



**BOROUGH OF LAWNSIDE
ORDINANCE NO 11- 2021**

**ORDINANCE OF THE BOROUGH OF LAWNSIDE AUTHORIZING
APPROVAL OF FINANCIAL AGREEMENT FOR THE HISTORIC
BOROUGH OF LAWNSIDE STATION BUSINESS PARK II PROJECT**

WHEREAS, in order to stimulate redevelopment, the Council of the Borough of Lawnside ("**Borough Council**") by Resolution No. 151-FY-2005 determined that Block 405, Lot 1; Blocks 502-507 inclusive; Block 508, Lot 1; Blocks 509-512 inclusive; Block 601 inclusive; Block 602, Lots 23 and 24; Block 605, Lots 1 and 2; Block 701 inclusive (except for Lots 10, 11, 12, 13 and 20); and Block 1004, Lots 30 and 31 on the Official Tax Map of the Borough is an "area in need of redevelopment" under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. ("**LRHL**") ("**Redevelopment Area**"); and

WHEREAS, thereafter, the Planning Board reviewed and voted to recommend the approval of a redevelopment plan for the Redevelopment Area on May 9, 2005 and provided its recommendation by Resolution adopted on May 31, 2005, and Borough Council on July 6, 2005 by Ordinance No. 14-FY-2005, adopted the redevelopment plan for the designated properties ("**Redevelopment Plan**") which sets forth the plan for the redevelopment of the Redevelopment Area; and

WHEREAS, on March 13, 2013 the Borough entered into a redevelopment agreement with Vineland Construction Co. ("**Redeveloper**" or "**VCC**"), which agreement has been amended in the First Amendment executed on June 9, 2019, and which agreement was amended by the Second Amendment pursuant to Resolution 72-2021 approving Concept Plan 3 (which agreement as amended is referred to herein as "**Redevelopment Agreement**") setting forth the terms and conditions on which VCC and NFI Industries Inc. would employ the considerable property owned by it, along with other property in the Redevelopment Area, for the purpose of implementing the Redevelopment Plan; and

WHEREAS, in accordance with the Redevelopment Agreement, Redeveloper proposes to construct the final portion of the Historic Borough of Lawnside Station Business Park, which will be undertaken in four Units (as that term is used in NJSA 40A:20-3, and as defined below) of development as follows:

<u>Units</u>	<u>Location</u>	<u>Lot #</u>	<u>Presently Owned by</u>
<u>Unit C</u>	approximately 21,600 square feet of floor area on the corner of Walter A Gaines Way and East Oak Avenue	Block 6.01, Lot 1.01	VCC Lawnside Business Park I Urban Renewal Entity LLC
<u>Unit D</u>	approximately 225,000 square feet of floor area	presently <ul style="list-style-type: none"> • part of Block 601 Lots 1 & 4, • part of Block 602, Lot 23, • part of Block 510, Lot 18, • part of Highland Ave, all as identified on Exhibit 2A; proposed to be Lot 1.04, as shown on Attachment A to the Application	Part owned by VCC and part owned by VCC Lawnside Business Park I Urban Renewal Entity LLC
<u>Unit E</u>	approximately 175,000 square feet of floor area	presently <ul style="list-style-type: none"> • part of Block 601, Lot 4; • Block 601, Lot 5; • part of Block 602, Lot 23; • Block 602 Lot 24; • part of Block 510, Lot 18; • Block 510, Lot 19, and • part of Highland Ave, all as identified on Exhibit 2A proposed to be Lot 1.05, as shown on Attachment A to the Application	VCC
<u>Unit B-1</u>	approximately 50,000 square feet of floor area which will be constructed as an addition to Building B that was part of Flex I Business Park	presently part of the Block 601, Lot 1 due to Consolidation Deed, as identified on Exhibit 2A; proposed to be part of Lot 1.03, as shown on Attachment A to the Application	VCC Lawnside Business Park I Urban Renewal Entity LLC

(collectively the “ **Historic Borough of Lawnside Station Business Park II Project**”), pursuant to the concept plan for the Project recently approved for the final portion of the redevelopment of Area 2 of the Redevelopment Plan, Concept Plan 3 incorporated in the Proposed Financial Agreement as Exhibit 1, and which Project is planned to be developed on the four individual properties described above and more specifically on the individual legal descriptions attached hereto as Exhibit 2 to the Proposed Financial Agreement (“ **Historic Borough of Lawnside Station Business Park II Property**”); and the Entity is either one of three Urban Renewal Entities that the Redeveloper has formed for the purpose of undertaking the

Historic Borough of Lawnside Station Business Park II Project or VCC Lawnside Business Park I Urban Renewal Entity LLC; and

WHEREAS, pursuant to Section 6.01 of the Redevelopment Agreement, Redeveloper will cause the lots on which each Unit of the Historic Borough of Lawnside Station Business Park II Project will be developed to be transferred to the urban renewal entity responsible to develop that Unit; VCC will remain obligated to perform the obligations under the Redevelopment Agreement with respect to the property transferred on behalf of the Entity responsible for the relevant Unit; and

