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TOWN OF MORRISTOWN

ORDINANCE O -15 -2012

ORDINANCE APPROVING THE FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION BY AND BETWEEN THE TOWN OF MORRISTOWN AND MORRISTOWN REDEVELOPMENT URBAN RENEWAL PHASE I, LLC

WHEREAS, the Town Council of the Town of Morristown (the "Town") in its capacity as the municipal governing body (hereinafter referred to as the "Governing Body"), designated the area comprised of Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12 in Block 5001; Lots 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29 in Block 5702; and Lots 1, 2, 3, 4, 5, 6, 7, 7.01, 7.02, 7.03, 7.04, 7.05, 7.06, 7.07, 7.08, 7.09, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 44.01, 44.02 and 44.03 in Block 5803 on the tax map of the Town as "an area in need of redevelopment" (the "Redevelopment Area"), by adoption of Resolution No. 31-04, on February 10, 2004, in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"); and

WHEREAS, the lots comprising the Redevelopment Area designated by the Governing Body as an "area in need of redevelopment" are commonly referred to as the Speedwell Avenue Redevelopment Area; and

WHEREAS, on August 8, 2007, pursuant to Ordinance O-30-07, the Governing Body introduced a redevelopment plan relating to the Redevelopment Area entitled "Speedwell Avenue Redevelopment Plan", prepared by Phillips Preiss Shapiro Associates and dated August 2007 (hereinafter referred to as the "Original Redevelopment Plan"); and /

WHEREAS, with the recommendation of Planning Board of the Town of Morristown, the Governing Body (i) adopted the Original Redevelopment Plan on September 18, 2007, pursuant to Ordinance O-30-07, (ii) subsequently amended the Original Redevelopment Plan on November 29, 2007, pursuant to Ordinance O-38-07, and (iii) further amended the Original Redevelopment Plan on October 13, 2011, pursuant to Ordinance O-19-11 (collectively, as amended, the "Redevelopment Plan"); and

WHEREAS, the Governing Body reviewed and accepted the concept proposal for redevelopment in multiple phases within the Redevelopment Area submitted by Trammell Crow Residential; and the Governing Body, by Resolution R-135-06, adopted on July 20, 2006, conditionally designated Trammell Crow Residential to serve as the redeveloper of the Redevelopment Area; and

WHEREAS, Trammell Crow Residential formed the entity, Morristown Development, LLC (the "Redeveloper"), for the purpose of redeveloping the Redevelopment Area; and

WHEREAS, the Town and the Redeveloper fulfilled the conditions of the conditional designation set forth in the Governing Body's Resolution R-135-06, and by approval and execution of that certain "Redevelopment Agreement", dated as of January 22, 2009, by and

between the Town and the Redeveloper (the "Original Agreement"), which was authorized pursuant to Resolution R-177-08, adopted by the Governing Body on December 4, 2008, the Redeveloper was designated as exclusive redeveloper of the Project, including Phase One, Phase Two and Phase Three (as such terms are defined in Article I of the Amended Agreement), subject to the terms and conditions of the Original Agreement; and

WHEREAS, the Town and the Redeveloper made certain amendments to the Original Agreement deemed to be in furtherance of the public purposes of the Original Agreement and the Redevelopment Plan, which amendments are embodied in the amended agreement entitled Amended and Restated Redevelopment Agreement, dated January 12, 2012, by and between the Town of Morristown and Morristown Development, LLC (Speedwell Avenue Redevelopment Project) (the "Amended Agreement"), which was entered into pursuant to Resolution R-27-2012; and

WHEREAS, the Redeveloper created the entity, Morristown Development Urban Renewal Phase I, LLC, a limited-dividend, urban renewal entity (the "Entity") under the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law") to undertake and own Phase One of the Project and to seek a long term tax exemption for Phase One of the Project under the LTTE Law; and

WHEREAS, Phase One of the Project consists of Lots 29, 30, 31, 32 and 33 in Block 5703 and portions of Lots 8, 34 and 37 in Block 5803 as shown on the tax map of the Town and within the Speedwell Avenue Redevelopment Area and includes the development of a mid-rise apartment building containing not more than two hundred sixty eight (268) residential units, twenty-six (26) of which will be affordable units for low and moderate income households, together with the extension of Prospect Street from Clinton Place to Early Street and such common area amenities, infrastructure and ancillary improvements as are commonly associated with mixed-use projects of this nature; and

WHEREAS, the Entity submitted to the Mayor of the Town (the "Mayor") an application for tax exemption, which is on file with the Town Clerk (the "Application"), requesting an exemption of the improvements constituting Phase One pursuant to the LTTE Law and in accordance with the Amended Agreement; and

WHEREAS, with the Mayor's recommendation for approval of the Application, a copy of which recommendation is on file with the Town Clerk, the Town Council accepted and approved the Application in Resolution R-75-2012, finding that Phase One of the Project represents an undertaking permitted by the LTTE Law, and constitutes improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law; and

WHEREAS, the Entity also separately submitted to the Mayor a form of financial agreement (the "Financial Agreement"), establishing the rights, responsibilities and obligations of the Entity under a tax exemption for Phase One of the Project; and

WHEREAS, the Mayor submitted the Financial Agreement to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, the Governing Body has reviewed the information provided in the Financial Agreement and has deemed it appropriate and acceptable.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Town of Morristown in the County of Morris, New Jersey, as follows:

Section 1. The Financial Agreement concerning Morristown Development Urban Renewal Phase I, LLC and the Long Term Tax Exemption of Phase One of the Speedwell Avenue Redevelopment Project attached hereto as **Exhibit A** is hereby approved, and the Mayor is hereby authorized to execute such Financial Agreement, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 2. The Clerk of the Town 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 Township upon such document.

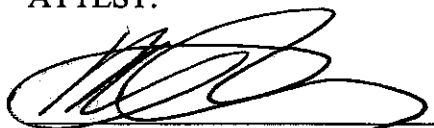
Section 3. The executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Town Clerk. Further, the Clerk of the Town shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Town and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the Long Term Tax Exemption Law.

Section 4. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 5. All ordinances and resolutions or parts thereof inconsistent with this Ordinance are hereby rescinded.

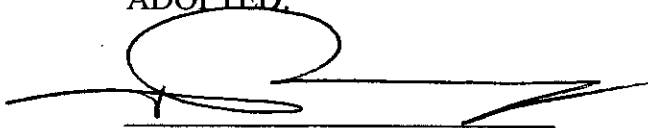
Section 6. This ordinance shall take effect in accordance with applicable law.

ATTEST:



MATTHEW K. STECHAUNER,
TOWN CLERK

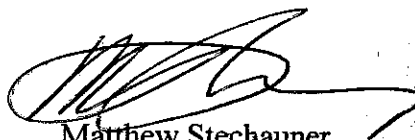
ADOPTED:



TIMOTHY P. DOUGHERTY
MAYOR 6/29/2012

I do hereby certify the above to be a true and exact copy of an Ordinance duly passed and adopted by the Town Council of the Town of Morristown at a regular meeting held on Tuesday, June 26, 2012, in the Morristown Council Room, 200 South Street, Morristown, New Jersey, beginning at 7:30 P.M., prevailing time.

DATED: June 29, 2012



Matthew Stechauner
Town Clerk



200 South Street, P.O. Box 914
Morristown, NJ 07963-0914

Timothy Dougherty, Mayor
Tel.: (973) 292-6629

June 6, 2012

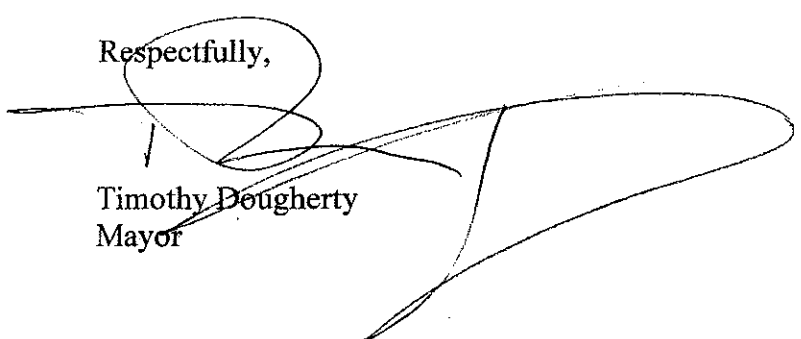
Dear Members of the Town Council of the Town of Morristown:

This office is in receipt of the Financial Agreement proposed by Morristown Development Urban Renewal Phase I, LLC pursuant to its approved application for a long term tax exemption concerning the improvements constituting Phase One of the Speedwell Avenue Redevelopment Project pursuant to the New Jersey Long Term Tax Exemption Law and the Amended and Restated Redevelopment Agreement between the Town of Morristown and Morristown Development, LLC, dated January 12, 2012.

Together with the Town's consultants, I have reviewed the above-referenced Financial Agreement and find that the Phase One improvements of the Speedwell Avenue Redevelopment Project are beneficial improvements made for the purposes of redevelopment of an area in need of redevelopment within the Town of Morristown. I therefore recommend that the Town Council adopt an ordinance approving the Financial Agreement and the execution thereof.

A copy of the Financial Agreement is currently on file with the Town Clerk and is also attached hereto for consideration by Town Council.

Respectfully,



Timothy Dougherty
Mayor

Cc: Michael F. Rogers, Business Administrator
Vijayant Pawar, Municipal Attorney
Matthew K. Stechauner, Town Clerk