

BOROUGH OF WANAQUE
COUNTY OF PASSAIC
STATE OF NEW JERSEY

ORDINANCE #3-0-16

AN ORDINANCE APPROVING A TWENTY YEAR ANNUAL SERVICE CHARGE PROGRAM FOR THE RESIDENTIAL PROJECT AS PART OF THE MIDVALE REDEVELOPMENT PLAN TO BE CONSTRUCTED IN THE BOROUGH OF WANAQUE BY REALTY ASSOCIATES REDEVELOPMENT LLC, A QUALIFIED URBAN RENEWAL ENTITY.

WHEREAS, on in April 20, 2009 the Borough Council of the Borough of Wanaque adopted ordinance number 5-0-09 establishing a redevelopment plan, after the appropriate referral to the Wanaque Planning Board, for the Midvale Redevelopment Area of the Borough Wanaque,

WHEREAS, Realty Associates Redevelopment, LLC, (the "Entity") is an urban renewal entity, formed and qualified to do business under the provisions of the Long-Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq.; and

WHEREAS, the Entity owns certain parcels of property known as Tax Block 231, Lots 10 and 11 as shown on the official Tax Maps of the Borough of Wanaque such property is hereinafter referred to as the "Project Premises"; and

WHEREAS, the Project Premises are located within the Midvale Redevelopment Area as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g) and the redevelopment of these parcels of property is controlled by the terms and conditions of the aforementioned instruments within the Borough Wanaque; and

WHEREAS, the Entity made a request for a twenty (20) year annual service charge to enable the construction and financing of the redevelopment project consisting of approximately 29 residential units; and

WHEREAS, Realty Associates Redevelopment, LLC, has agreed to pay an annual service charge on the redevelopment project of a minimum of 10% of the annual gross revenues; and

NOW, THEREFORE BE IT ORDAINED, by the Borough Council of the Borough of Wanaque that the benefits of this important redevelopment project, after giving due consideration to the annual service charge, include the following:

1. The real estate taxes for the Project Premises generated revenue for the Borough of Wanaque for the tax year 2015, the year immediately preceding the adoption of this ordinance was approximately \$19,400.
2. The Annual Service Charge as estimated will generate the approximate amount of revenue of one hundred forty three thousand dollars (\$69,600) per annum to the Borough of Wanaque plus a total amount of ;

3. This Project will stabilize and contribute to the economic stability of this area of the Borough of Wanaque;
4. This Redevelopment Project will further the overall redevelopment objectives of the Borough of Wanaque and provide workforce housing opportunities;

BE IT FURTHER ORDAINED that the Borough of Wanaque hereby determines that the annual service charge is critical to the development of the project and influencing the location decisions of probable adult residents for the following reasons:

-The relative stability and predictability of the annual service charge will make the project financially viable to the designated Redeveloper; and

-The relative stability and predictability of the annual service charge will allow both the Borough and the Entity to stabilize their operating budgets, allowing for a high level of investment in the project and required improvements over the life of the project, which will ensure the likelihood of the success of the project.

BE IT FURTHER ORDAINED, that the Financial Agreement between Realty Associates Redevelopment, LLC formed and qualified to do business under the provisions of N.J.S.A. 40A:20-1 et seq; and the Borough of Wanaque on file in the office of the Borough Clerk, for Tax Block 231, Lots 10 and 11 is hereby approved and that the Mayor is hereby authorized to execute an annual service charge-Financial Agreement-which shall include at a minimum the following terms and conditions:

Term: A term of twenty years (20) from the date of substantial completion of the project;

ASC: "Annual Service Charge" payments (in lieu of taxes) shall be established for this Redevelopment project and shall be calculated at a minimum of ten (10%) percent of the annual gross revenues; with applicable staged increases;

The Financial Agreement: shall be substantially in the form on file in the office of the Borough Clerk, subject to such negotiated modifications as the Mayor or Borough Administrator deems appropriate or necessary.

BE IT FURTHER ORDAINED, that all Ordinances and parts of Ordinances inconsistent herewith are hereby repealed and that this Ordinance shall take effect in the manner provided by law.

Dated: January 11, 2016

Katherine J. Falone, RMC, CMC
Municipal Clerk

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NOTICE IS HEREBY GIVEN that the foregoing Ordinance was Introduced at a Regular Meeting of the Mayor and Council of the Borough of Wanaque, Passaic County, New Jersey, held on the 11th day of January 2016, and passed on first reading, and the same was then ordered to be published according to law; and that such Ordinance will be further considered for final passage at a meeting of said Mayor and Council to be held in the Municipal Building, 579 Ringwood Avenue, Wanaque, New Jersey, on February 8, 2016 at 8:00 P.M., at which time and place or at any time and place to which said meeting shall be from time to time adjourned, all persons interested will be given an opportunity to be heard concerning said Ordinance.

BY ORDER OF THE MAYOR AND COUNCIL OF THE BOROUGH OF
WANAQUE.

DATED: January 11, 2016

KATHERINE J. FALONE, RMC, CMC
Municipal Clerk

BOROUGH OF WANAQUE
COUNTY OF PASSAIC
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BE IT RESOLVED that an Ordinance entitled:

AN ORDINANCE APPROVING A TWENTY YEAR ANNUAL SERVICE CHARGE PROGRAM FOR THE RESIDENTIAL PROJECT AS PART OF THE MIDVALE REDEVELOPMENT PLAN TO BE CONSTRUCTED IN THE BOROUGH OF WANAQUE BY REALTY ASSOCIATES REDEVELOPMENT LLC, A QUALIFIED URBAN RENEWAL ENTITY.

pass first reading, and that said Ordinance be further considered for final passage and adoption at a Regular meeting of the Borough Council to be held on the 8th day of February 2016, at the Municipal Building in the Borough of Wanaque, at 8:00 P.M., and that at such time and place all persons interested be given an opportunity to be heard concerning said Ordinance.

AND BE IT FURTHER RESOLVED that the Borough Clerk be instructed to publish in the manner provided by law a copy of said Ordinance, together with introduction thereof and notice when same will be considered for final passage and adoption.

Passed: 1/11/16

Filed: 1/11/16

Approved: 1/11/16

KATHERINE J. FALONE, RMC, CMC
Municipal Clerk