

**RESOLUTION NO. 17-142**

**RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WOODBURY  
DECLARING BURRIS POST -ACUTE NETWORK, LLC IN DEFAULT OF THE  
REDEVELOPMENT AGREEMENT DATED SEPTEMBER 23, 2014 AND THE PILOT  
AGREEMENT BETWEEN BURRIS POST-ACUTE NETWORK WOODBURY URBAN  
RENEWAL LLC AND THE CITY OF WOODBURY DATED OCTOBER 28, 2014**

**WHEREAS**, the Mayor and City Council of the City of Woodbury by ordinance approved on July 23, 2013 a Redevelopment Plan for Block 154, Lot 8 entitled "Woodbury Country Club Redevelopment Plan"; and

**WHEREAS**, pursuant to the Local Redevelopment and House Law, the Mayor and City Council appointed Burris Post-Acute Network Woodbury LLC as redeveloper of the project site (Block 154, Lot 8); and

**WHEREAS**, in furtherance of the project site, the Mayor and City Council of the City of Woodbury and the Redeveloper Burris Post-Acute Network Woodbury LLC entered into a Redevelopment Agreement dated September 23, 2014; and

**WHEREAS**, pursuant to the Redevelopment Agreement there were specific conditions and timetables that were required to be adhered to; and

**WHEREAS**, consistent with the requirements of the Redevelopment Agreement, the redeveloper filed a preliminary and major site plan application with the City of Woodbury Joint Planning and Zoning Board; and

**WHEREAS**, preliminary and major site plan approval was granted to Burris Post-Acute Network Woodbury LLC on September 18, 2013 pursuant to Resolution PZ 23-2013, which was consistent with the approval of the Redevelopment Plan; and

**WHEREAS**, the Mayor and City Council of the City of Woodbury entered into a Financial Agreement (PILOT) on October 28, 2014 for Block 154, Lot 8.11, which required the Developer to make scheduled payments in lieu of taxes (PILOT) consistent with the attached Exhibit "C"; and

**WHEREAS**, it has been determined that the redeveloper has not satisfied certain conditions of the Redevelopment Agreement, Resolution of Approval of the Planning/Zoning Board of the City of Woodbury and PILOT Agreement and is in default for the following reasons:

(1) Pursuant to the Redevelopment Agreement the redeveloper was to complete the project in three phases as set forth in Exhibit "C" of the Redevelopment Agreement. The redeveloper has completed Phase I of the project; however, has not commenced or completed the work as set forth in Phase 2 and 3 of Exhibit "C".

(2) Pursuant to Article II of the Redevelopment Agreement, Section 2.01(vii), upon approval of the PILOT Agreement, and the issuance of a Certificate of Occupancy for the Acute Care building, the Redeveloper was to donate \$200,000.00 to the City for the development of the park over a three-year period. The first payment was to be in the amount of \$66,666.00 payable at the issuance of the Certificate of Occupancy and the payment was due on or about April 13, 2017. The Redeveloper is delinquent in the amount of \$133,332.00.

(3) Pursuant to the PILOT Agreement, the Redeveloper at Section 5 was to pay an annual service charge as reflected in the Agreement over a 30-year period as set forth in Exhibit "C" the Redeveloper has failed to pay the annual service charge in the amount of \$210,000.00 for year one. The annual service charge is to be paid on a quarterly basis consistent with the City Tax Collector schedule. The total amount due and owing for the PILOT Agreement is \$224,398.14 to date. In addition to the annual service charge, the City is entitled to a administrative fee of 2% of the annual service charge. Further, the redeveloper has failed to file annual financial reports consistent with the Agreement.

(4) The redeveloper has failed to pay real estate taxes on the land for a portion of the first quarter of 2017 and the second and third quarter of 2017 for a total of \$36,212.90 and interest and services charges. In addition, there are outstanding water and sewer charges of \$8,039.33 due for the third quarter of 2017.

**WHEREAS**, pursuant to the default provisions as set forth in Section 8.01 of the Redevelopment Agreement and Section 7 of the Financial Agreement (PILOT), the Mayor and City Council of the City of Woodbury hereby declares that the Redeveloper and entity are in substantial default and proper notice as set forth in the Agreements shall be forwarded to their representatives; and

**WHEREAS**, pursuant to Resolution PZ-23-2013 (P-11). "the applicant is to develop the open space park area in conjunction with Phase 1 of the commercial property"; and

**WHEREAS**, Phase 1 has been completed and the open space area has not been developed consistent with the Resolution and approved Plan.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Woodbury that the redeveloper is in default of the Redevelopment Agreement dated September 23, 2014 and the Financial (PILOT) Agreement dated October 28, 2014 with the Redeveloper and the City of Woodbury.

**BE IT FURTHER RESOLVED** that proper notice shall be served upon the Redeveloper and entity as set forth in the respective Agreements.

**ADOPTED** at a special meeting of the Mayor and City Council of the City of Woodbury, August 29, 2017.

**CITY OF WOODBURY**

By: \_\_\_\_\_  
TRACEY PARKER,  
President of Council

Attest:

\_\_\_\_\_  
DANEEN FUSS, City Clerk

<b>Council Member</b>	<b>Ayes</b>	<b>Nays</b>	<b>Abstain</b>	<b>Absent</b>
Councilwoman Carter				
Councilman Fleming				
Councilman Johnson				
Councilman McIlvaine				
Councilwoman O'Connor				
Councilman Reddin				
Councilman Swanson				
Councilwoman Tierney				
Council President Parker				
Mayor Floyd				

**CERTIFICATION**

I, Daneen D. Fuss hereby certify that the foregoing Resolution was adopted by the City Council, of the City of Woodbury, in the County of Gloucester and State of New Jersey at a meeting held on August 29, 2017 at the Municipal Building, 33 Delaware Street, Woodbury, New Jersey 08096.

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Daneen D. Fuss  
City Clerk