WHEREAS, the provisions of the LTTE authorize the Borough to accept, in lieu of real property taxes, an annual service charge paid by the Entity to the Borough based on the terms and conditions set forth herein; and

WHEREAS, the Redeveloper, has now made an application for a financial agreement ("**Application**") pursuant to the Long Term Tax Exemption Law ("**LTTE Law**") for the remainder of the Historic Borough of Lawnside Station Business Park II Project development which remains to be completed pursuant to the Redevelopment Agreement; and

WHEREAS, in lieu of a separate resolution, the Borough Council does hereby approve the Application, determining that the above referenced project represent undertakings are permitted by the LTTE Law, and constitute improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Borough, as authorized by the Redevelopment Law and the LTTE Law; and

WHEREAS, the Borough has made the following findings with respect to the Historic Borough of Lawnside Station Business Park II Project:

A. Relative benefits of the Historic Borough of Lawnside Station Business Park II Project to the redevelopment of the Redevelopment Area when compared to the cost, if any, associated with the tax exemption:

(1) The Historic Borough of Lawnside Station Business Park II Project will result in the improvement of negative conditions that the Borough recognized as the basis of its redevelopment area designation, including the lack of road access to much of the area that remains land locked, challenges presented by wetlands, deleterious land uses such as haphazard outdoor storage and dumping.

(2) The Historic Borough of Lawnside Station Business Park II Project will also provide jobs and opportunities for businesses to locate in modern easily-adaptable space.

B. Assessment of the importance of the tax exemption in obtaining development of the Historic Borough of Lawnside Station Business Park II Project and influencing the locational decisions of probable occupants:

(1) The tax exemption permits better use of the Land through:

(i) The stability of rents and the provision of a high level of service and maintenance, which provides further inducement for people to work and/or do business in the Borough; and

(ii) The improvement in the ability to attract conventional lending based on the stability of the "tax" obligation; and

WHEREAS, upon consideration of the Application, as defined above, and the Mayor's recommendations with respect thereto pursuant to N.J.S.A. 40A:20-8, the Borough Council has determined that it is appropriate to approve this ordinance approving the Application and authorizing the execution of the Financial Agreement a full copy of which is on file with the Borough Clerk ("**Financial Agreement**"); and

WHEREAS, the Borough previously approved a Financial Agreement with VCC Lawnside Business Park I Urban Renewal LLC for the first Flex Project and it now finds it appropriate to amend that Agreement to reflect the fact that the Planning Board approval of the Flex I Project was modified at the time of site plan approval to be a 150,000 square foot building and therefore this Ordinance approves a change in the definition

of Flex Building set forth in that Financial Agreement to reflect that fact, as well as a minor clarification of language in Section 7.03 of that Financial Agreement.

NOW THEREFORE BE IT ORDAINED, by the Borough Council of the Borough of Lawnside, County of Camden, State of New Jersey, that:

1. The Application referenced above is hereby approved.
2. The Financial Agreement concerning the Historic Borough of Lawnside Station Business Park II Project, and the exemption of the improvements undertaken in the project for a period of thirty years under the LTTE Law, is hereby approved substantially in the form on file with the Borough Clerk, and the Mayor is hereby authorized to execute the Financial Agreement substantially in that form, subject to minor modifications or revision, as deemed necessary and appropriate after consultation with Counsel and Counsel to the Redeveloper, and to execute any other related documents including an amendment of the Flex 1 Financial Agreement and to perform and enforce the rights and obligations set forth herein.
3. The Financial Agreement for the Flex I Project is hereby amended to modify and clarify that the definition of Flex Buildings to describe the second of the two buildings which remains to be developed as including 150,000 square feet, and to clarify the interplay between the Redevelopment Agreement and the Financial Agreement by adding the following language to the beginning of Section 7.03 "In accordance with the terms and conditions set forth in the Redevelopment Agreement including the Lender protections and other exceptions provided in Articles V and VI, prior to the issuance of a Certificate of Completion except as otherwise provided in the Redevelopment Agreement,"
4. The executed copies of the Financial Agreement for each of the Units the Historic Borough of Lawnside Station Business Park II Project and the amendment to the Financial Agreement for the Flex I Project shall be certified by and be filed with the Office of the Borough Clerk.
5. Further consistent with N.J.S.A. 40A:20-12, within 10 calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the Financial Agreement for the Flex I Project, and the amendment of the Historic Borough of Lawnside Station Business Park II Financial Agreement by the urban renewal entities, the Borough clerk shall transmit a certified copy of the ordinance and financial agreement to the chief financial officer of the County and to the County Counsel for informational purposes.
6. 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.
7. All ordinances or resolutions of parts thereof inconsistent with this ordinance are hereby rescinded.
8. This ordinance shall take effect in accordance with applicable law.

INTRODUCTION & FIRST READING: NOVEMBER 3, 2021

SECOND READING & PUBLIC HEARING: DECEMBER 1, 2021

FINAL ADOPTION: DECEMBER 1, 2021

BOROUGH OF LAWNSIDE:

**MARSHAREE A. WRIGHT
ACTING BOROUGH CLERK**

**MARY ANN WARDLOW
MAYOR**