

TOWNSHIP OF CLARK
Ordinance No. 20-21
Adopted November 16, 2020

Introduced: October 19, 2020 Public Hearing: November 16, 2020

**AN ORDINANCE OF THE TOWNSHIP OF CLARK, COUNTY OF UNION,
APPROVING THE APPLICATION AND FINANCIAL AGREEMENT FOR A TAX
EXEMPTION PURSUANT TO THE LONG TERM TAX EXEMPTION LAW FOR
CLARK WALNUT DEVELOPERS URBAN RENEWAL, LLC FOR THE
CONSTRUCTION OF A RESIDENTIAL PROJECT
LOCATED AT 35 WALNUT AVENUE**

WHEREAS, by Resolution No.19-54 adopted on March 18, 2019, the Township Council of the Township of Clark (the "Council") designated property (the "Property") located at Block 155, Lots 7 and 10 as shown on the Tax Map of the Township of Clark as "an area in need of redevelopment" (the "Redevelopment Area"); and

WHEREAS, pursuant to Ordinance No. 19-09 dated April 1, 2019, the Township Council adopted a redevelopment plan (the "Redevelopment Plan") for the Redevelopment Area; and

WHEREAS, Clark Walnut Developers Urban Renewal, LLC ("Clark Walnut Developers") is the designated redeveloper of the Redevelopment Area, and shall enter into a redevelopment agreement (the "Redevelopment Agreement") with the Township; and

WHEREAS, Clark Walnut Developers intends to redevelop the Property by (i) constructing 177 residential rental units consisting of 149 rental apartments and including 28 affordable units and (ii) other amenities and related site improvements in the Redevelopment Area (collectively, the "Project"); and

WHEREAS, the Council 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, Clark Walnut Developers 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 Clark Walnut Developers and the Council; and

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

WHEREAS, Clark Walnut Developers also submitted to the Mayor (as part of the Application) a form of financial agreement (the "Financial Agreement"), to be executed by the Council and Clark Walnut Developers, establishing the rights, responsibilities and obligations of Clark Walnut Developers in accordance with the LTTEL; and

WHEREAS, the Council 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, Clark Walnut Developers 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 Council of the Township of Clark, in the County of Union, State of New Jersey, as follows:

1. The Mayor and Township Clerk are hereby authorized to execute the Financial Agreement with Clark Walnut Developers, subject to minor modification or revision, as deemed necessary and appropriate after consultation with Redevelopment Counsel.

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 Council approving the tax exemption or (ii) the execution of the Financial Agreement by Clark Walnut Developers, 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 Union County and to Union 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 or Redevelopment Counsel.

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

Effective Date: December 9, 2020

ATTEST:


EDITH L. MERKEL, RMC
 Township Clerk

APPROVED:


PATRICK J. O'CONNOR
 Council President


SALVATORE BONACCORSO
 Mayor

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	Motion to	Second	Motion to	Second				
	Introduce		Adopt		Aye	Nay	Abstain	Absent
Albanese					✓			
Barr					✓			
Hund		✓		✓	✓			
Mazzarella					✓			
Smith	✓		✓		✓			
Toal					✓			
O'Connor					✓			
Entire Council								
TOTAL					7			