

RESOLUTION OF THE TOWNSHIP OF IRVINGTON, NJ

No. EDGO 19-0923-23

Date of Adoption SEPTEMBER 23, 2019
[Signature]

APPROVED AS TO FORM AND LEGALITY ON THE BASIS OF FACTS SET FORTH BY

Legislative Research Officer

PRESENTED BY COUNCIL MEMBER HUDLEY

SECONDED BY VICK

RESOLUTION OF THE TOWNSHIP OF IRVINGTON, IN THE COUNTY OF ESSEX AUTHORIZING THE DESIGNATION OF EURO PROPERTIES, LLC AS REDEVELOPER OF CERTAIN PROPERTY LOCATED WITHIN THE TOWNSHIP OF IRVINGTON AND

WHEREAS, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "LRHL"), the Mayor and Municipal Council of the Township of Irvington (the "Township Council"), by resolution dated June 23, 2015, designated as an "area in need of rehabilitation" the entire area of the Township of Irvington, in the County of Essex (collectively, the "Property") and including without limitation, real property within the Township known as 52 Cummings Street, Block 79 and Lot 20 (the "Property") as an area in need of rehabilitation pursuant to the LRHL (the "Rehabilitation Area"); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-4(a)(3) and N.J.S.A. 40A:12A-7 the Township Council is empowered to adopt a redevelopment plan pursuant to which redevelopment projects are to be undertaken or carried out within an "area in need of redevelopment," and

WHEREAS, pursuant to that authority the Township Council caused a redevelopment plan for the Property to be prepared, entitled the *Redevelopment Plan Township-Wide Area in need of Rehabilitation* (the "Redevelopment Plan"); and

WHEREAS, the Township Council duly adopted a redevelopment plan governing the Rehabilitation Area, including, but not limited to, the Property above; and;

WHEREAS, the Township Council has determined to exercise the powers of redevelopment and serve as the "Redevelopment Entity" responsible for carrying out the redevelopment projects in the Rehabilitation Area in accordance with the Redevelopment Plan and pursuant to N.J.S.A. 40A: 12A-4(c); and

WHEREAS, Euro Properties, LLC (the "Redeveloper") submitted to the Township a Redeveloper's Application outlining the concept for the rehabilitation of the Property into mixed use commercial and residential units (the "Project") for review and consideration as to that portion of the Rehabilitation Area identified as the Property; and

WHEREAS, the Redeveloper submitted information in its Redeveloper's Application outlining its financial capabilities, experience, expertise and project concept descriptions for the Project and requested designation by the Township as the redeveloper for the Project; and

WHEREAS, the Township evaluated the Redeveloper's proposal according to criteria which included project concept descriptions and made the determination that the redevelopment of the Property thereof is in accordance with applicable provisions of the Redevelopment Plan will contribute to the rehabilitation of the Township in accordance with the legislative intent, goals and objectives of LRHL; and;

WHEREAS, the Township owns municipal tax lien(s) attached to the Property and intends to initiate In Rem Foreclosure proceedings to acquire title to the Property and will subsequently transfer title to the Redeveloper pursuant to a Purchase and Sales and Redevelopment Agreement to be subsequently approved by Council.

NOW THEREFORE, BE IT RESOLVED by the Municipal Council of the Township of Irvington, County of Essex, New Jersey as follows:

- 1 Generally. The aforementioned recitals are incorporated herein as though fully set forth at length.
- 2 Acquisition of title by the Township and the Designation of the Developer. Euro Properties, LLC is hereby designated as redeveloper, pursuant to N.J.S.A. 40A:12A-1 et seq., of the Project, subject to transfer of title of the Property to the Redeveloper.
- 3 Execution of the Escrow Agreement to cover the Township's cost of Foreclosing on the Property. Exhibit A attached.
- 4 Effective Date. This resolution shall take effect immediately.

