

CITY COUNCIL**The City of Orange Township, New Jersey**DATE December 5, 2023NUMBER 470-2023

TITLE: RESOLUTION OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, NEW JERSEY AUTHORIZING AN APPLICATION TO THE LOCAL FINANCE BOARD WITH RESPECT TO NOT TO EXCEED \$1,000,000 NON-RECOURSE TAXABLE REDEVELOPMENT AREA BONDS TO FINANCE A PORTION OF THE BERWYN STREET REDEVELOPMENT PROJECT PURSUANT TO N.J.S.A. 40A:12A-29(a)(3) AND N.J.S.A. 40A:12A-67(g)

WHEREAS, the City of Orange Township, in the County of Essex, State of New Jersey (the "City") desires to submit an application (the "Application") to the Local Finance Board with respect to a proposed bond resolution authorizing the issuance of not to exceed \$1,000,000 non-recourse taxable Redevelopment Area Bonds (Berwyn Street Project), Series 20__ (such designation to reflect the year of issuance) (the "Bonds"), which Bonds shall be used to finance a portion of the Project (as hereinafter defined), pursuant to the Redevelopment Area Bond Financing Law (N.J.S.A. 40A:12A-64 et seq.) (the "RAB Law") and the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.) (the "Redevelopment Law"); and

WHEREAS, the redeveloper, B&O Urban Redevelopment Entity, LLC (the "Redeveloper" or "Entity"), an urban renewal entity qualified to do business under the provisions of the *Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.* (the "Exemption Law"), submitted, and the City evaluated, a concept to, as applicable, acquire, finance, design and construct a six-story multifamily mixed-use building, consisting of approximately one hundred and seventy-three (173) residential units and approximately one thousand (1,000) square feet of commercial space, with off street parking consisting of one hundred eighty-nine (189) parking spaces, of which seventy-nine (79) spaces shall be located off site on Block 3203, Lots 12, 16 and 17 (and, if Lot 17 cannot be acquired by the Entity, then there will be 166 off-street parking spaces, of which 56 spaces will be located off-site on Lots 12 and 16), and with the ground floor of the building having several amenities including a lobby, community space and fitness area, all as described more fully within the hereinafter-defined Application (collectively, the "Project"); and

WHEREAS, the City, by Resolution No. 409-2020, appointed the Entity as the redeveloper of 38-60 Berwyn Street, 39 Berwyn Street, 41 Berwyn Street, 22 Webster Place and 150 Oakwood Avenue (Block 3202, Lots 4-10 and Block 3203, Lots 12, 16 and 17) (collectively, the "Property"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the City and the Redeveloper entered into or will enter into that certain redevelopment agreement (the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the City and the Redeveloper with respect to the construction and development of the Project; and

WHEREAS, the Redeveloper will construct, or cause to be constructed, the Project on the Property; and

WHEREAS, the cost of the Project is expected to be approximately \$50,458,733.00; and

WHEREAS, despite the Entity’s current and future substantial investment of “at risk” equity and traditional borrowed funds for the acquisition, development and construction of the Project, such amounts of equity and traditional borrowed funds are insufficient to pay for all the costs associated with the acquisition, development and construction of the Project; and

WHEREAS, in order to assist the Redeveloper with the acquisition, development, construction and financing of the Project, the City desires to sell the Bonds or other obligations on a negotiated basis pursuant to Section 40A:12A-29(a)(3) of the Redevelopment Law; and

WHEREAS, the Bonds will be secured by a portion of the payments in lieu of taxes (the “Pledged PILOTs”) to be paid by the Redeveloper pursuant to a Financial Agreement (as hereinafter defined), which Pledged PILOTs shall be pledged and assigned by the City to a trust institution to secure the Bonds pursuant to a Pledge and Assignment Agreement; and

WHEREAS, any financial instrument, such as the Bonds proposed herein, which are secured in whole or in part by PILOTs shall be subject to the review and approval of the Local Finance Board within the New Jersey Department of Community Affairs (the “Local Finance Board”) pursuant to Section 40A:12A-67(g) of the RAB Law; and

WHEREAS, on October 3, 2023, the City finally adopted an ordinance (the “Ordinance”), authorizing the execution of a financial agreement for payments in lieu of taxes with the Redeveloper (the “Financial Agreement”), which Ordinance will secure the Bonds and, after recordation, will create a municipal lien superior to all non-municipal liens on the Project; and

WHEREAS, the City believes that:

- (a) it is in the public interest to accomplish such purpose; and
- (b) said purpose or improvements are for the health, welfare, convenience or betterment of the inhabitants of the City; and
- (c) the amounts to be expended for said purposes or improvements are not unreasonable or exorbitant; and
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the City and will not create an undue financial burden to be placed upon the City; and
- (e) the implementation of the Project is in the best interests of the City and its residents.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Orange Township, in the County of Essex, State of New Jersey as follows:

I. GENERAL

The aforementioned recitals are incorporated herein as though fully set forth at length.

