

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #140-2020

APPROVING A REDEVELOPMENT AGREEMENT BY, AND BETWEEN, THE BOROUGH OF MIDDLESEX AND RG MIDDLESEX URBAN RENEWAL, LLC FOR PROPERTY COMMONLY KNOWN AS 65 BAEKELAND AVENUE (FORMER UNION CARBIDE CORPORATION FACILITY), BLOCK 353, LOTS 1.01 AND 1.02, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW AND AUTHORIZING THE MAYOR TO EXECUTE THE SAME

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.*, as amended and supplemented (the "Redevelopment Law"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, pursuant to the Redevelopment Law, improvements to property located within an area in need of rehabilitation or redevelopment may qualify for long term tax exemptions under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, *et seq.*, (the "LTTE Law") and the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64, *et seq.*, (the "RAB Law"); and

WHEREAS, on August 28, 2018, in accordance with all applicable provisions of the Redevelopment Law, the Borough Council of the Borough of Middlesex (the "Borough Council") adopted Resolution No. 216-2018, which directed the Borough Planning Board (the "Board") to undertake a preliminary investigation to determine whether or not certain lands located at 65 Baekeland Avenue (the former Union Carbide Corporation facility) and shown as Block 353, Lots 1.01 and 1.02 on the Borough of Middlesex Tax Map (the "Study Area"), should be designated as an "Area in Need of Redevelopment" in accordance with the Redevelopment Law; and

WHEREAS, the Board authorized Paul N. Ricci, P.P. (the "Planning Consultant"), to conduct the aforementioned preliminary investigation; and

WHEREAS, the Study Area is located at the southeastern corner of Baekeland Avenue and River Road, near the southernmost point of the Borough and adjacent to the municipal boundary with Piscataway Township. The parcels contained in the Study Area are adjacent to each other and were part of the former Union Carbide Corporation facility. The Study Area has a combined area of 30.3146 acres; and

WHEREAS, the Planning Consultant prepared a report entitled, "Redevelopment Study and Preliminary Investigation Report - Block 353, Lots 1.01 and 1.02 (Former Union Carbide Corporation Facility)," dated December 12, 2018; and

WHEREAS, on April 24, 2019, the Board conducted a duly noticed public hearing to consider whether the Study Area should be designated an Area in Need of Redevelopment

without the powers of eminent domain, and recommended to the Borough Council that the Study Area should be so designated in accordance with N.J.S.A. 40A:12A-6 of the Redevelopment Law; and

WHEREAS, on May 28, 2019, the Borough Council adopted Resolution No. 135-2019, designating the Study Area as an Area in Need of Redevelopment without the powers of eminent domain (the "Non-Condensation Redevelopment Area"), pursuant to N.J.S.A. 40A:12A-6 of the Redevelopment Law, and directed the Board to prepare a Redevelopment Plan for the Study Area, pursuant to N.J.S.A. 40A:12A-7.f of the Redevelopment Law; and

WHEREAS, the Redevelopment Law authorizes the Borough to arrange or contract with a redeveloper for the planning, construction or undertaking of any project or redevelopment work in a redevelopment area; and

WHEREAS, on June 11, 2019, the Borough Council adopted Resolution No. 167-2019, conditionally designating RG Middlesex Urban Renewal, LLC, the contract purchaser of the Non-Condensation Redevelopment Area, as the redeveloper (the "Redeveloper"); and

WHEREAS, on September 10, 2019, the Borough Council adopted Ordinance No. 1974-19, approving and adopting a Redevelopment Plan for the Non-Condensation Redevelopment Area in accordance with N.J.S.A. 40A:12A-7 (the "Redevelopment Plan"); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-4, the Borough has determined to act as the "Redevelopment Entity" (as such term is defined at N.J.S.A. 40A:12A-3 of the Redevelopment Law) for the Non-Condensation Redevelopment Area; and

WHEREAS, the Redeveloper submitted to the Borough Council a preliminary design plan for the Non-Condensation Redevelopment Area and submitted to the Planning Board an application for site plan approval regarding the construction of 400,000 square feet of industrial warehouse space with supporting utilities, driveway, street lighting, landscaping, and other site plan improvements (the "Project"); and

WHEREAS, on March 10, 2020, the Redeveloper appeared before the Borough Council and made a presentation addressing the requirements of the Redevelopment Plan; and

WHEREAS, the Borough Council has determined that the Redeveloper's proposal is consistent with, and meets the goals of, the Redevelopment Plan, and is in the best interest of the Borough; and

WHEREAS, the Borough Council has determined that the Redeveloper possesses the proper qualifications, financial resources and capacity to implement and complete the Project in accordance with the Redevelopment Plan, and all other applicable laws, ordinances, and regulations; and

WHEREAS, the provisions of the LTTE Law and the RAB Law authorize the Borough to accept, in lieu of real property taxes, an Annual Service Charge (as defined in the LTTE Law), to be paid by the Redeveloper to the Borough in connection with the Project improvements pursuant to a financial agreement ("Financial Agreement") and to issue redevelopment area bonds to fund certain costs of the Project ("Redevelopment Bonds"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Mayor and Borough Council has determined that it is in the best interest of the Borough and its residents to enter into the attached Redevelopment Agreement with the Redeveloper, which Redevelopment Agreement designates the Redeveloper as the "Redeveloper" as that term is defined in the Redevelopment Law, and which specifies the respective rights and responsibilities of the Borough and the Redeveloper with respect to the Non-Condensation Redevelopment Area, conditioned on the adoption of the requisite ordinances implementing the proposed Financial Agreement and proposed Redevelopment Bonds financing for the Project; and

WHEREAS, if the Redeveloper fails to enter into a binding Financial Agreement or if the requisite ordinances implementing the proposed Financial Agreement and/or the proposed Redevelopment Bonds financing are not adopted by the Borough Council, the Redevelopment Agreement shall be subject to termination and the conditional designation of the Redeveloper may be vacated; and

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Middlesex, County of Middlesex, State of New Jersey, as follows:

1. The aforementioned recitals are incorporated by reference as if fully set forth herein.
 2. The Mayor is hereby authorized to execute the Redevelopment Agreement in the form annexed hereto, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.
 3. RG Middlesex Urban Renewal, LLC is hereby conditionally designated as the Redeveloper of Block 353, Lots 1.01 and 1.02 in accordance with the Redevelopment Plan.
 4. The Borough Clerk is hereby authorized and directed to attest to the signature of the Mayor and affix the corporate seal of the Borough upon the Redevelopment Agreement in the form annexed hereto.
 5. The Borough Clerk is hereby directed to forward executed copies of the Redevelopment Agreement to the Borough Attorney and Special Redevelopment Counsel so that they may retain one (1) copy for their records and Special Redevelopment Counsel shall forward one (1) copy to counsel for the Redeveloper. The Borough Clerk shall retain at least one (1) fully executed copy of the Redevelopment Agreement on file in her office.
 6. The Mayor and the Borough Clerk are hereby authorized to take such action and to execute such other documents, on behalf of the Borough, as is necessary to effectuate the terms of the Redevelopment Agreement, as deemed advisable by the Borough Attorney or Special Redevelopment Counsel.
 7. This Resolution shall take effect immediately upon adoption.
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I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on May 26, 2020.

RESULT:	ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER:	Jack Mikolajczyk, Council President
SECONDER:	Jason Carr, Councilman
AYES:	Mikolajczyk, Carnes, Carr, Eodice, Flood, Rex



CLERK OF THE BOROUGH OF MIDDLESEX