

ORDINANCE NO. 2018-_____

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 APPROVING THE EXECUTION OF AN AMENDMENT TO FINANCIAL AGREEMENT WITH NEP REAL ESTATE OF VINELAND NJ URBAN RENEWAL, LLC AND DETERMINING VARIOUS OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City designated certain property within the City, including, without limitation, Block 7503, Lot 35.01; Block 7503, Lot 33.01; Block 7503, Lot 35.02 on the tax maps of the City (the “**Redevelopment Area**” or the “**Project Area**”) as an “area in need of redevelopment” in accordance with the Act; and

WHEREAS, the Redevelopment Area is currently subject to the Redevelopment Plan prepared by Kathleen M. Hicks dated August 2017, as amended and supplemented from time to time (the “**Redevelopment Plan**”) which was duly adopted by the City pursuant to the Act and in accordance with the procedures set forth therein; and

WHEREAS, the Redevelopment Plan provided, among other things, for the construction of a mix of industrial and commercial uses within the Redevelopment Area to meet the current redevelopment goals of the City; and

WHEREAS, the City has adopted, or anticipates adopting a Resolution designating NEP Real Estate of Vineland NJ Urban Renewal, LLC (the “**Entity**”) as the Redeveloper for the Project Area pursuant to the Act; and

WHEREAS, in order to effectuate the public purposes set forth in the Redevelopment Plan and in order to implement the development, financing, construction, operation and management of the Redevelopment Area, the City and the Entity executed that certain Master Redevelopment and Purchase and Sale Agreement dated as of August 16, 2018 (the “**Redevelopment Agreement**”), in which specifies the rights and responsibilities of the City and the Urban Renewal Entity with respect to the Project; and

WHEREAS, the Redevelopment Agreement provides for the acquisition of the Redevelopment Area by the Entity from the City and the Cumberland County Improvement Authority (the “**CCIA**”), on which the Redeveloper will be responsible for the design, development and construction of a multi-phased warehouse and light industrial complex consisting of multiple buildings, corporate office space, parking and other related amenities as required by the City to be undertaken in phases (collectively, the “**Project**”); and

WHEREAS, the Project will require certain improvements in and around the Redevelopment Area, including construction of a public roadway extending from Burns Avenue to Main Road (the “**Burns Extension**”), as more particularly described in the Redevelopment Agreement, in which construction shall be undertaken by the City and the CCIA; and

WHEREAS, despite the Entity’s investment of equity and borrowed funds, said amounts are insufficient to pay for all of the costs associated with the development of the Project, including the Burns Extension; and

WHEREAS, pursuant to the Tax Exemption Law, a redeveloper that is an urban renewal entity may enter into a financial agreement with a municipality to make payments in lieu of taxes with respect to property owned by the urban renewal entity in a redevelopment area; and

WHEREAS, the Redeveloper applied to the City for the approval of the Project as an urban renewal project as such term is used in the Tax Exemption Law, all in accordance with *N.J.S.A. 40A:20-8*, as supplemented to reflect subsequent Project refinements (collectively, the “**Exemption Application**”); and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Area Bond Financing Law, constituting Chapter 310 of the Pamphlet Laws of 2001 of the State, and the acts amendatory thereof and supplemental thereto, as codified in *N.J.S.A. 40A:12A-64 et seq.* (the “**Redevelopment Bond Law**”), specifically *N.J.S.A. 40A:12A-66(a)*, the City is authorized to provide for and accept, in lieu of real property taxes, an Annual Service Charge (the “**Annual Service Charge**”), paid by Redeveloper to the City in a manner that deviates from the structure otherwise established under the Tax Exemption Law, if the redevelopment project is to be financed with bonds issued in accordance with the Redevelopment Bond Law; and

WHEREAS, pursuant to an Ordinance adopted by the City on September 12, 2018, the City approved the Exemption Application and the Entity and the City executed that certain Financial Agreement (the “**Financial Agreement**”) dated as of _____, 2018 governing payments to be made by the Entity to the City in lieu of real estate taxes;

WHEREAS, in the Redevelopment Agreement and Financial Agreement, in order to defray certain costs of the Burns Extension, thereby making the Project viable, the City agreed, upon satisfaction of conditions as set forth therein, to issue bonds or notes issued in anticipation thereof in one or more series in an aggregate principal amount not to exceed [\$500,000], which bonds may be issued as general obligation bonds or may be non-recourse bonds secured solely by a pledge of all or a portion of the Annual Service Charge or Special Assessment (the “**Bonds**”) pursuant to the Redevelopment Bond Law and/or the Local Bond Law, *N.J.S.A. 40A;2-1 et seq.* (the “**Local Bond Law**”), as applicable; and

WHEREAS, the Parties desire to amend certain provisions of the Financial Agreement to clarify the term and commencement date for the payment of the Annual Service Charge and other terms of the Financial Agreement relating thereto;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the City Council of the City of Vineland, in the County of Cumberland, State of New Jersey as follows:

I. GENERAL

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

II. EXECUTION OF AMENDMENT TO FINANCIAL AGREEMENT AUTHORIZED

(a) The Mayor is hereby authorized and directed to execute the Amendment to Financial Agreement, substantially in the form as it has been presented to the City Council, and attached hereto as **Exhibit A**, subject to additions, deletions, modifications, or revisions deemed necessary and appropriate in consultation with counsel to the City.

(b) The Municipal Clerk is hereby authorized and directed, upon the execution of the Amendment to Financial Agreement in accordance with the terms of Section II(a) hereof, to attest to the signature of the Mayor upon such document and is hereby further authorized and directed to affix the corporate seal of the City upon such document.

(c) The Municipal Clerk shall file certified copies of this ordinance and the Amendment to Financial Agreement with the Tax Assessor of the City. In accordance with P.L. 2015, c. 247, within ten calendar days following the later of the effective date of this Ordinance or the execution of the Amendment to Financial Agreement by the Entity, the Municipal Clerk also shall transmit a certified copy of this Ordinance and the Amendment to Financial Agreement to the chief financial officer of Cumberland County and to the Cumberland County Counsel for informational purposes.

III. SEVERABILITY

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

IV. ACTION REGARDING FINANCIAL AGREEMENT

Upon the execution of the First Amendment to Financial Agreement as contemplated herein, the Mayor and the City Clerk are each hereby severally authorized and directed to file and record this ordinance and the First Amendment to Financial Agreement with the Cumberland County Clerk such that the First Amendment to Financial Agreement and this ordinance shall be reflected upon the land records of the County of Cumberland as a lien upon and a covenant running with each and every parcel of land constituting the Redevelopment Area. Pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-

68(c), and notwithstanding any other law to the contrary, upon recordation of both this ordinance and the First Amendment to Financial Agreement, the lien thereof shall be perfected for all purposes in accordance with law and the lien shall thereafter be superior to all non-municipal liens thereafter recorded or otherwise arising, without any additional notice, recording, filing, continuation filing or action, until payment of all of the Redevelopment Area Bonds.

The Mayor is hereby authorized and directed to determine all matters and terms in connection with the Amendment to Financial Agreement, all in consultation with the counsel to the City, and the manual or facsimile signature of the Mayor upon any documents shall be conclusive as to all such determinations. The Mayor, the City Business Administrator, the Chief Financial Officer, the Municipal Clerk and any other City official, officer or professional, including but not limited to, redevelopment counsel, bond counsel, the financial advisor and the auditor to the City, are each hereby authorized and directed to execute and deliver such documents as are necessary to facilitate the transactions contemplated hereby, and to take such actions or refrain from such actions as are necessary to facilitate the transactions contemplated hereby, in consultation with, as applicable, redevelopment counsel, bond counsel, the financial advisor and the auditor to the City, and any and all actions taken heretofore with respect to the transactions contemplated hereby are hereby ratified and confirmed.

V. AVAILABILITY OF THE ORDINANCE

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

VI. EFFECTIVE DATE

This Ordinance shall take effect according to applicable law.

Record of Council Vote on Final Passage				
COMMITTEE PERSON	AYE	NAY	NV/A	ABSENT
Paul Spinelli				
David Acosta				
Angela Calakos				
Ronald Franceschini Jr.				
Albert Vargas				

✓Indicates vote
 Voting, A = Abstain

NV = Not

I, Keith Petrosky, Municipal Clerk of the City of Vineland, in the County of Cumberland, State of New Jersey, DO HEREBY CERTIFY the foregoing to be a true and exact copy of this ORDINANCE No. _____, which was introduced by the City Council at a meeting duly called and held on the ___ day of _____, 2018, and which was finally adopted by the City Council at a meeting duly called and held on the ___ day of _____, 2018.

CERTIFIED BY ME THIS ___ DAY OF _____, 2018

Keith Petrosky, RMC, Municipal Clerk