II. APPLICATION TO LOCAL FINANCE BOARD APPROVED

(a) The submission of an Application to the Local Finance Board is hereby approved, and the City's bond counsel, Wilentz, Goldman & Spitzer, P.A. ("Bond Counsel"), along with other officials and representatives of the City, are hereby authorized to prepare and submit the above-referenced Application to the Local Finance Board and to represent the City in such matters pertaining thereto.

(b) The City Clerk is hereby directed to prepare and file certified copies of this resolution, after adoption, and the Ordinance, after first reading, with the Local Finance Board as part of such Application.

(c) The Local Finance Board is hereby respectfully requested to consider such Application and to record its findings, recommendations and/or approvals as the same may be required by law.

(d) Any prior actions taken by the City Administrator, Chief Financial Officer, Corporation Counsel, the Director of Development and other officials and representatives of the City, including Bond Counsel, in the preparation and submission of the Application are hereby ratified and confirmed.

III. SEVERABILITY

If any part of this Resolution shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Resolution.

IV. AVAILABILITY OF THE RESOLUTION

A copy of this resolution shall be available for public inspection at the offices of the City.

V. EFFECTIVE DATE

This Resolution shall take effect in accordance with law.

Adopted: December 5, 2023

Joyce L. Lanier
City Clerk

Tency A. Eason
Council President

CITY COUNCIL**The City of Orange Township, New Jersey**DATE October 6, 2020NUMBER 409-2020

(AMENDED)

TITLE: RESOLUTION DESIGNATING B&O URBAN RENEWAL, LLC AS THE REDEVELOPER FOR THE PROPERTIES IDENTIFIED ON THE CITY TAX MAP AS BLOCK 3202, LOTS 4, 5, 6, 7, 8, 9 AND 10 (BERWYN STREET) AND BLOCK 3203, LOTS 12, (BERWYN STREET) 16 AND 17 (HAMPTON TERRACE.) (THE "PHASE I PROPERTY") AND BLOCK 3203, LOTS 1 (BERWYN STREET), 2-9 (OAKWOOD AVENUE), 20 AND 21 (BERWYN STREET) (THE "PHASE II PROPERTY") WITHIN THE TRANSIT VILLAGE DISTRICT EAST PORTION OF THE CENTRAL ORANGE REDEVELOPMENT AREA AND APPROVING AND AUTHORIZING THE EXECUTION OF REDEVELOPMENT AGREEMENTS WITH B&O URBAN RENEWAL, LLC FOR THE PHASE I AND PHASE II PROJECTS

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq. (the "LRHL"), establishes a process for municipalities to designate qualifying areas within the municipality as "areas in need of redevelopment" and to thereafter adopt redevelopment plans to govern the redevelopment of those redevelopment areas; and

WHEREAS, the City of Orange Township (the "City") previously designated the HOPE VI Redevelopment Area, which was subsequently re-named the Central Orange Redevelopment Area, and adopted a redevelopment plan, which is now known as the Central Orange Redevelopment Plan (the "Redevelopment Plan"), to govern the redevelopment of that redevelopment area; and

WHEREAS, the Redevelopment Plan identifies, among other areas, a portion of the Central Orange Redevelopment Area as the Transit Village District East; and

