

ORDINANCE #20-24

ORDINANCE OF THE BOROUGH OF SAYREVILLE, COUNTY OF MIDDLESEX, NEW JERSEY AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT, BY AND BETWEEN THE BOROUGH AND PARLIN SECTION 1 URBAN RENEWAL, LLC, PURSUANT TO THE LONG-TERM TAX EXEMPTION LAW, N.J.S.A. 40a:20-1 ET SEQ.

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.*, as amended from time to time (the “**Redevelopment Law**”), authorizes municipalities to determine whether certain parcels of land in a municipality constitute areas in need of redevelopment, and to adopt a redevelopment plan for such areas, pursuant to which redevelopment projects are to be undertaken; and

WHEREAS, the Redevelopment Law confers certain contract, planning and financial powers upon a redevelopment entity, as defined in *N.J.S.A. 40A:12A-3*, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Borough of Sayreville (the “**Borough**”), in the County of Middlesex, State of New Jersey, has elected to exercise these redevelopment entity powers through its redevelopment entity, the Sayreville Economic and Redevelopment Agency (“**SERA**”), as permitted under *N.J.S.A. 40A:12A-1 et seq.*, and

WHEREAS, PARLIN SECTION 1 URBAN RENEWAL, LLC (the “**Entity**”), is the redeveloper of a portion of the property known as the Hercules Redevelopment Area, Block 40 , Lot 1, a portion of Block 83.04, Lot 1, a portion of Block 43, Lot 1, a portion of Block 44, Lot 1 and a portion of Block 45, Lot 1 on the Borough’s tax maps (together, the “**Project Area**”), which is located in an area previously designated by the Borough as an “area in need of redevelopment,” as that term is defined under the Redevelopment Law; and

WHEREAS, the Entity and SERA entered into a Redevelopment Agreement, pursuant to which, among other things, the Entity will redevelop the Project Area by constructing thereon a project consisting of three (3) warehouse / distribution / industrial buildings totaling approximately 1,077,776 square feet and associated on-site and off-site infrastructure improvements, (the “**Project**”); and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Entity submitted to the Mayor of the Borough (the “**Mayor**”) an application (the “**Application**”), which is on file with the Borough Clerk, seeking tax exemption in connection with the Project pursuant to the Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1 et seq.* (the “**Long Term Tax Exemption Law**”), in exchange for which the Entity proposes to make payments to the Borough in lieu of taxes; and

WHEREAS, the Entity also submitted to the Mayor a form of financial agreement a copy of which is attached to the Application, establishing the rights, responsibilities and obligations of the Entity, which Financial Agreement has been revised through negotiations between the Borough and the Entity. The form of a financial agreement acceptable to both the Borough and the Entity is attached hereto as Schedule A, (the “**Financial Agreement**”); and

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

WHEREAS, the Borough Council has determined that the Project represents an undertaking permitted by the Long Term Tax Exemption Law.

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF SAYREVILLE, NEW JERSEY AS FOLLOWS:

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

Section 2. The Application and Financial Agreement are hereby approved.

Section 3. The Mayor is hereby authorized to execute the Financial Agreement substantially in the form attached hereto, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 4. The Clerk of the Borough 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 Borough upon such document.

Section 5. 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 6. This ordinance shall take effect in accordance with applicable law.

INTRODUCED/APPROVED ON FIRST READING

DATED: April 8, 2024

Jessica Morelos, R.M.C.
Clerk of the Borough of Sayreville

(Admin. & Finance Committee)
Borough of Sayreville

ADOPTED ON SECOND READING

DATED: April 29, 2024

Jessica Morelos, R.M.C.
Clerk of the Borough of Sayreville

(Admin. & Finance Committee)
Borough of Sayreville

APPROVAL BY THE MAYOR ON THIS _____ DAY OF _____, 2024.

Kennedy O'Brien, Mayor
Borough of Sayreville

APPROVED AS TO FORM:

Borough Attorney