Exhibit A - Escrow Agreement

RECORD OF COUNCIL VOTE

X = Indicates Vote N.V. = No Vote A.B. = Absent

COUNCIL MEMBER	YES	NO	N.V.	A.B.	COUNCIL MEMBER	YES	NO	N.V.	A.B.
BEASLEY	X				DR. HUDLEY	X			
BURGESS, 1ST VICE PRESIDENT	X				INMAN	X			
COX	X				VICK	X			
FREDERIC	X								

ACTING PRESIDENT OF COUNCIL Renee C. Burgess MUNICIPAL CLERK [Signature] DATE SEPT. 23, 2019

I hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Municipal Council. In witness whereof I have hereunto set my hand and the Corporate Seal of the Township of Irvington.

MUNICIPAL CLERK [Signature] DATE SEP 23 2019



ADMINISTRATOR ASSESSOR BLDG CFO COLLECTOR COURT EDGO ENGINEER FIRE~CF HEALTH HOUSING INIC JUDGE LEGAL LIBR LICEN MAYOR NPP OCDP PARKS PAYROLL PUBLIC SAFETY~DIR PUBLIC WORKS PURCHASING SEC~PB/ZBA TRAFFIC ZONING~OFF DLGS GNCD OTHER(S): _____

EXHIBIT A

Escrow Agreement

TOWNSHIP OF IRVINGTON
TRANSFER OF TOWNSHIP OWNED PROPERTIES ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Escrow Agreement") is made as of the ____ day of _____, 2019 by and between **EURO PROPERTIES LLC.**, (the "**Proposed Redeveloper**"), with an address at 236 Grandview Avenue, North Caldwell, New Jersey 07006 and **THE TOWNSHIP OF IRVINGTON**, a body corporate and politic of the State of New Jersey, with an address at Irvington Township Municipal Building, 1 Civic Square, Irvington, New Jersey 07111 (the "**Township**").

WITNESSETH:

WHEREAS, pursuant to the *Local Redevelopment and Housing Law, N.J.S.A. 40A: 12A-1 et seq.* (the "**LRHL**"), municipal council by resolution dated July 14, 2015, of the Township (the "**Township Council**") has duly designated the entire Township as an area in need of rehabilitation and has further adopted the Township-Wide Area in Need of Rehabilitation Redevelopment Plan in accordance with the procedures set forth in the LRHL; and

WHEREAS, the Act authorizes municipalities to adopt a redevelopment plan for an area as an designated as an "area in need of rehabilitation" pursuant to which redevelopment projects are to be undertaken and the Township Council duly adopted a redevelopment plan by Ordinance MC No. 3549 dated August 11, 2015 and which became effective on September 1, 2015, entitled the Township-Wide Area in need of Rehabilitation Redevelopment Plan (the "**Redevelopment Plan**"), governing the Rehabilitation Area, including, but not limited to the properties referenced herein, in accordance with *N.J.S.A. 40A: 12A-7*; and

WHEREAS, the Township is the owner of certain property(ies) located within the Rehabilitation Area identified as Block 79 and Lot 20 on the official tax map of the Township and commonly known, respectively as 52 Cummings Street, (the "**Property**"); and

WHEREAS, the Proposed Redeveloper and the Township, in its capacity as redevelopment entity, intend to negotiate a Redevelopment Agreement and Purchase and Sales Agreement (collectively, the "**Agreement**"), with respect to the designation of the Proposed Redeveloper as "redeveloper" to redevelop certain real properties commonly known as: 52 Cummings Street, Block 79 and Lot 20; on the Official Tax Maps of the Township (the "**Properties**").