WHEREAS, B&O Urban Renewal, LLC has submitted a redevelopment proposal to the City to develop a multi-phase redevelopment project consisting of (i) the construction of a mid-rise mixed-use development, consisting of 166 market rate residential rental units, with associated amenity space and 193 parking spaces, 114 on-site, inclusive of four (4) shared parking spaces for an overall count of 205, and two off-site surface parking lots consisting of 79 spaces, one containing 39 spaces (which will be used for City and BOE use, until such time that Phase II Project is completed) and one containing 40 spaces, as well as 7,300 square feet of school space (5 classrooms), to be dedicated to the Orange Board of Education (the "Board of Education")(collectively, the "Phase I Project"), on certain properties located within the Transit Village East portion of the Central Orange Redevelopment Area identified on the City's tax map as Block 3202, Lots 4, 5, 6, 7, 8, 9 and 10 and Block 3203, Lots 12, 16 and 17 (collectively, the "Phase I Property"), and (ii) the construction of an approximately 148 unit multifamily residential building with 9 classrooms and a multipurpose room for use by the BOE, together with the construction of an approximately 199 space parking garage, of which approximately 148 spaces will be for use by tenants, approximately 26 spaces will be for use by the BOE and approximately 25 spaces will be for use by the City (collectively, the "Phase II Project"), on certain properties located within the Transit Village East portion of the Central Orange Redevelopment Area identified on the City's tax map as Block 3203, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 20 and 21 (collectively, the "Phase II Property"); and

Laughlin Parham
the City Attorney
[Signature]

WHEREAS, the City has determined that B&O Urban Renewal, LLC is an experienced and successful developer of housing and commercial development throughout New Jersey and has the necessary expertise, skill and ability and financial resources to carry out or oversee and guarantee completion of the development of the Phase I Project and the Phase II Project (collectively, the "Projects"); and

WHEREAS, the City therefore wishes to designate B&O Urban Renewal, LLC as the redeveloper of the Phase I Property and of the Phase II Property; and

WHEREAS, the City has negotiated a Redevelopment Agreement with B&O Urban Renewal, LLC for the Phase I Project and a Redevelopment Agreement with B&O Urban Renewal, LLC for the Phase II Project and wishes to authorize the approval and execution of those Redevelopment Agreements in substantially the forms attached hereto.

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

SECTION 1: The Municipal Council hereby designates B&O Urban Renewal, LLC as the redeveloper of the Phase I Property and of the Phase II Property located within the Transit Village District East portion of the Central Orange Redevelopment Area.


SECTION 2: The Municipal Council hereby approves the Redevelopment Agreements for the Phase I Project and for the Phase II Project in substantially the forms attached hereto and authorizes the Mayor to sign these Redevelopment Agreements with B&O Urban Renewal, LLC on behalf of the City.

SECTION 3: 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.

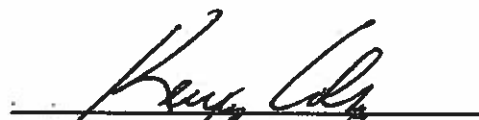
SECTION 4: All headings within this resolution are for convenience only and are not deemed to be part of this resolution.

SECTION 5: This resolution shall take effect as provided by law.

ADOPTED: October 6, 2020



Joyce L. Lanier
City Clerk



Kerry J. Coley
Council President

RESOLUTION NO. 409-2020

ON CONSENT AGENDA

REGULAR MEETING- OCTOBER 6, 2020

MOTION TO ADOPT: Ross

SECOND: Montague, III

YEAS: Eason, Johnson, Jr., Montague, III, Ross, Summers-Johnson, Wooten, Council President Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: None

CITY COUNCIL**The City of Orange Township, New Jersey**DATE October 3, 2023NUMBER 55-2023


TITLE: THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE "REDEVELOPMENT AREA BOND FINANCING LAW" AND THE LIEN HEREOF IN FAVOR OF THE OWNERS OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS HEREINAFTER RECORDED.

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF ORANGE TOWNSHIP TO APPROVE A TAX EXEMPTION FOR A TWENTY-TWO (22) YEAR PERIOD AND TO AUTHORIZE THE TWENTY-TWO (22) YEAR EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT FOR PAYMENTS IN LIEU OF TAXES BETWEEN THE CITY AND B&O URBAN RENEWAL ENTITY, LLC, AND AUTHORIZING A PLEDGE AGREEMENT AND OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE BY THE CITY OF ITS REDEVELOPMENT AREA BONDS IN AN AMOUNT NOT TO EXCEED \$1,000,000 TO FINANCE A PORTION OF THE COSTS OF SUCH REDEVELOPMENT PROJECT.

WHEREAS, the property located at 38-60 Berwyn Street, 39 Berwyn Street, 41 Berwyn Street, 22 Webster Place and 150 Oakwood Avenue (Block 3202, Lots 4-10 and Block 3203, Lots 12, 16 and 17) (collectively, the "Property") is located within the Central Orange Redevelopment Area (the "Redevelopment Area") and is governed by the Transit City District East sub-district zoning (the "TVDE Zoning") of the Central Orange Redevelopment Plan (the "Redevelopment Plan"); and

WHEREAS, the City of Orange Township, in the County of Essex, New Jersey (the "City") has heretofore designated the Redevelopment Area and adopted the Redevelopment Plan in accordance with the provisions of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the "Redevelopment Law"); and

WHEREAS, B & O Urban Renewal Entity, LLC, having its principal place of business at 128 Main Avenue, Passaic, New Jersey 07055 (the "Entity"), has proposed the construction, on the Property, of a redevelopment project consisting of the demolition of the existing structure located on the Property and the construction of a six-story multifamily mixed-use building, consisting of approximately one hundred and seventy-three (173) residential units and approximately one thousand (1,000) square feet of commercial space, with off street parking consisting of one hundred eighty-nine (189) parking spaces, of which seventy-nine (79) spaces shall be located off site on Block 3203, Lots 12, 16 and 17 (and, if Lot 17 cannot be acquired by the Entity, then there will be 166 off-street parking spaces, of which 56 spaces will be located off-site on Lots 12 and 16), and with the ground floor of the building having several amenities including a lobby, community space and fitness area, all as described more fully within the hereinafter-defined Application (collectively, the "Project"); and


A MIBRATH

WHEREAS, the City expects to authorize, by resolution, the execution and delivery of a Redevelopment Agreement with the Entity (the "Redevelopment Agreement"), in order to fully set forth the understanding of the City and the Entity with respect to the construction and development of the Project; and

WHEREAS, the City expects to issue its redevelopment area bonds and/or notes in an aggregate principal amount no to exceed \$1,000,000 (collectively, the "RAB Bonds") pursuant to the Redevelopment Area Bond Financing Law, *N.J.S.A. 40A:12A-64 et seq.* (the "RAB Law"), the Redevelopment Law and/or the Local Bond Law, *N.J.S.A. 40A:2-1 et seq.* (the "Local Bond Law"), as applicable, in order to defray certain eligible costs of the Project, which RAB Bonds shall be secured by the pledged portion of the annual charges payable under the hereinafter-defined Financial Agreement and not by the full faith and credit of the City; and

WHEREAS, funds for the payment of debt service on the RAB Bonds will be derived from the pledge and assignment by the City to the trustee for the RAB Bonds of the Pledged Annual Service Charge, as such term is defined in the hereinafter-defined Financial Agreement; and

WHEREAS, the Unpledged Annual Service Charge, as such term is defined in the Financial Agreement, shall be retained by the City for its use in its sole discretion, following payment of the required share to the County of Essex, as required by *N.J.S.A. 40A:20-12*; and

WHEREAS, the Project will conform to the TVDE Zoning within the Redevelopment Plan and all applicable municipal zoning ordinances, to the extent it contains provisions that are relevant to the Project, and will also conform with the master plan of the City; and

WHEREAS, the City is authorized under the provisions of the Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1 et seq.* (the "LTTE Law") and the RAB Law to grant tax exemptions to qualifying entities constructing redevelopment projects within redevelopment areas governed by redevelopment plans and to enter into financial agreements with such entities governing payments made to the City in lieu of real estate taxes on the Project; and

WHEREAS, pursuant to *N.J.S.A. 40A:20-8*, the Entity filed an application (the "Application") with the City for approval of a long term tax exemption for the improvements to be constructed in connection with the Project and has agreed to enter into a financial agreement with the City (the "Financial Agreement"); and

WHEREAS, the Financial Agreement sets forth the terms and conditions under which the Entity and the City shall carry out their respective obligations with respect to the long term tax exemption for the Project; and

WHEREAS, the Mayor, together with counsel for the City, has reviewed the Application and found that it complies with the provisions of the LTTE Law and the RAB Law; and

WHEREAS, the Entity has demonstrated to the satisfaction of the Mayor and Municipal Council that the granting of a long term tax exemption and payments in lieu of taxes will improve the quality of life for the occupants of the Project and the quality of life for the City of Orange; and

WHEREAS, the Mayor and Municipal Council finds that the relative benefits of the Project to the City outweigh the costs to the City associated with granting the long term tax exemption in that it will provide needed housing and parking, create both temporary and permanent jobs within the City, enhance the quality of life for residents in and around the neighborhood, and influence the locational decisions of probable new residents; and

WHEREAS, the Municipal Council has determined that the assistance provided to the Project pursuant to the Financial Agreement is necessary for the creation of the Project and will be a significant inducement for the Entity to proceed with the Project; and

WHEREAS, the Financial Agreement represents an arm's length transaction between the parties and all promises and agreements, express or implied, payment of fees or other benefits, terms or conditions related thereto are incorporated therein as it concerns the Project and the parties hereto as well as their agents and servants; and

WHEREAS, the Entity hereby certifies its compliance with the applicable municipal ordinances as well as the strictures of the LTTE Law and the RAB Law; and

WHEREAS, the City further wishes to approve the execution and delivery of a Pledge and Assignment Agreement with the City's bond trustee (the "Pledge Agreement"), a form of which is on file in the office of the City Clerk, which Pledge Agreement will provide for, *inter alia*, the pledge and assignment of the Pledged Annual Service Charge to the City's bond trustee, as security for the payment of debt service on the RAB Bonds; and

WHEREAS, the terms of any bond resolution or trust indenture to be entered into by the City in connection with the issuance of the RAB Bonds will provide terms and provisions relating to the disbursement of proceeds of such RAB Bonds to the Entity or its agent.

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

SECTION 1: PROVISIONS

1. **The Entity's Application is hereby approved.**
2. **The Financial Agreement providing for a long term tax exemption and payments in lieu of taxes on the improvements to be constructed in connection with the Project is hereby approved with the intent that upon execution of the Financial Agreement and upon the terms set forth therein, the Improvements will be exempt from taxation for a period of twenty-two (22) years.**
3. **Pursuant to the provisions of the RAB Law, specifically *N.J.S.A. 40A:12A-67(c)* and, if applicable, *N.J.S.A. 40A:12A-69*, the City hereby assigns, as security for the RAB Bonds, all of the City's right, title and interest in and to the Pledged Annual Service Charges under the Financial Agreement. The Pledge Agreement providing for a pledge and assignment of the Pledged Annual Service Charges to the City's bond trustee is hereby approved.**
4. **The Mayor of the City is hereby authorized to execute the Financial Agreement and the Pledge Agreement substantially in the forms as they have been presented to the Municipal Council subject to modification or revision deemed necessary and appropriate in consultation with counsel.**
5. **The City Clerk is hereby authorized and directed, upon the execution of the Financial Agreement and/or the Pledge Agreement in accordance with the terms set forth herein, to attest to the signature of the Mayor upon such document(s), and is hereby further authorized and directed to thereupon affix the corporate seal of the City upon such document(s).**
6. **The City Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the City and the Director of the Division of Local Government Services within the Department of Community Affairs in accordance with Section 12 of the LTTE Law.**

SECTION 2: INCONSISTENCIES

All other ordinances and parts of ordinances in conflict or inconsistent with this ordinance are hereby repealed but only to the extent of such conflict or inconsistency.


SECTION 3: HEADINGS

All headings within this ordinance are for convenience only and are not deemed to be part of this ordinance.

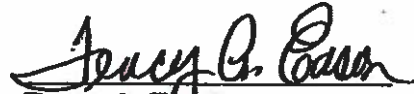
SECTION 4: EFFECTIVE DATE

This ordinance shall take effect as required by law.

ADOPTED: October 3, 2023



Joyce B. Lanier
Municipal Clerk



Tency A. Eason
Council President

APPROVED:



Dwayne D. Warren, Esq.
Mayor

Dated: October 11, 2023

ORDINANCE NO. 55-2023

REGULAR MEETING – September 5, 2023

MOTION TO ADOPT: Montague, III

SECOND: Ross

YEAS: Coley, Montague, III, Ross, Summers-Johnson, Wooten & Council President Eason

NAYS: Hilbert

ABSTENTIONS: None

ABSENCES: None

PUBLIC HEARING– SECOND READING: October 3, 2023

MOTION TO ADOPT: Coley

SECOND: Ross

YEAS: Coley, Montague, III, Ross, Wooten & Council President Eason

NAYS: Hilbert & Summers-Johnson

ABSTENTIONS: None

ABSENCES: None