

**THE CITY OF
EAST ORANGE, NEW JERSEY
ORDINANCE NO. 4 OF 2021**

THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE REDEVELOPMENT AREA BOND FINANCING LAW, N.J.S.A. 40A:12A-64 ET SEQ., 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 HEREAFTER RECORDED

AN ORDINANCE AUTHORIZING THE EXECUTION OF FIRST AMENDMENTS TO FINANCIAL AGREEMENTS FOR PAYMENTS IN LIEU OF TAXES WITH EACH OF BRICK CHURCH URBAN RENEWAL I LLC, BRICK CHURCH URBAN RENEWAL II LLC, BRICK CHURCH URBAN RENEWAL III LLC, BRICK CHURCH URBAN RENEWAL IV LLC, BRICK CHURCH URBAN RENEWAL V LLC, AND BRICK CHURCH URBAN RENEWAL VI LLC PURSUANT TO THE LONG TERM TAX EXEMPTION LAW AND THE REDEVELOPMENT AREA BOND FINANCING LAW WITH RESPECT TO 533 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 1, 15-33 HALSTED STREET, ALSO IDENTIFIED AS BLOCK 683, LOT 1.01, 505 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.01, 507 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 4.02, AND 513-517 DR. MARTIN LUTHER KING, JR. BOULEVARD, ALSO IDENTIFIED AS BLOCK 683, LOT 5, ALL IN THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "**Redevelopment Law**") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Redevelopment Law confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Redevelopment Law, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, on December 27, 2011, the City Council of the City of East Orange (the "**City**") adopted Resolution 357 declaring that all of the Urban Enterprise Zone ("**UEZ**") areas within the City meet the statutory criteria to qualify as an area in need of redevelopment (the "**Redevelopment Area**"); and

WHEREAS, on February 27, 2012, the City Council adopted Ordinance No. 5 of 2012 approving a redevelopment plan for all UEZ areas within the City (the "**Original UEZ Redevelopment Plan**"); and

WHEREAS, on September 26, 2017, the City Council adopted Ordinance No. 31 of 2017 amending the Original UEZ Redevelopment Plan to clarify that it applies to properties that are subject to another redevelopment plan, and that the land use regulations contained in such other redevelopment plans shall govern (the Original UEZ Redevelopment Plan, as amended, the "**Redevelopment Plan**"); and

WHEREAS, the City has elected to act as the redevelopment entity to effectuate the Redevelopment Plan; and

WHEREAS, the City has authorized a redevelopment agreement with Brick Church Developers LLC (the "**Redeveloper**") to redevelop various parcels within the Redevelopment Area identified as: 533 Dr. Martin Luther King, Jr. Boulevard, also identified as Block /583, Lot 1; 15-33 Halsted Street, also identified as Block 683, Lot 1.01, 505 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 4.01; 507 Dr. Martin Luther King, Jr. Boulevard, also identified as Block 683, Lot 4.02; and 513-517 Dr. Martin Luther King, Jr. Boulevard also identified as Block 683, Lot 5 (collectively, the "**Property**"); and

WHEREAS, the Property is located within the Redevelopment Area and governed by the Redevelopment Plan; and

WHEREAS, Brick Church Urban Renewal I LLC ("**Entity 1**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IA Retail Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common and limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 60,000 net square feet of anchor grocery (the "**Phase IA Grocery Condo**"); (b) approximately 25,965 net square feet of the following commercial uses: retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, co-working spaces, dog day care centers, or dry cleaners (the "**Phase IA Ancillary Retail Condo**"); together with the Phase IA Grocery Condo, the "**Phase IA Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IA Retail Property**"); and

WHEREAS, Brick Church Urban Renewal II LLC ("**Entity 2**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IA Affordable Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 80 residential rental affordable units, which shall be affordable to very low, low, and moderate income households (the "**Phase IA Affordable Project**"), to be implemented upon a portion of the Property (the "**Phase IA Affordable Property**"); and

WHEREAS, Brick Church Urban Renewal III LLC ("**Entity 3**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IA Market Residential Application**", which is on file with the City Clerk) with respect to the implementation of two (2) master condominium units, each inclusive of its respective interests in common and limited common elements, and each inclusive of associated infrastructure and other improvements: (a) approximately 320 market rate residential rental units (the "**Phase IA Market Residential Condo**"); and (b) a parking deck with approximately 1,236 parking spaces (the "**Phase IA Parking Condo**"); together with the Phase IA Market Residential Condo, the "**Phase IA Market Residential Project**"), to be implemented on a portion of the Property (the "**Phase IA Market Residential Property**"); and

WHEREAS, Brick Church Urban Renewal IV LLC ("**Entity 4**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Anchor Retail Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 48,900 net square feet of retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial

institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase IB Anchor Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IB Anchor Retail Property**"); and

WHEREAS, Brick Church Urban Renewal V LLC ("**Entity 5**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Ancillary Retail Application**", which is on file with the City Clerk) with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 60,400 net square feet of retail sales, retail services, cafe/coffee house, restaurants, offices (general, professional, medical, and/or governmental offices), financial institutions, entertainment venues, art galleries and art, dancing and music schools, recreation facilities (including health clubs and gyms), daycare facilities, coworking spaces, dog day care centers, or dry cleaners (the "**Phase IB Ancillary Retail Project**"), to be implemented upon a portion of the Property (the "**Phase IB Ancillary Retail Property**"); and

WHEREAS, Brick Church Urban Renewal VI LLC ("**Entity 6**", and together with Entity 1, Entity 2, Entity 3, Entity 4, and Entity 5, the "**Entities**"), an affiliate of the Redeveloper, made application to the City dated August 6, 2020 (as amended and supplemented, the "**Phase IB Residential Application**", which is on file with the City Clerk, and together with the Phase IA Retail Application, the Phase 1 Affordable Application, the Phase IA Market Residential Application, the Phase IB Anchor Retail Application, and the Phase IB Ancillary Retail Application, the "**Applications**") with respect to the implementation of one (1) master condominium unit, inclusive of its respective interests in common and limited common elements, and inclusive of associated infrastructure and other improvements: approximately 357 market rate residential rental units and approximately 63 workforce housing units (the "**Phase IB Residential Project**", and together with the Phase IA Retail Project, the Phase IA Affordable Project, the Phase IA Market Residential Project, the Phase IB Anchor Retail Project, and the Phase IB Ancillary Retail Project, the "**Project**"), to be implemented upon a portion of the Property (the "**Phase IB Residential Property**"); and

WHEREAS, the Entities have been qualified by the State of New Jersey to do business as urban renewal entities under the provisions of the *Long Term Tax Exemption Law, NJS.A. 40A:20-1 et seq.* (the "**LTTE Law**"), and each was created for the development, operation and maintenance of its respective portion of the Project; and

WHEREAS, the Entities have each entered into financial agreements with the City pursuant to the LTTE Law (the "**Financial Agreements**"), which have been fully executed but remain in escrow in accordance with a certain document escrow agreement between the Parties and dated September 22, 2020 (the "**Document Escrow Agreement**"); and

WHEREAS, the Parties desire to amend Section 9.1, Conveyance of the Project, subsection (c), and subsection (d)(vi) of the Financial Agreements with each respective Entity; and

WHEREAS, Section 9.1(c) and subsection (d)(vi) of the Financial Agreements with Entity 1, Entity 4, and Entity 5 shall be revised substantially in the forms attached hereto as Exhibit A, and Section 9.1(d)(vi) of the Financial Agreements with Entity 2, Entity 3, and Entity 6 shall be revised substantially in the forms attached hereto as Exhibit B (the "**First Amendments**"); and

WHEREAS, the City Council desires to authorize the execution of the First Amendments, which shall be held in escrow in accordance with the Document Escrow Agreement,

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

I. **GENERAL**

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

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II. EXECUTION OF FIRST AMENDMENTS AUTHORIZED

(a) The Mayor is hereby authorized and directed to execute the First Amendments, substantially in the forms as they have been presented to the City Council, and attached hereto as Exhibit A and Exhibit B, subject to additions, deletions, modifications, or revisions deemed necessary or appropriate in consultation with counsel. After execution by the city and the Entity, the First Amendments shall be held in escrow in accordance with the Document Escrow Agreement.

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

(c) Once released from escrow in accordance with the Document Escrow Agreement, the City Clerk shall file certified copies of this ordinance and the First Amendments 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 First Amendments by the Entities, the City Clerk also shall transmit a certified copy of this Ordinance and the First Amendments to the chief financial officer of Essex County and to the Essex 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 FIRST AMENDMENTS

The Mayor is hereby authorized and directed to determine all matters and terms in connection with the First Amendments, 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 Business Administrator, the Chief Financial Officer, the City 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 law.