WHEREAS, to cover the cost to the Township to engage in negotiations, finalize the Redevelopment Agreement, Purchase and Sales Agreement, and all documents actual transfer of the properties to the Redeveloper and as a precondition thereto, the Proposed Redeveloper has agreed to deposit with the Township initial amount of **FIVE THOUSAND AND 00/100 (\$5,000.00) DOLLARS** (the "**Escrow Deposit**"), to be deposited in an escrow account and disbursed in accordance with the provisions of this Escrow Agreement to defray certain cost incurred by or on behalf of the Township arising out of or in connection with the selection and designation of the Proposed Redeveloper as redeveloper and the negotiation and preparation of the Agreement.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Recitals. The recitals are hereby incorporated herein as if set forth in

2. Escrow Deposit. The initial Escrow Deposit is separate from and in addition to all other application fees and escrow deposits that may be required by the Township pursuant to the terms of the Agreement, if the parties are successful in their negotiations and one is executed, including any applications for land use approvals that may be needed to implement the Redevelopment Plan. Additions to the Escrow Deposit may subsequently become necessary to cover all reimbursable expenses incurred by the Township pursuant to the terms of this Escrow Agreement.

3. Scope of Reimbursable Services. (a) The Township shall be entitled to be reimbursed for all professional charges incurred in connection with the selection and designation of the Proposed Redeveloper as Redeveloper, the negotiation and preparation of this Agreement; the preparation and review of all related documents and materials, including but not limited to correspondence, meetings and all communications (including by telephone and e-mail) with the Proposed Redeveloper, its professionals, Township staff or retained professional(s) in the negotiation and preparation of such Agreement and related documents or materials (collectively, the "**Reimbursable Activities**"). **Reimbursement may include charges incurred in connection with Reimbursable Activities prior to the date of this Escrow Agreement, and is not contingent upon the outcome of the negotiations or execution of an Agreement.**

(b) Properly reimbursable professional charges shall be reasonable and necessary and shall relate to Reimbursable Activities performed by outside consultants and professionals.

(c) In addition to professional and consultant fees and expenses, properly reimbursable charges shall include a charge for each special meeting of a municipal board held at the request of or with the consent of the Proposed Redeveloper, at a cost of up to **\$1,000.00. per meeting.**

4. Deposit and Administration of Escrow Funds. The Escrow Deposit and all additions thereto shall be held by the Township in a banking institution or savings and loan association in the State of New Jersey insured by an agency of the federal government, or in any other fund or depository approved for such deposits by the State of New Jersey, in a segregated, non-interest bearing account referenced to this Escrow Agreement.

5. Payments from the Escrow Funds. (a) The Township shall use such funds to pay Reimbursable Activities, including professional charges or the charges for special meetings.

(b) Professional charges paid out of the escrow account shall include professional charges in connection with the Reimbursable Activities. The Proposed Redeveloper shall not be charged for any costs and expenses not associated with the Reimbursable Activities. The only costs that shall be added shall be actual out-of-pocket expenses of such professionals or

outside professionals or consultants, including normal and typical expenses incurred in connection with such Reimbursable Activities.

(c) Each payment for Reimbursable Activities charged to the escrow account shall be pursuant to a voucher from the professional, identifying the personnel performing the Reimbursable Activities, each date the services were performed, the hours spent in not greater than one-quarter (1/4) hour increments, the hourly rate, and specifying properly reimbursable expenses. All professionals shall submit the required vouchers or statements to the Township on a periodic basis in accordance with the schedule and procedures established by the Township. If so requested by the Proposed Redeveloper the professional shall simultaneously send an informational copy of each voucher or statement submitted to the Township to the Proposed Redeveloper; *provided*, that each such informational voucher or statement may be redacted if and as necessary to prevent disclosure of privileged or otherwise confidential matters.

6. Accounting and Additional Deposits. Upon the execution of an Agreement, termination of negotiations, or as reasonably requested by the Proposed Redeveloper, the Township shall prepare and send to the Proposed Redeveloper a statement which shall include an accounting of funds listing all deposits, disbursements and the cumulative balance of the escrow account. If at any time the balance in the escrow account is less than **TWO THOUSAND FIVE HUNDRED and 00/100 (\$2,500.00) DOLLARS**, or if the escrow account otherwise contains insufficient funds to enable the Township to continue with the negotiations or document preparations, the Township shall provide the Proposed Redeveloper with a notice of insufficient escrow deposit balance. The Proposed Redeveloper shall deposit to the escrow account said additional funds such that the total amount on deposit shall be not less than **FIVE THOUSAND and 00/100 (\$5,000.00) DOLLARS**, such deposit to be made within five (5) business days of the Township's notice, failing which the Township may unilaterally cease work without liability to the Proposed Redeveloper.

