

EXHIBIT B
APPROVING ORDINANCE

**BOROUGH OF FANWOOD
UNION COUNTY, NEW JERSEY**

ORDINANCE: 2022-13-R

ORDINANCE OF THE BOROUGH OF FANWOOD, COUNTY OF UNION APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE BOROUGH OF FANWOOD AND CARANO SQUARE URBAN RENEWAL, LLC FOR THE PROPERTY IDENTIFIED AS BLOCK 55, LOTS ~~7.01, 8, 9.0101, 9.0102, 10,~~ 11, 11.01 AND 12 AND BLOCK 57, LOT 1 AS SHOWN ON THE OFFICIAL TAX MAP OF THE BOROUGH OF FANWOOD (OLD SOUTH AVE PROPERTY)

WHEREAS, the Borough of Fanwood, in the County of Union, New Jersey (the “**Borough**”), a public body corporate and politic of the State of New Jersey (the “**State**”), is authorized pursuant to the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”), to determine whether certain parcels of land within the Borough constitute an area in need of rehabilitation and/or an area in need of redevelopment; and

WHEREAS, the Municipal Council of the Borough (the “**Municipal Council**”) adopted a Resolution on October 15, 2018, which designated Block 55, Lots 7.01, 8, 9.0101, 9.0102, 10, 11, 11.01, 12 and Block 57, Lot 1, inclusive of any and all streets, and right of ways as shown on the official Tax Map of the Borough of as a non-condemnation area in need of redevelopment in accordance with N.J.S.A. 40A:12A-1, et seq., to be known as “Old South Avenue Redevelopment Area”; and

WHEREAS, **CARANO SQUARE URBAN RENEWAL LLC**, (The “**Entity**”) is the owner or contract purchaser of certain property identified on the Tax Maps of the Borough as Block 55, Lots ~~7.01, 8, 9.0101, 9.0102, 10,~~ 11, 11.01, 12 and Block 57, Lot 1, as shown on that official tax maps of the Borough of Fanwood (the “**Property**”) as more particularly described by the legal description set forth in the application submitted by the Entity (the “**Application**”); and

WHEREAS, the Property is located within the Old South Avenue Redevelopment Area” (the “**Redevelopment Area**”), which has been designated as an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “**Local Redevelopment and Housing Law**”); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, on **August 5, 2019**, the Borough duly adopted **Ordinance No. 19-12-R**, approving the redevelopment plan for the “Old South Avenue Redevelopment Area” as amended by such ordinance (and as same may be further amended from time to time, the “**Redevelopment Plan**”) for the Redevelopment

Area; and

WHEREAS CARANO SQUARE URBAN RENEWAL LLC, is the designated redeveloper of the Property; and

WHEREAS, the proposed Project includes a residential development consisting of 119 market rate and 21 affordable 1, 2 and 3-bedroom residential rental units, with approximately 5000± sf standalone retail/restaurant building, with associated facilities, including parking and amenities (the “**Project**”); and

WHEREAS, the Entity submitted an Application to the Borough for approval of an exemption for the Project pursuant to the Long-Term Tax Exemption Law, which Application is attached hereto as *Exhibit A*; and

WHEREAS, the Entity has applied to the Borough Council for tax exemption pursuant to the LTTE Law with respect to the Project; and

WHEREAS, the Borough and the Entity reviewed the request and adjusted the terms of the Financial Agreement; and

WHEREAS, the Borough Council finds that the requested tax exemption will benefit the Borough and its inhabitants by improving the use of the Property and providing economic opportunities for residents through construction and permanent job creation, and the benefits would substantially outweigh the costs, if any, associated with the tax exemption;

WHEREAS, the Borough Council further finds that the requested tax exemption is important to the Borough and that without the incentive of the tax exemption, it is unlikely that the Project will be undertaken; and

WHEREAS, the construction of the Project will satisfy a portion of the Borough’s affordable housing requirements; and

WHEREAS, the Borough Council deems it to be in the best interest of the Borough to pass an Ordinance authorizing the Borough to enter into the proposed Financial Agreement with **CARANO SQUARE URBAN RENEWAL LLC** on the terms and conditions stated in the applicable form of Financial Agreement attached to this Ordinance;

NOW THEREFORE, be it Ordained that the Borough Council of the Borough of Fanwood does hereby adopt the tax exemptions for **CARANO SQUARE URBAN RENEWAL LLC** as follows:

Section 1. The development of the Project is hereby approved for the grant of a tax exemption under the Exemption Law by virtue of, pursuant to and in conformity with the provisions of the Exemption Law.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement with **CARANO SQUARE URBAN RENEWAL LLC** in substantially the form attached hereto and subject to any further review, analysis, or modifications that counsel may deem appropriate.

Section 3. During the term of the tax exemption with respect to **CARANO SQUARE URBAN RENEWAL LLC** there shall be paid to the Borough in lieu of any taxes to be paid on the improvements of the Project, an annual service charge determined as provided in the Financial Agreement.

Section 4. Counsel is authorized to prepare, and the Mayor is hereby authorized to execute any additional documents that may be necessary to implement and carry out the intent of the Financial Agreement.

BE IT FURTHER ORDAINED this Ordinance shall take effect as provided by law.

Introduced: October 17, 2022

Adopted: November 21, 2022

Colleen Mahr, Mayor

Attest: _____
Kathleen Holmes, Borough Clerk