

RESOLUTION R: 62 - 22

**RESOLUTION OF THE BOROUGH OF GLASSBORO, GLOUCESTER
COUNTY APPOINTING CONDITIONAL REDEVELOPER AND
AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING**

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (the "Redevelopment Law"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of rehabilitation or redevelopment; and

WHEREAS, by way of Resolution No. 59-03 adopted on February 3, 2003, the Mayor and Council of the Borough of Glassboro (the "Borough Council") declared the entirety of the Borough as an "Area in Need of Rehabilitation" pursuant to the Redevelopment Law; and

WHEREAS, pursuant to its plans for the revitalization of the Borough of Glassboro, the Borough Council adopted a redevelopment plan for the entirety of the Borough entitled "Redevelopment Plan for Rehabilitation in the Borough of Glassboro" dated May 2010 (the "Redevelopment Plan") setting forth plans for the development, redevelopment, planning, and zoning of the Borough; and

WHEREAS, the Borough has been in discussion with 50 S. Academy LLC (the "Conditional Redeveloper") regarding the rehabilitation and redevelopment of Block 41, Lot(s) 1, 2, 3, 4 & 5 (the "Property"); and

WHEREAS, Conditional Redeveloper has presented its rehabilitation and redevelopment concepts to the Borough, and the Borough and Conditional Redeveloper desire that the Property be rehabilitated and redeveloped in accordance with a Redevelopment Plan and any amendments thereto; and

WHEREAS, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented, provides for a process for redevelopment entities to enter agreements with redevelopers to carry out and effectuate the terms of a redevelopment plan; and

WHEREAS, the Borough and Conditional Redeveloper intend to commence exclusive negotiations toward the formulation of a Redevelopment Agreement to develop the Property in accordance with the requirements of a Redevelopment Plan and any amendments thereto; and

WHEREAS, in such event, the Borough desires to designate 50 S. Academy LLC as Conditional Redeveloper in order to negotiate with Conditional Redeveloper for a period of one hundred and eighty (180) days in an effort to agree upon a Redevelopment Agreement; and

WHEREAS, the Borough and Conditional Redeveloper desire to memorialize, in writing, their agreement under a non-binding Memorandum of Understanding that evidences the Parties' statement of intent.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Glassboro, County of Gloucester, State of New Jersey as follows:

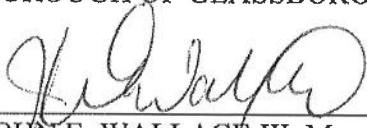
1. The aforementioned recitals are incorporated herein as though fully set forth at length.

2. That 50 S. Academy LLC is hereby designated as "Conditional Redeveloper" for the Property and the Mayor and Borough Clerk are hereby authorized to execute a Memorandum of Understanding between the Borough and Conditional Redeveloper evidencing the Parties' agreement to conduct exclusive negotiations toward the formulation of a Redevelopment Agreement for the Property.

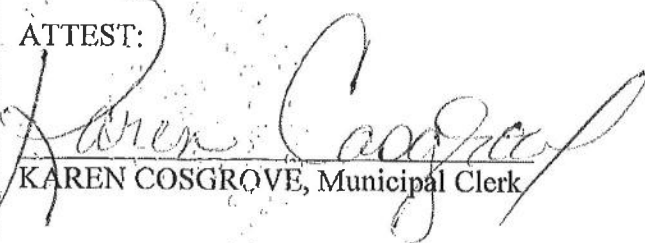
3. This Resolution shall take effect immediately.

ADOPTED at a meeting of the Mayor and Council of the Borough of Glassboro, in the County of Gloucester and State of New Jersey held on February 3, 2022.

BOROUGH OF GLASSBORO

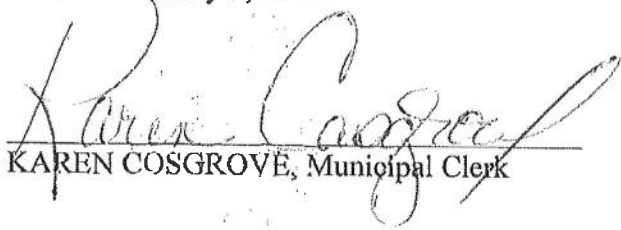

JOHN E. WALLACE III, Mayor

ATTEST:


KAREN COSGROVE, Municipal Clerk

CERTIFICATION

I, Karen Cosgrove, Municipal Clerk, of the Borough of Glassboro, in the County of Gloucester, do hereby certify that the foregoing Resolution was presented and duly adopted by the Borough Council at a meeting of the Borough of Glassboro held on February 3, 2022.


KAREN COSGROVE, Municipal Clerk

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") dated as of February 3, 2022 by and between 50 S. Academy LLC, having his offices at 51 Old Stone Crossing, West Hartford, CT, 06117, and/or its assignee, as provided herein (the "Conditional Redeveloper"), and the Borough of Glassboro, a Municipal Corporation in the County of Gloucester, State of New Jersey, having offices at 1 South Main Street, Glassboro, New Jersey 08028 (the "Borough"), collectively referred to as the "Parties."

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1, et seq.*, as amended and supplemented (the "Redevelopment Law"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of rehabilitation or redevelopment; and

WHEREAS, in order to stimulate redevelopment, on February 3, 2003, the Borough designated the entire Borough of Glassboro as an "Area in Need of Rehabilitation" pursuant to *N.J.S.A. 40A:12A-14*; and

WHEREAS, the Borough desires that Block 41, Lots 1, 2, 3, 4 & 5 in the Borough of Glassboro (the "Project Site") be rehabilitated in accordance with a Redevelopment Plan; and

WHEREAS, pursuant to its plans for the revitalization of the Borough of Glassboro, the Borough Council adopted a redevelopment plan for the entirety of the Borough entitled "Redevelopment Plan for Rehabilitation in the Borough of Glassboro" dated May 2010 (the "Redevelopment Plan") setting forth plans for the development,

redevelopment, planning, and zoning of the Borough covering property including the Project Site; and

WHEREAS, the Borough has been in discussion with Conditional Redeveloper regarding redevelopment of the Project Site; and

WHEREAS, Conditional Redeveloper has presented its redevelopment concepts to the Borough, and the Borough and Conditional Redeveloper desire that the Project Site be redeveloped in accordance with the Redevelopment Plan; and

WHEREAS, *N.J.S.A.* 40A:12A-1, *et seq.*, as amended and supplemented, provides for a process for redevelopment entities to enter into agreements with redevelopers to carry out and effectuate the terms of a redevelopment plan; and

WHEREAS, the Redevelopment Law, *N.J.S.A.* 40A:12A-8(f), authorizes the Borough to arrange or contract with a redeveloper for the planning, construction or undertaking of any project or redevelopment work in an area designated as an area in need of rehabilitation or redevelopment; and

WHEREAS, the Redevelopment Plan calls for, among other things, rehabilitation and/or demolition of existing improvements and construction of new improvements; and

WHEREAS, the Borough and Conditional Redeveloper have engaged in such preliminary negotiations and the Borough Council has determined that it is in the best interests of the Borough to enter into additional negotiations with Conditional Redeveloper for drafting of a Redevelopment Agreement and, therefore, to enter into this MOU with Conditional Redeveloper for the Project Site, for the redevelopment of the Project Site, including, but not limited to, rehabilitation and/or demolition of existing improvements and construction of new improvements which may include eighteen (18)

two-story townhouses with parking and other required site improvements (the "Project Improvements").

NOW, THEREFORE, in consideration of the Parties' promises and mutual representations, covenants and agreements set forth herein, the Parties, each binding itself, its successors and assigns, do hereby mutually promise, covenant and agree as follows:

1. **Designation as Conditional Redeveloper.** The Borough has, pursuant to Resolution _____, conditionally designated 50 S. Academy LLC, or its assignee, as Conditional Redeveloper for the Project Improvements on the Project Site and, pursuant to this MOU, hereby agrees, for a period of one hundred and eighty (180) days from the date hereof, to negotiate solely with Conditional Redeveloper in good faith, for the redevelopment of the Project Site, which period can be extended by the Parties' mutual written agreement.

2. **Redevelopment Agreement.** The Parties hereby agree to immediately commence good faith negotiations of the intended terms and conditions of a Redevelopment Agreement and other agreements, which shall include, but not be limited to, provisions for the following: project schedule; financial guarantee(s); compliance with the Redevelopment Plan; five (5) year tax abatement; local planning approval; and project oversight.

3. **The "Interim Period".** Conditional Redeveloper shall pay all Interim Costs (as defined below) incurred by the Borough during the time period commencing when the Borough reviewed the Conditional Redeveloper's proposal to the time the Borough and Conditional Redeveloper enter into a Redevelopment Agreement or the

time the Borough or the Conditional Redeveloper determines that a Redevelopment Agreement cannot be executed for any reason (hereinafter referred to as the "Interim Period"). Conditional Redeveloper shall pay all Interim Costs even if a Redevelopment Agreement cannot be executed for any reason.

4. **Payment of "Interim Costs".**

A. "Interim Costs" shall include all reasonable fees and costs of any professional consultant, contractor, legal counsel or vendor retained by the Borough during the Interim Period.

B. Interim Fund. Within three (3) business days of the execution of this MOU, Conditional Redeveloper shall establish a separate escrow account with the Borough by depositing the amount of Fifteen Thousand Dollars (\$15,000.00) ("Interim Fund") to be drawn down by the Borough to pay Interim Costs. If the Interim Fund is drawn down to Three Thousand Five Hundred Dollars (\$3,500.00), the Borough shall notify Conditional Redeveloper in writing and Conditional Redeveloper shall replenish the Fund as required herein within fifteen (15) days. If the Interim Fund is not so replenished, the Borough may terminate this Agreement immediately upon delivery of a Letter of Termination from the Borough to Conditional Redeveloper or its legal representative. In the case of termination, Conditional Redeveloper shall be responsible to immediately pay all costs due up to the date of termination. Except as otherwise specifically provided herein, the Interim Fund shall be administered in accordance with *N.J.S.A. 40:55D-53.1* and *N.J.S.A. 40:55D-53.2*.

C. Statement and Invoices. The Borough shall provide Conditional Redeveloper with monthly invoices during the Interim Period; setting forth the Interim

Costs incurred by the Borough which the Borough determines are to be paid from the Interim Fund. The Borough shall provide a final invoice within thirty (30) days of the date a Redevelopment Agreement is executed, or the date the Borough or Conditional Redeveloper determines that such an agreement cannot be executed.

D. Disposition of Interim Fund Balance. Any balance in the Interim Fund upon execution of the Redevelopment Agreement shall be refunded to the Conditional Redeveloper at the end of the Interim Period.

5. Amendments. Any and all amendments to this MOU shall be in writing and shall require the mutual agreement of both Parties.

6. Entire Agreement. This MOU sets forth all the promises, covenants, agreements, conditions and undertakings between the Parties hereto with respect to the subject matter hereto, and supersedes all prior or contemporaneous agreements and undertakings, inducements or conditions, express or implied, oral or written, between the Parties hereto.

7. Not Binding on Individuals. No covenant, condition or agreement contained in this MOU shall be deemed to be the covenant, condition or agreement of any past, present or future member, manager, trustee, official, officer, agent or employee of either Party, in his or her individual capacity, and neither the members, managers, trustees, officials, officers, agents or employees of such Party or Parties, nor any individual executing this MOU, shall be personally liable on this MOU or by reason of the execution hereof by such person, or arising out of any transaction or activity relating to this MOU.

8. **Governing Law.** The terms of this MOU shall be governed, construed, interpreted and enforced in accordance with the laws of the State of New Jersey, including all matters of enforcement, validity and performance.

9. **Non-Binding Effect.** Except for the Borough's obligation to negotiate exclusively and in good faith with Conditional Redeveloper, as well as Conditional Redeveloper's obligation to negotiate in good faith and to be responsible for all Interim Costs, this MOU does not constitute a binding commitment between the Parties hereto, as the Parties' respective rights and obligations remain to be fully defined in their Redevelopment Agreement(s).

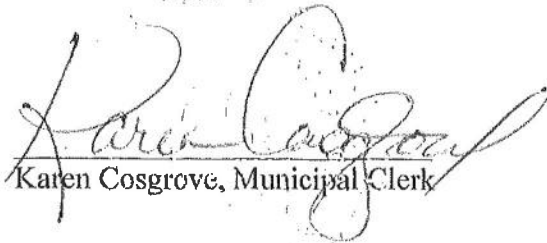
10. **Counterparts.** This MOU may be executed in counterparts. All such counterparts shall be deemed to be originals and together shall constitute but one and the same instrument.

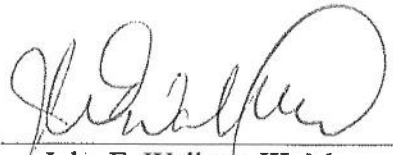
{Signatures on the Next Page}

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be properly executed and their corporate seals (where applicable) affixed and attested to as of the day and year first above written.

ATTEST:

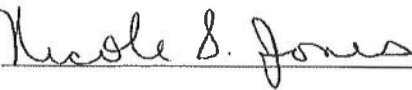
THE BOROUGH OF GLASSBORO

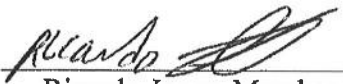

Karen Cosgrove, Municipal Clerk

By: 
John E. Wallace, III, Mayor

WITNESS:

50 S ACADEMY LLC

By: 
Nicole S. Jones

By: 
Ricardo Jones, Member