

TOWNSHIP OF WARREN
ORDINANCE NO. 19-39
FINANCIAL AGREEMENT TOLL WARREN 25 URBAN RENEWAL, LLC B78, L 15.03

WHEREAS, by Resolution No. 2017-59 adopted on January 26, 2017, the Township Committee of the Township of Warren (the “Committee”) designated property (the “Property”) located at Block 78, Lots 15.01 and 15.02 as shown on the Tax Map of the Township of Warren as “a non-condemnation area in need of redevelopment” (the “Redevelopment Area”); and

WHEREAS, pursuant to Ordinance No. 2017-21, the Township Committee adopted a redevelopment plan (the “Redevelopment Plan”) for the Redevelopment Area; and

WHEREAS, by Resolution 2018-86, adopted on April 12, 2018, the Committee designated American Properties at Mt. Bethel Road, LLC (“American”) as the redeveloper of the Redevelopment Area in accordance with the Redevelopment Law

WHEREAS, American and the Township entered into a Redevelopment Agreement dated June 2018; and

WHEREAS, by Resolution No. 2019-124, the Township conditionally removed the designation of redeveloper from American and further authorized the conditional designation of Toll Warren Urban Renewal, LLC and Toll Warren 25 Urban Renewal, LLC as developers; and

WHEREAS, the Redevelopment Area will be subdivided into two (2) separate lots designated as Lot 15.02 and 15.03 pursuant to Preliminary and Final Major Site Plan Approval and Preliminary and Final Major Subdivision Approval by the Warren Township Planning Board dated June 11, 2018, memorialized by Resolution PB 17-10 adopted on June 11, 2018; and

WHEREAS, Toll Warren 25 Urban Renewal, LLC intends to redevelop Block 78, Lot 15.03 by constructing 25 affordable housing units and other amenities and site improvements thereon (the “Project”); and

WHEREAS, the Committee has determined that the Project will qualify for a tax exemption under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “LTTEL”); and

WHEREAS, in accordance with the LTTEL, Toll Warren 25 Urban Renewal, LLC has filed with the Mayor of the Township an application for approval of a long term tax exemption (the “Long Term Tax Exemption”) for the Project, which is incorporated herein by reference (the “Application”), to be executed by and between Toll Warren 25 Urban Renewal, LLC and the Committee; and

WHEREAS, the Mayor submitted the Application to the Committee with his recommendation for approval; and

WHEREAS, the Committee approved the Application by Resolution No. 2019-146 dated June 13, 2019; and

WHEREAS, Toll Warren 25 Urban Renewal, LLC also submitted to the Mayor (as part of the Application) a form of financial agreement (the “Financial Agreement”), to be executed by the Committee and Toll Warren 25 Urban Renewal, LLC, establishing the rights, responsibilities and obligations of Toll Warren 25 Urban Renewal, LLC in accordance with the LTTEL; and

WHEREAS, the Committee makes the following findings in accordance with N.J.S.A. 40A:20-11.a and N.J.S.A. 40:20-11.b regarding the relative benefits and costs of granting the tax abatement for the Project, and the importance of the tax abatement in realizing the development of the Project:

The Township finds that the Long Term Tax Exemption granted pursuant to the Financial Agreement will benefit the Township and the community by assuring the success of the redevelopment of the Property, which has exhibited the statutorily recognized redevelopment criteria for years. The benefits of granting the Long Term Tax Exemption will substantially outweigh the costs, if any, associated with the Long Term Tax Exemption. The Long Term Tax Exemption is important to the Township, Toll Warren 25 Urban Renewal, LLC and the proposed tenants because without the incentive of the Long Term Tax Exemption, it is unlikely that the Project, which will address a portion of the Township’s Third Round affordable housing obligation, would be undertaken. The high costs associated with the development and construction of the Project and the real estate taxes that would otherwise be levied upon the Project would operate as a disincentive to the redevelopment of the Property, and would therefore frustrate the goals and objectives of the Redevelopment Plan and would make the Project materially less competitive in the marketplace.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Warren, in the County of Somerset, State of New Jersey, as follows:

1. The Mayor and Township Clerk are hereby authorized to execute the Financial Agreement with Toll Warren 25 Urban Renewal, LLC.
2. An executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Township Clerk.
3. Within ten (10) calendar days following the later of (i) the effective date of this Ordinance following its final adoption by the Township Committee approving the tax exemption or (ii) the execution of the Financial Agreement by Toll Warren 25 Urban Renewal, LLC Urban Renewal, LLC, the Township Clerk shall file certified copies of this Ordinance and the Financial

Agreement with the Tax Assessor of the Township and the Chief Financial Officer of Somerset County and to Somerset County Counsel, in accordance with N.J.S.A. 40A:20-12.

4. The Mayor and Township Clerk are hereby authorized to take such action and to execute such other documents on behalf of the Township as is necessary to effectuate the terms of the Financial Agreement, as deemed advisable by the Township Attorney.

5. This Ordinance shall take effect upon adoption and publication according to law.

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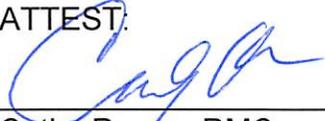
2. An executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Township Clerk.

3. Within ten (10) calendar days following the later of (i) the effective date of this Ordinance following its final adoption by the Township Committee approving the tax exemption or (ii) the execution of the Financial Agreement by Toll Warren 25 Urban Renewal, LLC, the Township Clerk shall file certified copies of this Ordinance and the Financial Agreement with the Tax Assessor of the Township and the Chief Financial Officer of Somerset County and to Somerset County Counsel, in accordance with N.J.S.A. 40A:20-12.

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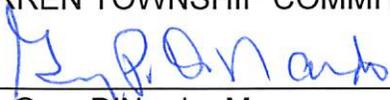
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ATTEST:



Cathy Reese, RMC
Township Clerk

WARREN TOWNSHIP COMMITTEE

By: 

Gary DiNardo, Mayor

INTRODUCED: June 13, 2019

ADOPTED: July 18, 2019

EFFECTIVE: July 25, 2019