparts. This Agreement and any amendments hereof may be executed in counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the undersigned have executed this Community Benefits Agreement as of the day and year first above written.

Attest:

CITY OF ORANGE TOWNSHIP

By: _____

Name:
Title: Clerk

By: _____

Name: Dwayne D. Warren, Esq.
Title: Mayor

Witness:

VA 100M URBAN RENEWAL, LLC

By: _____

Name:
Title:

By: _____

Name:
Title:

