

ORDINANCE #2185-13

**ORDINANCE OF THE CITY OF WOODBURY,
COUNTY OF GLOUCESTER, NEW JERSEY, APPROVING THE
APPLICATION FOR A LONG TERM TAX EXEMPTION AND
AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT WITH
48 NORTH BROAD STREET URBAN RENEWAL, L.L.C., A NEW JERSEY
URBAN RENEWAL LIMITED LIABILITY COMPANY**

WHEREAS, the City Council, pursuant to the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1, et seq.* (the “Act”), adopted a Redevelopment Plan (the “Redevelopment Plan”) for the revitalization and redevelopment of an area of the City identified on the Tax Map as Block 120, Lot 4 (the “Property”); and

WHEREAS, the Redevelopment Plan provided for the construction of residential units and commercial improvements on the Property; and

WHEREAS, 48 North Broad Street Urban Renewal, L.L.C., (the “Entity”) an urban renewal Entity qualified to do business under the provisions of the Long Term Tax Exemption Law, as amended and supplemented, (*N.J.S.A. 40A:20-1, et. seq.*,) having its principal office at 307 South Evergreen Avenue, Woodbury, New Jersey. The Entity has agreed to devote substantial cash assets and to apply to immediately borrow funds for the completion of the Project; and

WHEREAS, the Entity filed an application with the City for approval of a Long Term Tax Exemption for the Project which is on file with the City Clerk (the “Application”), a copy of which is attached hereto as Exhibit “A”; and

WHEREAS, the provisions of the Long Term Tax Exemption Law authorize the City to accept, in lieu of real estate property taxes, an annual service charge paid by the Entity to the City; and

WHEREAS, the Entity has agreed to make payment of an Annual Service Charge as defined in the Long Term Tax Exemption Law to the City; and

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

WHEREAS, the Entity is or will be, before execution of the Financial Agreement, qualified to do business under the provisions of the Long Term Tax Exemption Law; and

WHEREAS, there was also submitted to the Mayor as part of the Application a form of a financial agreement (the “Financial Agreement”), pursuant to which the Entity agrees to pay, in lieu of tax payments, an Annual Service Charge; and

WHEREAS, financial agreement includes the following terms:

- (a) This is a thirty (30) year agreement, the amount of the annual service charge for municipal services supplied to the Project is set forth in Schedule A attached hereto.
- (b) In addition, the Entity will pay an annual administrative fee in the amount of 2 percent of the annual service charged quarterly as the service charge is billed.

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

WHEREAS, the City Council finds the Project shall promote and further the redevelopment of the City:

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Woodbury, Gloucester County, New Jersey, as follows:

1. The Mayor, Council President and/or City Administrator, in consultation with counsel to the City, are 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 necessary to effectuate the Financial Agreement.
2. An exemption from taxation as set forth in the Financial Agreement is hereby granted to the Entity, with respect to the project on the Property for the term set forth in the Financial Agreement for thirty (30) years from the Entity's receipt of a Certificate of Occupancy for the Project and only as 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.
3. The executed copy of the Financial Agreement shall be certified by and be filed with the office of the City Clerk.
4. The project shall conform with all Federal and State law and ordinances and regulations of the City relating to its construction and use.
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 City 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; and
 - (b) The Entity shall complete the Project within the time frames set forth in the Redevelopment Agreement.
8. The Project will result in the redevelopment of the City by implementing the Redevelopment Plan.
9. The Financial Agreement with the Entity is a necessary inducement to the undertaking of the Project.

I HEREBY CERTIFY the foregoing to be a true copy of an Ordinance introduced on July 9, 2013 and finally adopted by the City Council of the City of Woodbury, in the County of Gloucester, State of New Jersey on July 23, 2013.

CITY OF WOODBURY

BY: _____
WILLIAM H. FLEMING JR.,
PRESIDENT CITY COUNCIL

ATTEST:

ROY A. DUFFIELD, CITY CLERK

APPROVED: _____
WILLIAM J. VOLK, Jr., Mayor

The foregoing Ordinance was introduced by the Mayor and Municipal Council at the regular meeting held on July 9, 2013. This Ordinance will be considered for adoption on final reading and public hearing to be held on July 23, 2013 at 7:30 P.M. in the Council Meeting Room, Woodbury City Hall, 33 Delaware Street, Woodbury, New Jersey.

The purpose of the Ordinance is to approve the Application for Long Term Tax Exemption and authorizing the execution of a Financial Agreement with 48 North Broad Street Urban Renewal, L.L.C., with regard to Block 120, Lots 4. A copy of the Ordinance is available at no charge to the general public between the hours of 9:00 A.M. and 4:30 P.M. Monday through Friday (legal holidays excluded), at the Office of the Municipal Clerk, Woodbury City Hall, 33 Delaware Street, Woodbury, New Jersey 08096.