

ORDINANCE NO. 2493

**ORDINANCE OF THE BOROUGH OF ROSELLE PARK,
COUNTY OF UNION, NEW JERSEY APPROVING AN
APPLICATION FOR A LONG TERM TAX EXEMPTION
AND AUTHORIZING THE EXECUTION OF A FINANCIAL
AGREEMENT FOR A TAX EXEMPTION FOR AN URBAN
RENEWAL PROJECT WITH RESPECT TO THE
PROPERTY COMMONLY KNOWN AS BLOCK 314/LOTS
8, 9, 10, 11 AND 12 ON THE TAX MAP OF THE BOROUGH**

WHEREAS, the Borough Council of the Borough of Roselle Park, in the County of Union, State of New Jersey (the “**Borough**”), a public body corporate and politic of the State of New Jersey (the “**State**”), is authorized pursuant to the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”), to determine whether certain parcels of land within the Borough constitute an area in need of rehabilitation and/or an area in need of redevelopment; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the Borough identified and designated the property commonly known as Block 314, Lots 8, 9, 10, 11 and 12 on the tax map of the Borough as an “area in need of redevelopment” (the “**Redevelopment Area**”); and

WHEREAS, the Borough adopted a redevelopment plan for the Redevelopment Area titled the “West Westfield Avenue Redevelopment Plan I” (as may be amended and supplemented from time to time, the “**Redevelopment Plan**”); and

WHEREAS, the redevelopment of the Redevelopment Area (the “**Project**”) shall conform to the Redevelopment Plan and will be in conformance with the master plan of the Borough; and

WHEREAS, despite Meridia on Westfield Urban Renewal, Roselle Park, LLC’s (“**Meridia**”) substantial investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, Meridia has submitted an application for the approval of the Project (the “**Exemption Application**”) and a form of financial agreement (the “**Financial Agreement**”) to the Borough for the approval of an urban renewal project, all in accordance with the Long Term Tax Exemption Law (the “**LTTE Law**”), specifically *N.J.S.A. 40A:20-8*; and

WHEREAS, pursuant to *N.J.S.A. 40A:20-8*, the Mayor has reviewed the Exemption Application and the Mayor has submitted the Exemption Application and Financial Agreement to the Borough Council with his recommendation for approval, subject to the condition that Meridia pay, in lieu of tax payments on the Project, an annual service charge, such that the

combined tax payment on the land and the annual service charge paid by Meridia each year shall be no less than the amount of the total property taxes that the Borough has received from the Redevelopment Area, prior to redevelopment; and

WHEREAS, upon review of the proposed Project, the Exemption Application and the Mayor's recommendation, the Borough has made the following findings with respect to the Project pursuant to *N.J.S.A. 40A:20-11*:

1. The Redevelopment Area is not currently developed to its maximum potential. The Redevelopment Area is sparsely developed and underutilized and generates minimal taxes for the Borough. Development in the Redevelopment Area is financially infeasible without financial assistance. Upon expiration of the exemption, the Project shall be fully assessed and conventionally taxed;

2. Given the costs as well as the uncertainty and instability of current economic and market conditions as well as aggressive competition within the region, the investment risk makes the financing of the Project infeasible in the absence of a tax exemption provided by the Borough;

3. The construction of the Project will result in the remediation of the Redevelopment Area, substantial improvements to the infrastructure on the site as well as community benefits in the form of increased jobs and ratables;

4. The Project is consistent with the Redevelopment Plan, will further its objectives and will contribute to the economic growth of the Borough;

5. The Financial Agreement was a material inducement to Meridia to undertake the Project in the Borough and facilitate the redevelopment of the Redevelopment Area; and

WHEREAS, in accordance with the provisions of the LTTE Law, the Borough desires to approve the Project and authorize the execution of the Financial Agreement.

NOW THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE BOROUGH OF ROSELLE PARK, NEW JERSEY AS FOLLOWS:

SECTION 1. The forgoing recitals are incorporated herein as if set forth in full.

SECTION 2. Meridia is hereby approved as the Redeveloper to implement the Project and the terms of the Conditional Redeveloper's Agreement, subject to approval and execution of a redevelopment agreement.

SECTION 3. An exemption from taxation as set forth in the Exemption Application is hereby approved and granted to Meridia, with respect to the Project in the Redevelopment Area in accordance with the term set forth in the Financial Agreement; provided that in no event shall the term of the Financial Agreement exceed the earlier of (i) thirty-five (35) years from the date of execution of the Financial Agreement or (ii) to the extent permitted by the LTTE Law, thirty

(30) years from Meridia's receipt of a Certificate of Occupancy (as defined in the Financial Agreement) for the Project and only so long as Meridia remains subject to and in compliance with the Financial Agreement and the LTTE Law.

SECTION 4. The form of Financial Agreement submitted by Meridia, attached hereto as **Exhibit A** and made a part hereof, is hereby approved in accordance with Section 8 of the LTTE Law.

SECTION 5. The Mayor, in consultation with counsel to the Borough, is hereby authorized to execute the Financial Agreement and prepare, amend or execute any other agreements necessary to effectuate this ordinance, subject to modification or revisions, as deemed necessary and appropriate.

SECTION 6. The Clerk of the Borough is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Borough upon such document.

SECTION 7. The executed copy of the Financial Agreement shall be certified by and filed with the Office of the Borough Clerk. Further, the Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Borough and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the LTTE Law.

SECTION 8. The Project shall conform with all Federal, State, and Borough laws, ordinances and regulations relating to its construction and use.

SECTION 9. Meridia shall, in the operation of the Project, comply with all laws so that no person of race, religious principles, color, national origin or ancestry will be subject to discrimination.

SECTION 10. This ordinance shall take effect in accordance with all applicable laws.

Introduced: May 18, 2017

Adopted:

Mayor

Attest: _____
Borough Clerk