7. Close Out Procedures. Upon termination of negotiations without an Agreement being executed, or upon the execution of an Agreement, and unless otherwise provided in the Agreement, the Proposed Redeveloper shall send written notice by certified mail to the Township, the Township Attorney and to the relevant municipal professional(s), requesting that the remaining balance of the Escrow Deposit be refunded or otherwise applied as agreed to pursuant to the terms of the executed Agreement. After receipt of such notice, the professional(s) shall render a final bill to the Township within thirty (30) days, and if so requested shall send an informational copy simultaneously to the Proposed Redeveloper. Within thirty (30) days of receipt of the final bill the Township shall pay all outstanding bills and render a written final accounting to the Proposed Redeveloper detailing the uses to which the escrow funds were put. The Proposed Redeveloper will not be responsible for any additional charges once the final accounting has been rendered by the Township in accordance with this section. If an Agreement is executed and the Proposed Redeveloper so requests, the Township agrees to apply any balance remaining in the Escrow Deposit towards the funding of any escrow deposits that may be required to be posted pursuant to the terms of the executed Agreement.

8. Disputed Charges. (a) The Proposed Redeveloper may dispute the propriety or reasonableness of professional charges paid out of the Escrow Deposit by written notice to the Township. A copy of such notice shall be sent simultaneously to the professional(s) whose charges or estimated costs are the subject of the dispute. Such written notice of a disputed charge shall be given within 45 days from the Proposed Redeveloper's receipt of the informational copy of the professional's voucher, except that if the professional has not supplied the Proposed Redeveloper with an informational copy of the voucher, then the Proposed Redeveloper shall send notice within thirty 60 days from receipt of the first statement of activity against the escrow account containing the disputed charge. Failure to dispute a charge in writing within the prescribed time shall constitute the Proposed Redeveloper's acceptance of the charge and a waiver by the Proposed Redeveloper of all objections to the charge and to payment thereof out of the escrow account.

(b) During the pendency of a dispute the Township may continue to pay undisputed charges out of the escrow account. If a dispute over a charge is resolved in the Proposed Redeveloper's favor after having been paid, the Township shall reimburse the escrow account in the amount determined to be properly disputed.

9. Governing Law. This Escrow Agreement shall be governed, construed and enforced according to the laws of the State of New Jersey, without regard to its conflicts of laws principles. Any action hereunder shall be brought exclusively in a court of the State of New Jersey or in a United States Court having jurisdiction in the District of New Jersey, in either case sitting in Essex County, New Jersey, and the Proposed Redeveloper hereby waives all objections to such venue.

10. Successors and Assigns. This Escrow Agreement shall be binding upon, and inure to the benefit of, the parties hereto and upon each party's successors and assigns.

11. Entire Agreement; No Modification Unless in Writing. This Escrow Agreement contains the entire agreement of the parties relative to the subject matter hereof. Any amendment hereto or modification or variation hereof shall be ineffective unless in writing signed by each of the parties hereto.

12. Effective Date. This Escrow Agreement shall not become effective unless and until the initial Escrow Deposit is made.

The balance of this page intentionally left blank; signatures appear on next page.

IN WITNESS WHEREOF, the parties have executed this Agreement the date and year first above written.

Witness or Attest:

TOWNSHIP OF IRVINGTON

Name:
Title:

By: _____
Name:
Title:

Witness or Attest:

EURO PROPERTIES, LLC

Name:
Title:

By: _____
Name:
Title: