

TOWNSHIP OF VERONA
COUNTY OF ESSEX, NEW JERSEY



TOWNSHIP COUNCIL AGENDA

REGULAR MEETING 7:00 P.M. JUNE 21, 2021

****THIS MEETING WILL BE HELD IN-PERSON****

MUNICIPAL BUILDING, 600 BLOOMFIELD AVENUE

and

VIA ZOOM VIDEO CONFERENCE

Via the internet, please click the link below to join the meeting:

<https://zoom.us/j/95262662770>

Via telephone, please dial 1(312)626-6799 or 1(646)558-8656

Use Zoom Meeting ID: 952-6266-2770, when prompted for a Participant ID, press #

A. CALL TO ORDER

The notice requirements of the Open Public Meetings Act have been satisfied with respect to this meeting of the Township Council which is being held via Zoom video conferencing due to restrictions on indoor public gatherings resulting from the COVID-19 pandemic. Specifically, the time and date were included in the public meeting notice. This information, along with the public internet link and telephone call-in information was posted in the Municipal Building, and sent the official newspapers of the Township, the Verona-Cedar Grove Times and the Star Ledger and MyVeronaNJ.com, TAPinto and the Patch, the official online news source(s) of the Township, at least 48 hours preceding the start time of this meeting. The agenda and public handouts for this meeting can be viewed online at www.veronanj.org/councilmeetings. A public comment period will be held in the order it is listed on the meeting agenda and instructions on how to comment will be provided at the appropriate time.

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. REPORT OF THE MAYOR

- 1. Recognition of outgoing Councilmembers
- 2. Julius N. Coltre, Essex County Liaison

E. REPORT OF THE TOWNSHIP MANAGER

- 1. Appointments
 - a. Environmental Commission **Term Expires**
 - i. Jessica Pearson Member (3 year term) 6/30/2024
 - ii. Fuad Dahan Member (3 year term) 6/30/2024
 - iii. Jessica Pearson Chairperson (1 year term) 6/30/2022
- 2. Appointment Recommendations (requires appointment by Council) **Term Expires**
 - a. Environmental Commission
 - i. Anthony Castillo Alternate #1 (Unexpired 2 year term) 6/30/2022
 - ii. Brooke Berardo Alternate #2 (2 year term) 6/30/2023

F. COUNCILMEMBERS' REPORTS

G. HEARING ADOPTION OR AMENDMENT OF ORDINANCES

- 1. Ordinance No. 2021-14 First Amended and Restated Sunset Avenue Redevelopment Area Redevelopment Plan (Resolution No. K-1 needs to be adopted first)

TOWNSHIP COUNCIL AGENDA

JUNE 21, 2021

- | | | |
|----|-----------------------|---|
| 2. | Ordinance No. 2021-15 | Zoning Amendment - Prohibiting the Operation of Any Class of Cannabis Businesses |
| 3. | Ordinance No. 2021-18 | Bond - Providing for the Reexamination and Update of the Verona Township Master Plan and Zoning Code (\$176,000)*** |
| 4. | Ordinance No. 2021-19 | Bond - Upgrades to the E911 System (\$233,000)*** |
| 5. | Ordinance No. 2021-20 | Amending Chapter 140 (Bloomfield Avenue Parking Near Annin Lofts) |
| 6. | Ordinance No. 2021-21 | Financial Agreement - Verona Sunset Urban Renewal, LLC |

H. PROPOSED ORDINANCES

I. PUBLIC COMMENT ON CONSENT AGENDA ITEMS

CONSENT AGENDA

J. MINUTES

1. June 7, 2021 - Regular Meeting

K. PROPOSED RESOLUTIONS

- | | | |
|----|-------------------------|--|
| 1. | Resolution No. 2021-___ | Response to Planning Board Review of Ordinance No. 2021-14 |
| 2. | Resolution No. 2021-___ | Authorizing Estimated Tax Billing |

L. LICENSES AND PERMITS

- | | | |
|----|-------------------------|---|
| 1. | Resolution No. 2021-___ | 2021 Plenary Consumption License Renewals |
| 2. | Resolution No. 2021-___ | 2021 Plenary Retail License Renewals |

M. ADDENDUM

N. NEW/UNFINISHED BUSINESS

1. Public Hearing - Open Space & Recreation Plan (*The Land Conservancy of NJ*)
 - a. Resolution No. 2021-___ Green Acres Enabling Resolution

O. PUBLIC COMMENT

P. EXECUTIVE SESSION

Q. ADJOURNMENT

*The Public Comment period for the public hearing for ordinances and the Consent Agenda is limited to just those specific items. However, the public may speak on any matter during the Hearing Adoption or Amendment of Ordinance (listed on the agenda as item "G"), Public Comment on Consent Agenda Items (listed on the agenda as item "I") or general Public Comment (listed on the agenda as item "O") on this agenda. At that time, anyone attending the meeting via Zoom wishing to speak will be prompted to raise his/her virtual hand. You may do so by pressing the "raise hand" button on your monitor or, if dialing in by phone, press *9. You will be recognized and advised that you are unmuted. Your comments will be limited to four (4) minutes.*

Any member of the public may submit written communication in lieu of addressing the Township Council live during the Hearing Adoption or Amendment of Ordinance (listed on the agenda as item "G"), Public Comment on Consent Agenda Items (listed on the agenda as item "I") or general Public Comment (listed on the agenda as item "O") by sending comments to the Township Clerk via electronic mail at TownshipClerk@VeronaNJ.org or by written letter delivered to the Township Clerk by 4:30 p.m. on the day of the meeting. All written comments shall be read aloud during the public meeting at the appropriate time.

***** AGENDA SUBJECT TO CHANGE *****

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2021-14

ADOPTING THE REDEVELOPMENT PLAN ENTITLED “THE FIRST
AMENDED AND RESTATED SUNSET AVENUE REDEVELOPMENT AREA
REDEVELOPMENT PLAN” PURSUANT TO THE LOCAL
REDEVELOPMENT AND HOUSING LAW N.J.S.A. 40A:12A-1 *et seq.*

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the “**Redevelopment Law**”), authorizes municipalities to determine whether certain parcels of land in the municipality constitute “areas in need of redevelopment,” as such term is defined in the Redevelopment Law; and

WHEREAS, pursuant to the Redevelopment Law, on August 19, 2019 the Township Council (“**Township Council**”) of the Township of Verona, in the County of Essex, New Jersey (the “**Township**”), duly adopted Resolution No. 2019-140 designating the property identified on the tax maps of the Township as Block 303, Lot 4 as a “non-condemnation area in need of redevelopment” (the “**Redevelopment Area**”); and

WHEREAS, in order to effectuate the redevelopment of the Redevelopment Area, and pursuant to the authority granted under the Redevelopment Law, the Township caused Benecke Economics to prepare a redevelopment plan for the Redevelopment Area entitled, “The Sunset Avenue Redevelopment Area Redevelopment Plan” dated February 22, 2021 (the “**Redevelopment Plan**”); and

WHEREAS, on March 8, 2021, by Ordinance No. 2021-01 the Township Council adopted a redevelopment plan for the Redevelopment Area entitled “The Sunset Avenue Redevelopment Area Redevelopment Plan”, dated February 22, 2021(as may be amended and supplemented from time to time, the “Redevelopment Plan”); and

WHEREAS, the Township Council now desires to adopt a first amendment to the Redevelopment Plan to clarify ambiguous language and to incorporate comments from the public, the planning board and the Township’s professionals; and

WHEREAS, Benecke Economics prepared a first amendment to the Redevelopment Plan entitled, “The First Amended and Restated Sunset Avenue Redevelopment Area Redevelopment Plan”, dated May 3, 2021, which is attached hereto as Exhibit A (the “**First Amendment**”); and

NOW THEREFORE, BE IT ORDAINED by the Township Council of the Township of Verona, in the County of Essex, New Jersey as follows:

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

SECTION 2. The First Amendment is referred to the Township of Verona Planning Board for its review, report and recommendation in accordance with N.J.S.A. 40A:12A-7(e).

SECTION 3. The First Amendment, as filed in the Office of the Township Clerk and attached hereto as Exhibit A, is hereby approved and adopted pursuant to the terms of the Redevelopment Law.

SECTION 4. The zoning district map in the zoning ordinance of the Township is hereby amended to include the Redevelopment Area per the boundaries described in the Redevelopment Plan, and all of the provisions of the Redevelopment Plan shall supersede the applicable development regulations of the Township’s municipal code, as and where indicated.

SECTION 5. If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Ordinance.

SECTION 6. A copy of this Ordinance and the First Amendment shall be available for public inspection at the office of the Township Clerk during regular business hours.

SECTION 7. This Ordinance shall take effect as provided by law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 10, 2021 AND XXXX.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

INTRODUCTION: May 3, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

EXHIBIT A
THE FIRST AMENDED AND RESTATED
SUNSET AVENUE REDEVELOPMENT AREA REDEVELOPMENT PLAN
(the “First Amendment”)

The Township of Verona
Essex County
New Jersey

The First Amended and Restated Sunset Avenue Redevelopment
Area
Redevelopment Plan

Block 303, Lot 4
1 Sunset Avenue

PREPARED FOR
THE TOWNSHIP COUNCIL
OF THE
TOWNSHIP OF VERONA, NJ

May 3, 2021

BENECKE ECONOMICS
8410 Sanctuary Boulevard
Riverdale, N.J.
07457



Chelsea L. Gleis, PP
NJ Professional Planner License No. 33LI00622400

I. Abstract

The primary purpose of this Redevelopment Plan (“**Redevelopment Plan**” or “**Plan**”) is to implement a component of the affordable housing requirements established by the New Jersey Supreme Court *In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing*, 221 N.J. 1 (2015), whereinafter the Township of Verona (“**Township**” or “**Verona**”) filed the requisite Declaratory Judgement action in Superior Court (Docket No. ESX-L-4773-15) so as to develop a realistic plan in compliance with the required affordable housing required by the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et. seq, (“**FHA**”). The FHA requires municipalities to prepare a Housing Element and Fair Share Plan, which may be a part of the Master Plan, to achieve the objective of identifying affordable housing opportunities in a municipality.

The subject property is located at 1 Sunset Avenue in Verona at Block 303, Lot 4, consisting of land in both Verona and in the Township of Montclair (“**Montclair**”). This Redevelopment Plan is applicable only to the land located in Verona (“**Property**”). This Plan permits a multi-family apartment building with not more than 200 residential units including 15 affordable units.

To achieve the aforementioned objective of providing affordable housing opportunities, the Township of Verona and the property owner (Spectrum360) (“**Property Owner**”) entered into an agreement to enable the project to move forward, subject to the adoption of a redevelopment plan.

The proposed project and this Redevelopment Plan is an appropriate use of the Property because it replaces a preexisting school development (formerly a large office building) and is located near the Township’s main thoroughfare, Bloomfield Avenue and is in close proximity to the Extended Town Center Zone and other multi-family apartment buildings. The Property is one of only two properties in Verona proximate to Bloomfield Avenue (albeit in Montclair) that is zoned as single-family residential. The Plan establishes a new Multi Family-Mid Rise Redevelopment Zone which shall supersede existing zoning.

This Redevelopment Plan is consistent with the 2009 Verona Master Plan, not only regarding the Housing Element but also with a number of the plan’s policy objectives. This Plan presents the relationship to the New Jersey State Development and Redevelopment

Plan (the “**State Plan**”) which, in its 2001 SDRP Map, designates a portion of the Property as a PA-1 area and a portion as a PA-5 area. As is discussed in detail herein, the State Plan indicates in its guidance for redevelopment in a PA-5 area that *“New development in the Environmentally Sensitive Planning Area should be consistent with Statewide Policies and should be in Centers. Centers should absorb the growth otherwise projected for the Environs. Development and redevelopment should be guided to Centers with capacity to absorb growth in cost-effective ways that minimize impacts on environmentally sensitive features.”* The State Plan defines “Centers” as *“a compact form of development with one or more cores and residential neighborhoods.”* The State Plan defines “Core” as *“a pedestrian-oriented area of commercial and civic uses serving the surrounding municipality or a Center, generally including housing and access to public transportation.”* The location of the subject property in close proximity to the Extended Town Center zone and public transportation, meets this definition. Furthermore, the State Plan states in its delineation criteria for a PA-1 area that *“Areas that are totally surrounded by land areas that meet the criteria of a Metropolitan Planning Area, are geographically interrelated with the Metropolitan Planning Area and meet the intent of this Planning Area.”* Lastly, it is stated on the State Plan’s preface at page ix: *“New Jersey’s State Plan, including its State Plan Policy Map, is used to guide municipal, county and regional planning, state agency functional planning and infrastructure investment decisions. It is not appropriate to use the State Plan directly to formulate codes, ordinances, administrative rules or other regulations.”*

This Redevelopment Plan has, as a secondary purpose, the fostering of a cohesive development project accentuating the Township’s access to mass transit and employment opportunities and the integration, to the best extent possible, of the project into the surrounding neighborhood through appropriate buffers, screening, preservation of mature trees and existing vegetation, and attention to environmental considerations including steep slopes and stormwater management through green infrastructure practices.

II. Background

The 2009 Master Plan of the Township of Verona, dated May 18, 2009, included a Housing Element and Fair Share Plan (“**2009 FSP**”) to address affordable housing protocols in place at that date as promulgated by the Council on Affordable Housing (“**COAH**”) in their rules and regulations. The 2009 FSP indicated that “the planning board of the Township of Verona is committed to meet its constitutional obligation to provide affordable housing.

However, the methodology utilized by the Council on Affordable Housing appears to be illogical and overly burdensome but, nonetheless, has been followed in this housing element and fair share plan.” (See Section 13 of the 2009 Master Plan)

The 2009 FSP, while adopted by the Township Planning Board, was never implemented because of the uncertainty surrounding affordable housing regulations including COAH’s failure to adopt newly revised third round regulations. The Fair Share Housing Center, which was a party in both the 2010 and 2013 FHA cases, responded to the uncertainty by filing a motion in aid of litigants’ rights with the New Jersey Supreme Court. The Supreme Court heard the motion in January 2015. On March 10, 2015, the Court returned jurisdiction of affordable housing issues to the trial courts where it had been prior to the creation of COAH in 1986. This Supreme Court decision created a process for municipalities, like Verona, that participated in the FHA/COAH process, to file a Declaratory Judgment action (“**DJ**”) seeking to have the court declare the 2009 FSP constitutionally compliant and/or receive immunity from adverse affordable housing builders remedy lawsuits. This allowed time for municipalities to prepare a new or revised FSP to ensure their FSP continues to affirmatively address their local housing need as may be adjusted by new affordable housing-need numbers promulgated by the court.

Three parties intervened in the Township’s DJ action. Verona undertook extensive efforts to identify realistic development potential (“**RDP**”) areas to generate affordable housing opportunities within the Township as required by N.J.A.C. 5:93-3.4, which require municipalities to review their map (and land inventory) for areas that may be developed or redeveloped in order to meet its “unmet need” for affordable housing.

One of the intervenors in the Township’s DJ action was the Property Owner. Initially, the Property Owner proposed a 300 residential unit project on the Property, in part to provide 45 affordable housing units. On May 31, 2019, the Township and Property Owner entered into a settlement agreement which permitted such 300-unit project. On January 31, 2020, the parties executed an amended agreement reducing the project density to 200 residential units including 15 affordable housing units consistent with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“**UHAC**”). This Redevelopment Plan implements the January 21, 2020 settlement agreement.

On August 19, 2019, the Township Council of the Township of Verona (“**Council**”) adopted Resolution Number 2019-140 entitled “Determining that the Property Identified as

Block 303, Lot 4 be Designated as a Non-Condensation Redevelopment Area in Accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.” (“**LRHL**”) The statutorily required area in need of redevelopment study was completed and adopted by the Verona Planning Board on August 13, 2019 after holding public hearings on July 25, 2019 and on August 13, 2019 as directed by the Township Council. The redevelopment area designation was approved by the Commissioner of the Department of Community Affairs on October 4, 2019.

III. Property and Area Description

The Property has a street address of 1 Sunset Avenue in Verona. It is bounded by Sunset Avenue to the north, Afterglow Avenue to the west, and Bloomfield Avenue to the east. The Property was originally developed in the 1950’s as a bank corporate office and repurposed around 1970 as a Hoffmann-La Roche office and laboratory facility. In 1993, the Property was purchased by The Children’s Institute, which became Spectrum360, operating two NJ State Board of Education Private Schools for the disabled, providing Preschool, Autism and Behaviorally Disabled programs.

Figure 1. Tax Map

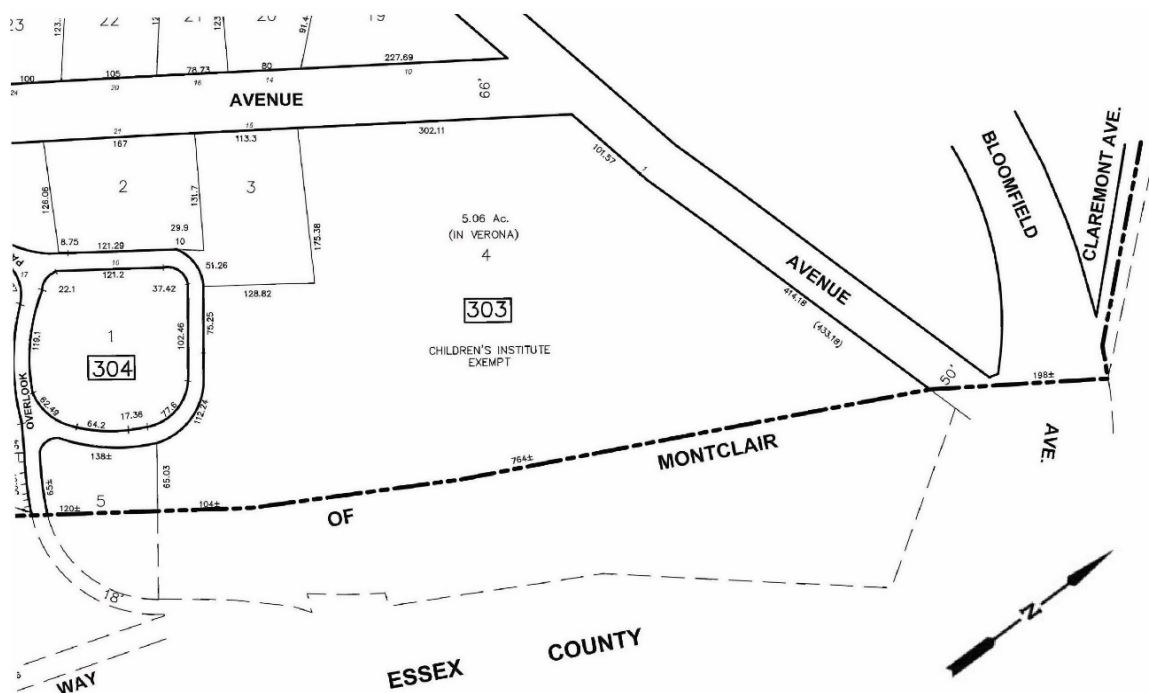


Figure 2. Area Context Map



The area around the Property consists of a variety of land uses. Immediately across from the Property to the north on Sunset Avenue is a medical office building. Also across Sunset Avenue to the northwest are single-family homes, behind which are commercially zoned properties fronting Bloomfield Avenue consisting of The Bagel House, Dante Tuxedo, and billboards on vacant properties. Also, in this commercial area on the other side of Bloomfield Avenue are two auto body shops, a mattress store, and a commercial office building.

Across Bloomfield Avenue and Claremont Avenue to the northeast, approximately 120 feet from the Property lies the 6-story Dorchester Condominium complex at 415 Claremont Avenue in Montclair. This complex consists of 88 residential units on approximately 1.2 acres built in 1957. Further to the northeast, approximately 400 feet from the Property lies the 6-story Rockcliffe Apartment complex, also in Montclair, consisting of 103 residential units built in 1940.

To the east of the Property are a townhouse and apartment complex fronting Bloomfield Ave in Montclair, as well as single-family homes along Rockledge Road, also in Montclair. The area to the south of the Property along Afterglow Way and to the southwest of the Property along Afterglow Ave also consist of single-family homes.

Figure 3. Zoning Context Map



The Property is situated in the R-100 (Very Low Density) residential zone (See Figure 3 above). Across the street from the Property on Sunset Ave is the R-70 (Low Density) residential zone as well as the Extended Town Center commercial zone, with permitted uses including but not limited to retail stores and retail service establishments, restaurants and commercial and professional offices.

The Property is located across the street from a bus stop with service for the New Jersey Transit 11 and 29 bus routes. The number 11 bus route runs between Newark Penn Station and the Willowbrook Mall in Wayne, New Jersey. The number 29 bus route runs between Newark Penn Station and Parsippany-Troy Hills, New Jersey.

IV. Goals and Objectives

The purpose of this Plan is to satisfy, in part, the aforementioned affordable housing commitment and constitutional obligation of Verona as stipulated in the 2009 Master Plan - while at the same time incorporating provisions which harmonize with the area surrounding the Property. This Redevelopment Plan is intended to promote a cohesive environment accentuating the Township's access to mass transit and employment opportunities and to integrate, to the best extent possible, a future development project within the surrounding neighborhood through:

1. Appropriate building scale with sufficient screening and buffer areas.
2. Mandatory use of green infrastructure stormwater management practices and preservation of mature trees and vegetation.
3. Identification of steep slopes and minimization of disturbance in order to protect the ridgeline.
4. Efficient vehicular circulation and promotion of pedestrian, bicycle, and public transportation.

V. Verona Master Plan

The Municipal Land Use Law, N.J.S.A. 40:55D-28, ("**MLUL**"), stipulates that a Housing Element of the municipal master plan be enacted to achieve the objective of access to affordable housing to meet present and prospective housing needs of a municipality, with particular attention to low and moderate income housing.

The 2009 Verona Master Plan ("**Verona Master Plan**") includes the 2009 FSP. It is important to emphasize that Objective Number 14 of the Verona Master Plan indicates that a purpose of the Master Plan is "(t)o continue to meet the municipal obligation to provide the Township of Verona its fair share of affordable housing meeting the requirements set forth by the New Jersey Council On Affordable Housing."

Additionally, the Redevelopment Plan is consistent with a number of the "Goals and Objectives" found in the Verona Master Plan. The first objective is to "encourage municipal action to guide the appropriate use or development of all lands in this Township, in a manner that will promote the public health, safety, morals, and general welfare." This Plan meets this objective by fulfilling the Township's obligation to provide affordable housing. This Plan

also takes into consideration the safety and general welfare of the Township with regards to traffic. The proposed use of the Property will result in a more steady flow of traffic throughout the day rather than the high concentration of traffic that exists today in the mornings and afternoons for school drop off and pickup.

This Plan also meets the fourth objective of the Verona Master Plan which is “to ensure that the development of the Township does not conflict with the development and general welfare of neighboring municipalities, the County and the State as a whole.” This is addressed in Section VI (C) of this Plan.

The fifth objective of the Verona Master Plan, “to promote the establishment of appropriate population densities and concentrations that will contribute to the well-being of people, neighborhoods, communities and regions and preservation of the environment” is also addressed in this Plan. A non-residential use has operated on the Property for the past approximately 70 years and is one of only two parcels in Verona bordering Bloomfield Avenue (albeit in Montclair) to be zoned for single-family residential use (the other property located at 352 Bloomfield Ave is zoned for R-50B (Medium/High Density) but is non-conforming as townhouses were built there in 1989). The proposed development of the Property, located across the street from the Extended Town Center zone, public transit and other multi-story apartment buildings, is an appropriate placement of higher population density. Furthermore, the Property will be developed in a way to minimize its impact on the single-family residential neighborhoods to the west and south, and in a way that limits its development on environmentally sensitive areas and preserving environmental resources. In Section 4 of the Verona Master Plan on page 8 in Map 4-3 “Soil Classification”, it illustrates that the Property is located mostly in the Yalesville Series and partially in the Boonton Series, both of which are described as “well drained. Annual flooding is none, and annual ponding is none” and “The minimum depth to a water table is greater than 6 feet.” Lastly, this Plan will preserve environmentally sensitive lands by identifying steep slopes and limiting the development on those lands.

The seventh objective of the Verona Master Plan is “to provide sufficient space and appropriate locations for a variety of residential, recreational, commercial and open space, both public and private, according to their respective environmental requirements in order to meet the needs of all citizens of Verona.” This Plan accomplishes this goal by increasing

the current variety of housing choices. This Plan also “preserve[s] and protect[s] the established primarily residential character of the Township by maintaining and improving neighborhood quality in existing residential areas.” It does so by redeveloping a non-residential use into a residential one, and by concentrating development in this location, reducing the demand for increased housing density in other areas of the Township. Therefore, this Plan accomplishes the goal of “encourage[ing] future housing construction that is compatible with the existing character of the Township without increasing housing density in established areas” and “guid[ing] the future development and/or redevelopment of land within the Township so as to incorporate new construction without undue disruption to the established character of the Township.”

VI. Development Standards

This Redevelopment Plan sets forth the parameters for the development of the Property. This Redevelopment Plan provides for a superseding zoning district.

A. Specific Zoning Provisions of this Redevelopment Plan.

The Property subject to this Redevelopment Plan is currently situated in the R-100 Zone and is situated directly across the street (at the northern point of the property) from the Extended Town Center Zone. The new zone governed by this Plan is the A-1RA “Multi Family-Mid Rise Redevelopment superseding Zone” in which multifamily dwellings are a principal permitted use. The A-1RA (Multi Family Mid Rise Sunset Redevelopment superseding Zone) district (“**A-1RA Zone**”) shall be added to the Township of Verona Zoning Districts at §150-17.8 F.¹ All definitions contained in the Code of the Township of Verona including the Administrative Legislation and the General Legislation effective at the time of application shall apply to this Redevelopment Plan except as modified herein. The regulations covering the new A-1RA Zone shall be as set forth in Figure 4 below and shall be included in a new Verona Ordinance Section at §150-17.8 F. of the General Legislation, as follows:

¹ The General Ordinances of the Township of Verona are referred to throughout this Redevelopment Plan. The various sections of the Ordinances are referenced by code number, for example §150-Zoning.

§150 - 17.8 F. A-1RA MULTI FAMILY–MID RISE REDEVELOPMENT ZONE DISTRICT.

i. Principal Permitted Use.

Multi-family residences, not to exceed 200 residential units of which 15 residential units shall be affordable housing apartments as required under the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. (“**FHA**”) and as limited by Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“**UHAC**”), which requires municipalities to endeavor to identify affordable housing opportunities in a municipality. This is a superseding zoning district applicable to Block 303, Lots 4, including any easements, required to provide utilities, access or parking within the redevelopment project. The following Figure 4 includes the bulk standards applicable to the Property.

Figure 4. Area, Yard and Bulk Regulations. Multi-Family – Mid Rise Redevelopment.

Standard:	A-1RA Zone:
Minimum Acreage	5.0
Maximum Residential Density Per Acre	N/A
Minimum Front Yard Setback*	50 feet
Minimum Side Yard Setback-Any Side*	50 feet
Minimum Rear Yard Setback*	50 feet
Maximum Dwelling Units Per Acre	N/A
Maximum Height-Building**	60 feet
Maximum (Improved) Lot Coverage-Percent	75%
Maximum Dwelling Units	200 units
Subdivision of Property***	Not Permitted

* No setback is required from a municipal boundary.

** Height-Building shall be defined as the vertical distance measured from the average ground elevation of the finished built out grade (after building construction) at the building line around the full perimeter of the building, to the buildings highest point, exclusive of chimney, steeples, mechanical equipment-including, HVAC, parapet wall (which shall not be higher than 48 inches and shall not be built when a pitched roof is being proposed), elevator tower and flagpole. A pitched roof design element is preferred but not required and every effort shall be made to have the building(s) blend into the topography and landscape.

*** An individual building may be divided by a fire wall which creates a separate permanent building”.²

² A firewall creates separate independent buildings. Section A.3.3.14.6 of the NFPA 221 allows for the portions of the structure subdivided by a firewall to be considered separate buildings. The requirement that a firewall cannot collapse during fire conditions is also stipulated in Section 706.2 of the 2012 IBC.

ii. Applicability of Certain Verona Ordinance.

a. All provisions of the Code of the Township of Verona including the Administrative Legislation and the General Legislation effective at the time of application shall apply to this Redevelopment Plan except as modified, clarified or deemed inapplicable herein.

iii. Applicability of Certain Verona Ordinances with Modifications and Clarifications.

a. The provisions of §150-7.9(U) pertaining to “Signs” shall be applicable to the A-1RA Zone. Paragraph 2 shall be applicable but is hereby modified to permit doubled sided signs up to 26 square feet in surface area per side (52 square feet in total). The area and height calculation used to determine the sign surface area shall not include any foundation used to support the sign.

b. The same provisions of §150-7.20(A) “Sheds” shall be applicable to the A-1RA Zone as if the A-1RA Zone was zoned as R-100.

c. The provisions of §150-11.1 “Buffer Zone Requirements” shall be applicable to the A-1RA Zone except that a minimum of a 30 foot densely planted landscaping buffer incorporating existing natural features (trees, rocks, plants, etc.) shall be required within the total buffer area along the entire frontage of Afterglow Avenue and along Sunset Avenue south of the driveway to the Property to the intersection with Afterglow Avenue.

d. The Township Engineer shall have the right to determine the proper areas for the required planted area pursuant to Article XI of Chapter 150 (§ 150-11.1 et al), taking into reasonable consideration the criteria set forth in the Article.

e. The provisions of §150-12.1(A) shall be applicable except that all off-street parking spaces shall be located within the Property. No off-street, off-site parking spaces shall be permitted.

f. The provisions of §150-12.1(B) shall be applicable except that the minimum number of required parking spaces may be met or satisfied by parking spaces located within or underneath a principal building.

g. The provisions of §150-12.2 shall be applicable except that the minimum size of parking stalls shall be nine feet by 18 feet.

h. The provisions of §150-12.4 shall be applicable only to the on-site, off-street, surface parking spaces. The access widths of any parking areas located within or underneath

a principal building shall be designed in accordance with good engineering and construction practices which shall be reviewed and reasonably approved by the Township Engineer whose approval shall be forwarded to the Planning Board at Site Plan Approval.

i. The provisions of §150-12.6 shall not be applicable and shall be supplemented with the following: The number of on-site parking spaces required in the A-1RA Zone shall be a minimum of 1.9 per residential unit. However, a deviation from the New Jersey Residential Site Improvement Standards ("R.S.I.S.") may be granted by the planning board upon recommendation from the Township Engineer should the applicant prove somewhat less parking is appropriate.

j. The provisions of §150-12.7 shall not be applicable to the A-1RA Zone except that no recreational vehicle shall be permitted to be parked in the A-1RA Zone.

k. The provisions of §150-12.8(C) shall be applicable only to the on-site, off-street, surface parking spaces. The parking stalls and driveways of any parking areas located within or underneath a principal building shall be designed in accordance with good engineering and construction practices which shall be reviewed and reasonably approved by the Township Engineer whose approval shall be forwarded to the Planning Board at Site Plan Approval.

l. The provisions of §150-12.8(D) shall be supplemented to read: All on-site, off-street surface parking areas within this Redevelopment Plan shall be screened along the side or sides abutting a public street with appropriate plantings or other appropriate screening as reasonably approved by the Township Engineer. Said plantings or other screening shall be a minimum of five feet in height and positioned in a way to shield the parked vehicles from the public street.

m. The provisions of §150-12.10 shall be applicable only to the reasonable judgement of the Township Engineer.

n. The provisions of Article XXIII of Chapter 150 (§ 150-23.1 et al) pertaining to Steep Slopes shall NOT be applicable to the A-1RA Zone, as such the property which is the subject of this Redevelopment Plan is exempt from the requirements, standards and restrictions contained in this Article. However, Steep Slope areas shall be designated for identification purposes only on site-specific topographic mapping to be prepared by a land surveyor licensed in the State of New Jersey, or utilizing best available topographic information as

determined by the Township Engineer. The percent of slope (rise in feet per horizontal distance in feet) shall be established by measurement of distance perpendicular to the contour of the slope for the disturbed area. The percent of slope shall be calculated for each two-foot contour interval. For example, any location on the site where there is a 1.0-foot rise over a 10.0-foot horizontal run constitutes a 10% slope; a 1.5-foot rise over a 10.0-foot horizontal run constitutes a 15% slope; and a 2.5 foot rise over a 10.0-foot horizontal run constitutes a 25% slope. Previously existing artificially created landscaping features or construction elevation changes, such as, but not limited to, retaining walls, garden mounds or the transitions between terraces, or the creation of a railroad bed, shall be exempt from consideration in calculating slopes for designation of areas under this chapter. However, if the nominal slope of the land supporting such a feature meets the definition of a steep slope, irrespective of the existence of the feature, it shall be included as a designated area.

iv. Inapplicability of Certain Verona Ordinance.

a. The provisions of §150–5.1(F). “Lot Located in More than One Zone” shall NOT be applicable to the A-1RA Overlay Zone.

b. The provisions of §150–11.3(B), 11.4(A) and (C), 11.6(D) and 11.7(G) shall NOT be applicable to the A-1RA Zone.

v. Traffic Circulation and Electric Vehicle Charging Stations

a. The preparation of a traffic circulation and control report shall be reviewed by the Township Engineer for adequacy.

b. Electric vehicle charging stations shall be provided on site and at a minimum of two separate locations. A minimum of 2% of all parking spaces shall be dedicated to electric vehicles, half of which shall be located within the surface parking lots. The designated redeveloper shall provide for a permit process to assign dedicated electric vehicle spaces to residents.

vi. Permitted Accessory Use(s) and Structures. The following are permitted to be built on the Property. All such spaces, structures, or devices shall not be permitted within the 50 foot buffer area:

a. Screened or enclosed waste collection and recycling areas, subject to the reasonable approval of the Township Engineer.

b. Interior building space may include leasing, management, maintenance, and related offices-exclusively conducting business for the benefit of the Redevelopment project.

c. Interior building space may include amenity interior space, including but not limited to community meeting rooms, mailrooms etc.

d. Exterior amenity space such as recreation areas, pools, benches, gazebos (having a maximum height of twenty-four feet), etc. are permitted. No tennis courts (including pickle ball) or basketball courts may be constructed without the expressed approval of the planning board. Any permitted exterior amenity space shall not be permitted to the south of the primary structure abutting the R-100 Zone.

e. One screened or unobtrusive satellite or dish antenna in the side yard is permitted.

f. Balconies, eaves and well-designed porches may be constructed provided they do not encroach by more than 5 feet into any yard, or buffer area. The maximum amount of porch area shall be 70 square feet per porch. Accordingly, the provision of §150-5.3(G) stipulating "Multiple family dwellings may have one canopy or porch at ground level which shall not exceed 70 square feet and which shall have a minimum setback of 8 feet", shall NOT be applicable to the A-1RA Zone.

B. Redevelopment Plan Regulations.

1. No modification or deviation from this Plan that would be the equivalent of a "d" variance pursuant to N.J.S.A. 40:55D-70(d) shall be granted by the Planning Board. Such a modification or deviation requires an amendment to this Redevelopment Plan. Any modification or deviation from this Redevelopment Plan that would be the equivalent of a "c" variance pursuant to N.J.S.A. 40:55D-70(c) may be submitted to the Planning Board for consideration as part of a site plan application by the redeveloper, subject to prior review by the designated Township Planner.

2. Site plan, for redevelopment project(s) shall be reviewed and approved by the Township Engineer, Township Planner, and Planning Board as may be applicable and shall be subject to a new site plan approval inasmuch as any prior site plan approval(s) are hereby declared no longer in effect.

3. The Township of Verona and the Redeveloper shall enter into a "Redevelopment Agreement" prior to submission of a site plan application, as permitted by the LRHL at N.J.S.A.

40A:12A-9. The Redevelopment Agreement shall contain the terms, conditions, specifications of any and all redevelopment actions. The Redevelopment Agreement shall at a minimum include:

- The project concept(s) and description of project design elements, especially building design features and materials, for the undertakings proposed.
- A schedule for the commencement and completion of improvements.

4. The designated redeveloper of the Property shall submit documentation to the Township Manager and Township Council demonstrating compliance with this Redevelopment Plan prior to the submission of a site plan application to the Planning Board.

5. This Redevelopment Plan shall remain in effect for thirty-five years from the date of adoption of the Ordinance adopting this Redevelopment Plan.

C. Compliance with the LRHL.

This Redevelopment Plan provides the structure to comply with the provisions of the Local Redevelopment and Housing Law at N.J.S.A. 40A:12A-7 “Adoption of redevelopment plan”. The following statutory elements are covered in this Redevelopment Plan with our guidance in bold type. To wit:

7. a. No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, or in both, according to criteria set forth in section 5 or section 14 of P.L.1992, c.79 (C.40A:12A-5 or 40A:12A-14), as appropriate.

The redevelopment plan shall include an outline for the planning, development, redevelopment, or rehabilitation of the project area sufficient to indicate:

- (1) Its relationship to definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements.*

The Plan’s relationship to local objectives is discussed extensively in Section V. However, the definitive local objective being complied with is the elimination of an educational facility in favor of a legally required affordable housing project.

- (2) Proposed land uses and building requirements in the project area.*

The details of the land uses are stipulated in this Redevelopment Plan.

- (3) Adequate provision for the temporary and permanent relocation, as necessary, of*

residents in the project area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market. (N/A)

(4) An identification of any property within the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan.

Pursuant to the Redevelopment Agreement the Designated Redeveloper will acquire the Property.

(5) Any significant relationship of the redevelopment plan to (a) the master plans of contiguous municipalities, (b) the master plan of the county in which the municipality is located, and (c) the State Development and Redevelopment Plan adopted pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et al.).

Verona is bordered by Montclair to the east, Cedar Grove to the north, North Caldwell to the west, Essex Falls to the southwest, and West Orange to the south. The municipality with which this Redevelopment Plan has the most significant relationship is Montclair. The Plan's relationship to the master plan of Cedar Grove is also discussed as the ridgeline extends north.

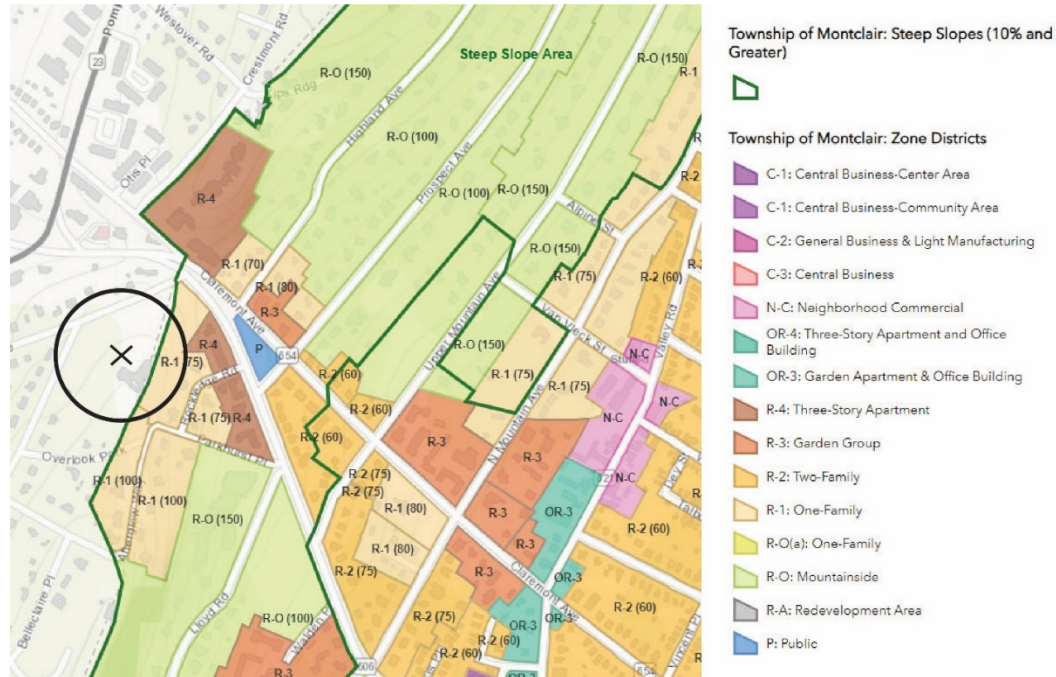
Montclair

Adjacent to the Property is a portion owned by the Property Owner that is located in the Township of Montclair. However, such portion that is located in Montclair will not be redeveloped and is not subject to this Redevelopment Plan.

In the 2015 Montclair Township Unified Land Use & Circulation Element, it is stated in section 1.1. "Baseline Conditions" that "the availability of a diverse range of housing types is lacking." And in Section 1.5 "Objectives of the Master Plan", one of the objectives is to "enable a continued diversity of housing types and values throughout Montclair." Furthermore, the 2016 Montclair Master Plan Reexamination Report states under "Housing Objectives" on page 5 that the 2006 Reexamination Report's first objective with regards to housing is to "offer housing types for a diverse population. Provide a wide range of housing styles – from apartments to townhouses to single-family homes – to meet the needs of a population diverse in age, income and physical ability. Maintain a zoning pattern which permits a range of housing types at appropriate densities throughout the community."

This Redevelopment Plan is aligned with the abovementioned objectives and is in close proximity to a number of multi-family apartment buildings.

Figure 5. Montclair Zoning in Proximity to Redevelopment Area



Cedar Grove

The Property is approximately 0.6 miles from the border of Cedar Grove to the north. The First Mountain PA-5 runs from Verona up into Cedar Grove and ends in the southernmost area of Little Falls. In 2020, Cedar Grove adopted a new Master Plan and Reexamination Report. In Section 14 “Relationship to Adjoining Communities”, it states that “The Township of Cedar Grove has been designated, in most parts, as a PA 1, metropolitan planning area 1” and also references that “The east and west municipal boundaries are located in environmentally sensitive areas.” However, it does not make specific policy recommendations for land use in those areas. The goals and objectives of the Cedar Grove Master Plan are nearly identical to that of Verona, as both plans were drafted by the same author. These include providing “sufficient space in appropriate locations for a variety of residential, recreational, commercial and open space...according to their respective environmental requirements in order to meet the needs of all the citizens of New Jersey” as well as preserving “environmentally sensitive lands by identifying steep slopes and deterring development on said lands.” This Redevelopment Plan addresses those issues and is therefore not inconsistent with the Master Plan of Cedar Grove.

State Development and Redevelopment Plan (“SDRP”)

This Redevelopment Plan accomplishes the goals and objectives of the SDRP by supporting redevelopment in an area that meets the State Plan’s definition of a “Center”, on a site with access to various forms of transportation and existing infrastructure including an Existing Sewer Service Area, meaning an area that is currently served by a regional or Community Sewage System. A Community Sewage System is defined as a community sanitary sewage system including collection, treatment, and disposal facilities in public or appropriate private ownership, serving a part of all of a single Center or municipality. The sewer system is a key infrastructure element fostering redevelopment.

This Plan further meets the objectives of both a PA-1 and PA-5 area by providing for a range of housing choices “primarily in Centers” including affordable housing. The State Planning Act of 1985 established state-level planning policy and mandated the creation of the New Jersey State Development and Redevelopment Plan. The first plan was adopted in 1992 and updated on a three-year cycle through a “cross-acceptance” process. The last amendment and re-adoption was in 2001. Although an update was initiated in 2003, it was never adopted.

In the Preface page ix of the State Plan, it states the following:

“New Jersey’s State Plan, including its State Plan Policy Map, is used as to guide municipal, county and regional planning, state agency functional planning and infrastructure investment decisions. It is not appropriate to use the State Plan directly to formulate codes, ordinances, administrative rules or other regulations. Such regulations should be formulated to carry out the manner and functional plans of the responsible agencies.”

The Property is shown on the 2001 State Development and Redevelopment Plan Map as being in both PA-1 and PA-5 planning areas. A PA-1 area is defined as a Metropolitan Planning Area, the goal of which is to provide *“for much of the state’s future redevelopment; revitalize cities and towns; promote growth in compact forms; stabilize older suburbs; redesign areas of sprawl; and protect the character of existing stable communities.”* (Page 186)

The State Plan states in its delineation criteria for a PA-1 area that *“Areas that are totally surrounded by land areas that meet the criteria of a Metropolitan Planning Area, are geographically interrelated with the Metropolitan Planning Area and meet the intent of this Planning Area.”* (Page 190)

Figure 6 – SDRP Policy Map Context



A PA5 Area is defined as an Environmentally Sensitive Planning Area, with a goal to *“protect environmental resources through the protection of large contiguous areas of land; accommodate growth in Centers; protect the character of existing stable communities; confine programmed sewers and public water services to Centers; and revitalize cities and towns.”* (Page 186)

Following the introduction of a preliminary plan and prior to adoption of a final plan, municipalities have the opportunity to participate in the cross-acceptance Process. Cross-acceptance is defined by the State Planning Act as: *“...a process of comparison of planning policies among governmental levels with the purpose of attaining compatibility between local, county and state plans. The process is designed to result in a written statement specifying areas of agreement or disagreement and areas requiring modification by parties to the Cross-acceptance.”* (N.J.S.A. 18A-202b)

As mentioned above, an update to the State Plan was initiative in 2003 but was never adopted. However, there was a cross-acceptance process carried out in 2004, in which Verona participated and referenced in its 2009 master plan. In the 2004 Cross Acceptance Report, on page 210, under “Requested changes to the Preliminary Plan”, Verona requested that *“the First Mountain should not be designated as (an) Environmentally Sensitive Planning Area, as this area has already been developed.”*

The currently adopted State Plan is that of 2001, the intention of which is not to be used to directly formulate ordinances or other regulations. Rather, it is a guide, and one that recommends that *“New development in the Environmentally Sensitive Planning Area should be consistent with Statewide Policies and should be in Centers. Centers should absorb the growth otherwise projected for the Environs. Development and redevelopment should be guided to Centers with capacity to absorb growth in cost-effective ways that minimize impacts on environmentally sensitive features.”* (Page 217)

Regarding the housing policy objective, it states: *“Provide for a full range of housing choices primarily in Centers in appropriate densities to accommodate projected growth. Ensure that*

housing in general – and in particular affordable, senior citizen, special needs and family housing – is developed with access to a range of commercial, cultural, educational, recreational, health and transportation services and facilities. Focus multi-family and higher-density, single-family housing in Centers.”

Furthermore, one of the six principles on which the State Planning Act is based is “*The provision of adequate and affordable housing in reasonable proximity to places of employment is necessary to ensure equal social and economic opportunity in the state; achieving this end requires sound planning to ensure an adequate supply of available land that can be developed in an efficient growth pattern.*” (Page 4) Lastly with regards to housing, under The State Plan’s Policies for “Revitalization and Comprehensive Planning”, Policy 1 “Low Income Housing Opportunities” states:

“Reverse the trend toward large concentrations of low-income households in municipalities experiencing distress, including those disproportionately occupied by racial minorities, by creating and affirmatively marketing low-income housing opportunities in less distressed neighborhoods and communities.”

Additionally, under “Planning Outcomes” for development and redevelopment, the plan states, “*organizing development and redevelopment into Centers, with neighborhoods and mixed-use Cores and downtowns, results in lower public service costs, greater community and civic cohesion and identity; and reduces the consumption of land, energy and other natural resources.*” (Page 6)

We have also reviewed the master plans of the remaining adjoining municipalities including West Orange, Essex Falls, and North Caldwell and find no inconsistencies with this Redevelopment Plan.

(6) *As of the date of the adoption of the resolution finding the area to be in need of redevelopment, an inventory of all housing units affordable to low and moderate income households, as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304), that are to be removed as a result of implementation of the redevelopment plan, whether as a result of subsidies or market conditions, listed by affordability level, number of bedrooms, and tenure.*
(N/A)

(7) *a. plan for the provision, through new construction or substantial rehabilitation of one comparable, affordable replacement housing unit for each affordable housing unit that has been occupied at any time within the last 18 months, that is subject to affordability controls and that is identified as to be removed as a result of implementation of the redevelopment plan. Displaced residents of housing units provided under any State or federal housing subsidy program, or pursuant to the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.), provided they are deemed to be eligible, shall have first priority for those replacement units provided under the plan; provided that any such replacement unit shall not be credited against a prospective municipal obligation under the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.), if the housing unit which is removed had previously been credited toward satisfying the municipal fair share obligation. To the extent reasonably feasible, replacement housing shall be provided within or in close proximity to the redevelopment area. A municipality shall report annually to the Department of Community Affairs on its progress in implementing the plan for*

provision of comparable, affordable replacement housing required pursuant to this section.
(N/A)

b. A redevelopment plan may include the provision of affordable housing in accordance with the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) and the housing element of the municipal master plan.

The provision of affordable housing in accordance with the Township's affordable housing commitments and obligations is the principle purpose of this Plan. Fifteen affordable units are scheduled and permitted to be constructed in the Redevelopment Plan area.

c. The redevelopment plan shall describe its relationship to pertinent municipal development regulations as defined in the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.). The redevelopment plan shall supersede applicable provisions of the development regulations of the municipality or constitute an zoning district within the redevelopment area. When the redevelopment plan supersedes any provision of the development regulations, the ordinance adopting the redevelopment plan shall contain an explicit amendment to the zoning district map included in the zoning ordinance. The zoning district map as shall indicate the redevelopment area to which the redevelopment plan applies.

Notwithstanding the provisions of the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) or of other law, no notice beyond that required for adoption of ordinances by the municipality shall be required for the hearing on or adoption of the redevelopment plan or subsequent amendments thereof.

This Redevelopment Plan includes the addition of a Multi Family–Mid Rise Redevelopment Zone District to be implemented and added to the Township of Verona Zoning Districts at §150-17.8 F. applicable to the parcel at Block 303, Lot 4.

d. All provisions of the redevelopment plan shall be either substantially consistent with the municipal master plan or designed to effectuate the master plan; but the municipal governing body may adopt a redevelopment plan which is inconsistent with or not designed to effectuate the master plan by affirmative vote of a majority of its full authorized membership with the reasons for so acting set forth in the redevelopment plan.

This Plan is consistent with the 2009 Verona Master Plan as discussed in the Section V of this Redevelopment Plan.

* * * * *

Benecke Economics

May 3, 2021

MAYOR
JACK McEVOY
DEPUTY MAYOR
ALEX ROMAN
COUNCILMEMBERS
KEVIN J. RYAN
EDWARD GIBLIN
CHRISTINE McGRATH

VERONA COMMUNITY CENTER
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COUNTY OF ESSEX, NEW JERSEY



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TOWNSHIP CLERK
JENNIFER KIERNAN
TOWNSHIP ATTORNEY
BRIAN J. ALOIA, ESQ.

DEPARTMENT OF PUBLIC WORKS
10 COMMERCE COURT
VERONA, NEW JERSEY 07044

Memorandum

To: Matthew Cavallo, Township Manager
Mayor & Council

From: Ashley Neale, Planning Board Secretary

Date: June 1, 2021

Re: Amended and Restated Sunset Redevelopment Plan

Please find attached a report prepared by the Planning Board regarding Township Council Ordinance 2021-14, , "ADOPTING THE REDEVELOPMENT PLAN ENTITLED "THE FIRST AMENDED AND RESTATED SUNSET AVENUE REDEVELOPMENT AREA REDEVELOPMENT PLAN" PURSUANT TO THE LOCAL REDEVELOPMENT AND HOUSING LAW *N.J.S.A. 40A:12A-1 et seq.*

PLANNING BOARD OF THE TOWNSHIP OF VERONA
REPORT TO THE GOVERNING BODY
ORDINANCE NUMBER 2021-14
THE FIRST AMENDED AND RESTATED SUNSET AVENUE
REDEVLEOPMENT AREA REDEVELOPMENT PLAN

On May 3, 2021, pursuant to NJSA:12A-7(e), the Township of Verona Council ("Council") referred Redevelopment Ordinance 2021-14, titled "The First Amended and Restated Sunset Avenue Redevelopment Area Redevelopment Plan, to the Verona Planning Board for the Planning Board's review and recommendation of the proposed Redevelopment Ordinance. (The Ordinance and the First Amended and Restated Sunset Avenue Redevelopment Area Redevelopment Plan are collectively referred to herein as the "Ordinance")

On May 20, 2021, at a special meeting of the Verona Planning Board (by Zoom), the Planning Board conducted the mandatory review of the Ordinance. The Council's referral to the Planning Board was not a referral pursuant to NJSA 40:55D-26(a) or NJSA 40:55D-64, but was a referral pursuant to NJSA 40A:12-7(e). Because the Ordinance is a "development regulation" and will, upon passage, be an amendment to a zoning ordinance, the Planning Board considered both the substance of the Ordinance (the substance is contained in the Redevelopment Plan), and whether the Ordinance is consistent with the Township's Master Plan.

Prior to its deliberations and discussion of the Ordinance, the Planning Board accepted a letter dated May 10, 2021 from Verona Resident Erica Davila, Esq. The Planning Board noted that Ms. Davila's correspondence accurately identified the material changes between Ordinance 2021-01, the Council's initial ordinance regarding the Sunset Avenue redevelopment area, and the Ordinance. Because Ms. Davila accurately identified those material changes, a copy of Ms. Davila's letter is attached hereto and incorporated by reference.

The Planning Board reached conclusions similar to Ms. Davila's conclusions regarding the substance of the Ordinance and its lack of consistency with Verona's Master Plan. It is important to note that the Planning Board did not accept Ms. Davila's conclusions without first independently and thoroughly discussing the content of each section of the Ordinance.

Overall, the Planning Board believes there are substantial deficiencies in the Ordinance that the Council should consider prior to adoption of the Ordinance.

The Planning Board reiterates and incorporates by reference the concerns raised in the Planning Board's memo to the Council dated February 12, 2021 in response to the Council's request for comments to ordinance 2021-01 to the extent that the Ordinance does not address those comments.

The Planning Board requests and respectfully suggests that the Council revise the Ordinance consistent with the following comments:

1. The Planning Board rejects the Ordinance's conclusion that the completed development is to be considered a "Center" within the meaning of the New Jersey State Development and Redevelopment Plan (the "State Plan"). A "Center" within the meaning of the State Plan is an area with residential neighborhoods having commercial and civic uses. The Planning Board finds that a single apartment building is not a Center. The Planning Board further rejects conclusions that the proximity of the site to the Township's extended town center zone warrants defining the site as a Center. The Planning Board suggests that the Ordinance be more sensitive to the Pa-5 designation of the site in the State Plan and that the Council more strongly consider the environmental sensitivity of the site than currently considered in the Ordinance.
2. The Ordinance removes the Planning Board's authority to review the site plan for adherence to certain critical design criteria with respect to off-street parking, traffic, lighting, drainage, open space, and landscaping. The Ordinance instead grants this authority to review solely to the Township Engineer. The Planning Board should retain jurisdiction with regard to these issues.
3. Ordinance Section VI A iii j exempts the property from Verona Code Section 150-12.7. (the Parking Ordinance) Commercial vehicles will be permitted to park on the property. The Planning Board recommends that the Council

specifically prohibit overnight parking of commercial vehicles in all areas except for the parking deck.

4. Ordinance Section VI A iii n exempts the property from Verona Code Section 150-23.1 et seq. (the Steep Slope Ordinance). The Township of Verona passed the Steep Slope Ordinance on April 4, 2016. The Planning Board notes that the steep slope ordinance is consistent with Verona's Master Plan. The Planning Board urges the Council to re-consider the omission of steep slope compliance from the Ordinance. The Ordinance is not consistent with the Master Plan because the Ordinance does not account for the limitations of building on a steep slope within the Township. The Planning Board recommends that the Ordinance be modified after definitively calculating the appropriate disturbance allowed on the site with the application of Verona's Steep Slope Ordinance.
5. The Ordinance lacks clarity as to buffer zones. Section VI A iii c of the ordinance provides that Verona Code Section 150-11.1 (Buffer Zone Requirements) shall be applicable but for specific requirements along the frontage of Afterglow Avenue and a portion of Sunset Avenue. Section VI A vi of the Ordinance prohibits certain structures within the "50 foot buffer area". The Planning Board recommends modification to the Ordinance to address the inconsistency.
6. The Planning Board objects to the provision in Ordinance Section VI A vi which allows balconies, eaves and porches to extend into buffer areas.
7. The Planning Board finds no justification for the exception to Verona Code Section 150-7.9 (Signs) which would allow 26 square feet surface area signs. The Planning Board also recommends that "signs" be replaced with "sign" so as to ensure against multiple signs on the property.

The subject property is situated in the R-100 and R-70 zones. The proposed bulk, density, and design standards are entirely incompatible with the R-100 and R-70 standards. For these reasons and for the reasons set forth above, the Planning

Board has significant and serious concerns with the Redevelopment Plan. The Planning Board believes that 200 units should not be built on the site, and recommends a reduction in the footprint of the building and in a resulting decrease in the number of permissible units to be constructed.

The Ordinance does not consider the adverse environmental impacts among other impacts on the surrounding neighborhood nor to the community as a whole, nor does the Ordinance consider the potential adverse impact of the possibility of future development on the Montclair portion of the site.

The Planning Board finds that the Ordinance is not aligned with the State Plan or with Verona's Master Plan and therefore is inconsistent with Verona's Master Plan.

The Planning Board recommends that the Council re-draft the Ordinance in accordance with the recommendations contained in this report.

Respectfully submitted

Planning Board of the Township of Verona
May 28, 2021

May 10, 2021

VIA ELECTRONIC MAIL

Town Manager Matthew Cavallo, mcavallo@veronanj.org

Mayor Jack McEvoy, jmcevoy@veronanj.org

Deputy Mayor Alex Roman, aroman@veronanj.org

Ted Giblin, tgiblin@veronanj.org

Kevin Ryan, kryan@veronanj.org

Christine McGrath, cmcgrath@veronanj.org

Dear Township Manager, Mayor and Township Council:

I appreciate the efforts made to revise Ordinance No. 2021-01 (adopted March 8, 2021) related to 1 Sunset Avenue in Verona at Block 303, Lot 4 (the "Property") to enhance clarity and resolve internal inconsistencies. The revised ordinance proposed on May 3, 2021 ("Revised Ordinance") is certainly an improvement, but still falls short from where it needs to be. The Revised Ordinance still gives the Property owner and developer far more than is required under the May 31, 2019 settlement agreement between the Township and the Property Owner (amended January 31, 2020) (the "Settlement Agreement"). There is a balance between compliance with the Settlement Agreement and protecting the residents and the Revised Ordinance is still not there. I urge the Township to further revise the ordinance in the areas I highlight in this letter to achieve this balance.

In particularly, I highlight below two broad areas of concern:

- (1) The Revised Ordinance goes well beyond simple clean up and makes *additional material amendments* that further the Property owner's and developer's needs at the expense of the residents; and
- (2) The Revised Ordinance failed to eliminate exemptions that provide the Property owner and developer with far more flexibility than is required under the Settlement Agreement at the continued expense of the residents.

Additional detail follows.

I. New Material Changes to the Ordinance

The Revised Ordinance contains two material additions that should be eliminated. If these material changes remain, I believe they require Planning Board review before the Township Council may pass the ordinance.

A. Removal of Planning Board Authority to Review Design of Off-Street Parking

The Revised Ordinance removes the Planning Board's authority to review the site plan for adherence to certain critical design criteria with respect to off-street parking, including traffic, lighting, drainage, open space, landscaping and more, and insteads grants this authority to review solely to the Township Engineer.

Township Ordinance [Section 150-12.10](#) reads:

In the judgment of the Planning Board, in accordance with the spirit and intent of this chapter, the following design criteria shall be adhered to in each and every case, except where otherwise provided.

A. Traffic access. All proposed site traffic access ways are adequate but not excessive in number; adequate in grade, width, alignment and visibility; and not located too near street corners, entrances to schools or places of public assembly; and other similar considerations.

B. Circulation and parking. That interior circulation is adequate and that all required parking spaces are provided and are easily accessible. All off-street parking and loading areas shall be surfaced with a durable and dust-free surface. All areas shall be properly marked so as to provide for the orderly and safe loading, parking and storage of self-propelled vehicles.

C. Lighting. All exterior lighting devices shall be arranged so as to reflect the light away from adjoining premises. No rotating or flashing signs or lights shall be permitted.

D. Drainage, water supply and sewage disposal facilities. All development shall be provided with adequate water supply, sewage disposal and drainage facilities in accordance with the Township requirements.

E. Disposal of usable open space. Usable open space shall be so arranged as to ensure the health and safety and to promote the general welfare.

F. Arrangement of buildings. Adequate provision shall be made for light, air, access and privacy in the arrangement of buildings.

G. Landscaping. Landscaping, where required, shall be provided in order to enhance and protect the natural and scenic qualities of the land. Where adjacent land use dictates, screening and buffer areas shall be required.

H. Wetlands. Wetland areas and wetland transitional areas, also known as "wetland buffers," shall be preserved and protected in accordance with law. Wetlands and wetland buffers shall not be considered usable open space.

The Revised Ordinance removes the Planning Board's authority to make these judgments and assigns the responsibility to the Township Engineer. (see [Revised Ordinance Section VI.A.iii.m](#)) **This change further eviscerates the Planning Board's authority to review a site plan for compliance with our Ordinance and should be removed.**

B. Exemption from Off-Street Parking Ordinances

The Revised Ordinance provides new exemptions to the Off-Street Parking Ordinance that did not previously exist in the March version of the ordinance. These new exemptions include:

1. *Exemption from Required Screening of Off-Street Parking.*

The new language in the Revised Ordinance **gives the Property owner and developer additional flexibility and allows them to build ugly parking lots adjacent to residential lots without providing the required solid fence or wall.**

The Off-Street Parking Ordinance requires:

All parking areas required by this chapter when located in residential districts, except for one- and two-family structures, shall be screened along the side or sides abutting a public street with either a solid fence or wall. Said fence or wall shall be a minimum of five feet in height.

[Section 150-12.8.](#)

The Revised Ordinance replaces this section of the Township Ordinance with:

All on-site, off-street surface parking areas within this Redevelopment Plan shall be screened along the side or sides abutting a public street with appropriate plantings or other appropriate screening as reasonably approved by the Township Engineer. Said plantings or other screening shall be a minimum of five feet in height and positioned in a way to shield the parked vehicles from the public street.

(see [Revised Ordinance Section VI.A.iii.i](#)). **This newly added language should be removed.**

2. *Exemption from any Parking Restrictions*

The new language in the Revised Ordinance now exempts the property from the entire Residential Parking Restrictions Ordinance, [Section 150-12.7](#) (see [Revised Ordinance Section VI.A.iii.i](#)). The March version of the ordinance restricted commercial vehicles on the property except when work was being done on the property. That minor restriction has now been entirely removed. The Revised Ordinance now only restricts “recreational vehicles on the property,” and **eliminates any restriction on commercial vehicles on the property.**

The intent of the Parking Restrictions Ordinance is “to retain the character of residential neighborhoods in residential zones by restricting the parking of commercial vehicles in said zones.” ([Section 150-12.7](#)) There is no reason why the Property owner and developer cannot comply with this ordinance and allowing this now expanded exemption to remain will have a detrimental effect on the surrounding residential properties. This exemption, combined with the plantings and screening exemptions (below), could result in a large, unsightly open parking lot on the corner of Sunset Avenue and Afterglow Avenue that would have no fence shielding and where the development could permanently park commercial vehicles. **This would be an unacceptable result and this exemption should be removed.**

II. Additional Changes Needed

Further to my letter dated January 22, 2021, additional changes remain to be made in this Ordinance. The following changes can be made without any risk that the Property owner can successfully claim that the Township is not complying with the Settlement Agreement.

A. Exemption from the Steep Slope Ordinance

The exemption from the Township's Steep Slope Ordinance, [Section 150-23.1 et seq.](#), remains the single **most egregious and potentially disastrous** aspect of the Revised Ordinance given topography, environmentally sensitive designation, and history of flooding down slope from the Property. The Township Council **would be negligent** to allow this exemption to remain. I am confident that, if pushed, the Property owner and developer would be able to creatively design this development while complying with the Steep Slope Ordinance.

The Revised Ordinance exempts the Property entirely from the Steep Slope Ordinance, requiring only that steep slopes be identified on a site plan, but providing no teeth to do anything about development on those steep slopes. In addition, even the designation on the site plan is weakened by the Revised Ordinance's exclusion of "artificially created landscaping features" from the definition of slope, without defining how artificially created landscaping features are determined.

Mr. Cavallo previously claimed that the intent of this exclusion was to exempt the developer from the procedural requirements of approvals, but not exempt from the steep slope requirements themselves. It has become apparent that the Property owner and developer understand that if the development had to adhere to the Steep Slope Ordinance they would have to revise their plans which now involve building on these steep slopes, and the Township's advisors are bending to this pressure.

This is a negotiation up until the point this development opens its doors. The Township must remain at the negotiating table and advocate for its residents. The Township **must remove the Steep Slope Ordinance exemption** from the Revised Ordinance.

B. Allowance of Extra Large Signage

I was truly surprised to see that the exemption from the Signs Ordinance, [Section 150-7.9U](#), remained in this Revised Ordinance. This is a perfect example of **overreach** and has no bearing on the Property owner's or developer's ability to develop this property. Requiring adherence to the Signs Ordinance **could in no way be argued as a violation of the Settlement Agreement**.

The Signs Ordinance requires that, "No sign shall exceed 20 square feet in area and, if a ground sign, stand no more than five feet above ground level or be closer than 10 feet to any property line." The Revised Ordinance would permit a 26 square foot sign excluding any foundation size. **A sign of this size in a residential neighborhood is unnecessary, would further deteriorate the adjacent residential property values, and would be an eyesore.**

Benecke Economics' Chelsea Gleis admitted during the March Township Council meeting that this exemption was included because the developer explained it was "industry standard" size. The fact that the developer is dictating every detail here, including this egregious sign exemption is unfathomable to me. **The Township Council has to draw lines here and this one is an easy give to the residents.**

C. Exemption from Ordinances Requiring Plantings and Screens

The Revised Ordinance continues to exempt the Property from various ordinances requiring plantings and screening. Similar to the Signs Ordinance exemption, **these exemptions are unnecessary, have no bearing on the Property owner or developer's ability to build, will have a detrimental effect on adjacent residential properties, and should be eliminated.**

The Township Ordinance requires:

- "In connection with Planning Board consideration for site plan approval, the Planning Board shall have the right to determine the proper areas for the required planted area, taking into consideration the criteria set forth above." The criteria includes, among other things, "screening and privacy of adjacent residential areas" and "reduction of noise and lights disturbing to nearby property zoned for residential use." ([Section 150-11.3 B](#))
- "A planted area and a planted buffer area required by this chapter shall not be used for any buildings, structures, paving or parking or for the sale, display, storage or leasing of materials or for any other use other than a planted area or a planted buffer area except...Detention basins, subject to a finding by the Board that adequate visual screening is still provided." ([Section 150-11.4A](#))
- "Upon Board site plan approval, the Board shall, however, allow paved ingress and egress from the site to a public street or highway through a planted buffer area where there are no possible safe exits or entrances to a road or highway. The area to be so paved shall not be included as part of the area making up the required planted buffer area." ([Section 150-11C](#))
- "Where a planted buffer area is required and in areas where there are to be required planted areas, the Board may require on-site plan approval that changes in topography or elevation of the planted buffer areas and planted areas be made where such changes would better serve the criteria set forth in Article IX." ([Section 150-11.6 D](#))
- "The developer must notify the Board at least 48 hours prior to the installation of any planted material. The Board may adopt resolutions at public meetings creating standard specifications for planted material and planting which, if adopted, shall be adhered to by all persons installing such material." ([Section 150-11.7G](#))

The Revised Ordinance continues to exempt the Property from all of these Ordinances. (see Section VI.A.iv.b. of the Plan). Again, **there is no reason to exempt the Property owner and developer from these ordinances. To do so is negligent, fails to protect the residents and goes far beyond what is required in the Settlement Agreement.**

[Note that the Revised Ordinance added language that says:

The Township Engineer shall have the right to determine the proper areas for the required planted area pursuant to Article XI of Chapter 150 (§ 150-11.1 et al), taking into reasonable consideration the criteria set forth in the Article.

(see Revised Ordinance Section VI.A.iii.d). I believe the cite here is inaccurate. Is it meant to say 150-11 et seq.? 150.11.1 just applies to the buffer zone. Similarly, the Revised Ordinance throughout uses “et al” where “et seq” should be used. This should be changed for clarity.]

D. Exemption from Ordinance Requiring Sufficient Parking

The Revised Ordinance continues to exempt the Property from the Off-Street Parking Ordinance, [Section 150-12.6](#). Similar to the above exemptions, **this exemption is unnecessary, has no bearing on the Property owner or developer’s ability to build, will have a detrimental effect on adjacent residential properties, and should be eliminated.**

The Off-Street Parking Ordinance Requires that all residential developments provide sufficient parking as required by the residential site improvement standards (RSIS). Under these standards, a mid-rise apartment development requires 1.8 spaces per each one-bedroom unit, 2 spaces per each two-bedroom unit, and 2.1 spaces per each three-bedroom unit. ([N.J.A.C. 5:21-4.14](#)). The Revised Ordinance requires only 1.9 spaces per each of the 200 units. (see Revised Ordinance Section VI.A.iii.i).

If allowed, the reduction in parking spaces could result in overflow daytime parking on the surrounding residential streets, including Sunset Avenue and Afterglow. **This exemption should be removed.**

E. Encroachment on Buffer Zones

The Revised Ordinance continues to allow the Property to build walled balconies that are allowed to encroach on protected buffer zones. (see Revised Ordinance Section VI.A.vi.f). Similar to the above exemptions, **this exemption is unnecessary, has no bearing on the Property owner or developer’s ability to build, will have a detrimental effect on adjacent residential properties, and should be eliminated.**

The Township Yard Regulations on balconies, [Section 150-5.3G\(2\)](#), requires that balconies contain no walls and have a minimum setback of eight feet. The Revised Ordinance exempts the Property from this ordinance, thereby allowing for walled balconies. The Revised Ordinance goes even further allowing those walled balconies to encroach five feet into the already minimal 30 foot buffer zone.

Again, this exemption and ability to build into the buffer zone is not “required” under the Settlement Agreement and will have a detrimental effect on the surrounding residential neighborhood. **The Township Council should seek, wherever possible, to protect the surrounding neighborhood from the already oversized, out of character, luxury development and this is an easy place to push back.**

In summary, the Revised Ordinance still falls short. There were material additions that were snuck in without any callout from the Township Manager who positioned this Revised Ordinance as a clean up effort. In addition, the Revised Ordinance still falls woefully short on protecting the surrounding neighborhood and goes far beyond what is required of the Township in the Settlement Agreement.

I am asking that the Township Council insist that the Township Manager go back to the drafting table here and further revise this ordinance before passing it into law. As always, I'm available to discuss.

Best regards,
Erica Davila, Esq.

Cc:

Environmental Commission, vec@veronanj.org

Shade Tree Commission, gcoppa@veronanj.org

Planning Board, Ashley Neale, Board Secretary aneale@veronanj.org

Zoning Board of Adjustment, Ashley Neale, Acting Board Secretary aneale@veronanj.org

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2021-15

**AMENDING CHAPTER 150 (ZONING) OF THE CODE OF THE TOWNSHIP
OF VERONA PROHIBITING THE OPERATION OF ANY CLASS OF
CANNABIS BUSINESSES WITHIN ITS GEOGRAPHICAL BOUNDARIES**

WHEREAS, in 2020 New Jersey voters approved Public Question No. 1, which amended the New Jersey Constitution to allow for the legalization of a controlled form of marijuana called “cannabis” for adults at least 21 years of age; and

WHEREAS, on February 22, 2021, Governor Murphy signed into law P.L. 2021, c. 16, known as the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (the “Act”), which legalizes the recreational use of marijuana by adults 21 years of age or older, and establishes a comprehensive regulatory and licensing scheme for commercial recreational (adult use) cannabis operations, use and possession; and

WHEREAS, the Act establishes six marketplace classes of licensed businesses, including:

- Class 1 Cannabis Cultivator license, for facilities involved in growing and cultivating cannabis;
- Class 2 Cannabis Manufacturer license, for facilities involved in the manufacturing, preparation, and packaging of cannabis items;
- Class 3 Cannabis Wholesaler license, for facilities involved in obtaining and selling cannabis items for later resale by other licensees;
- Class 4 Cannabis Distributer license, for businesses involved in transporting cannabis plants in bulk from on licensed cultivator to another licensed cultivator, or cannabis items in bulk from any type of licensed cannabis business to another;
- Class 5 Cannabis Retailer license for locations at which cannabis items and related supplies are sold to consumers; and
- Class 6 Cannabis Delivery license, for businesses providing courier services for consumer purchases that are fulfilled by a licensed cannabis retailer in order to make deliveries of the purchases items to a consumer, and which service would include the ability of a consumer to make a purchase directly through the cannabis delivery service which would be presented by the delivery service for fulfillment by a retailer and then delivered to a consumer; and

WHEREAS, section 31a of the Act authorizes municipalities by ordinance to adopt regulations governing the number of cannabis establishments (defined in section 3 of the Act as “a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer”), cannabis distributors or cannabis delivery services allowed to operate within their boundaries, as well as the location manner and times operation of such establishments, distributors or delivery services, and establishing civil penalties for the violation of any such regulations; and

WHEREAS, section 31b of the Act authorizes municipalities by ordinance to prohibit the operation of any one or more classes of cannabis establishments, distributors, or delivery services anywhere in the municipality; and

WHEREAS, section 31b of the Act also stipulates, however, that any municipal regulation or prohibition must be adopted within 180 days of the effective date of the Act (*i.e.*, by August 22, 2021); and

WHEREAS, pursuant to section 31b of the Act, the failure to enact an ordinance prohibiting the operation of one or more classes of cannabis establishment, or cannabis distributors or cannabis delivery services shall mean that for a period of five years thereafter, the growing, cultivating, manufacturing, selling and reselling of cannabis and cannabis items shall be permitted uses in all industrial zones, and the retail selling of cannabis items to consumers shall be a conditional use in all commercial and retail zones; and

WHEREAS, at the conclusion of the initial and any subsequent five-year period following a failure to enact local regulations or prohibitions, the municipality shall again have 180 days to adopt an ordinance regulating or prohibiting cannabis businesses, but any such ordinance would be prospective only and would not apply to any cannabis business already operating within the municipality; and

WHEREAS, the Township Council of the Township of Verona has determined that, due to present uncertainties regarding the potential future impacts that allowing one or more classes of cannabis business might have on New Jersey municipalities in general, and on Township of Verona in particular, it is at this time necessary and appropriate, and in the best interest of the health, safety and welfare of Township's residents and members of the public who visit, travel, or conduct business in the Township of Verona, to amend Township's zoning regulations to prohibit all manner of marijuana-related land use and development within the geographic boundaries of Township of Verona; and

WHEREAS, officials from two prominent non-profit organizations that have been established for the purpose of advising New Jersey municipalities on legal matters such as have been presented by the Act (those organizations being the New Jersey State League of Municipalities and the New Jersey Institute of Local Government Attorneys) have strongly urged that, due to the complexity and novelty of the Act; the many areas of municipal law that are or may be implicated in decisions as to whether or to what extent cannabis or medical cannabis should be permitted for land use purposes or otherwise regulated in any particular municipality; and the relatively short duration in which the Act would allow such decisions to be made before imposing an automatic authorization of such uses in specified zoning districts subject to unspecified conditions, the most prudent course of action for all municipalities, whether or not generally in favor of cannabis or medical cannabis land development and uses, would be to prohibit all such uses within the Act's 180-day period in order to ensure sufficient time to carefully review all aspects of the Act and its impacts.

NOW THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Verona, in the County of Essex, State of New Jersey, as follows:

SECTION 1. Pursuant to section 31b of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16), all cannabis establishments, cannabis distributors or cannabis delivery services are hereby prohibited from operating anywhere in Township of Verona, except for the delivery of cannabis items and related supplies by a delivery service.

SECTION 2. § 150-4.3 (Prohibited uses in all zone districts in the Township of Verona) of the Code of the Township of Verona is hereby amended by adding to the list of prohibited uses, the following: "All classes of cannabis establishments or cannabis distributors or cannabis delivery services as said terms are defined in section 3 of P.L. 2021, c. 16, but not the delivery of cannabis items and related supplies by a delivery service."

SECTION 3. In case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Ordinance shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

SECTION 4. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 5. All ordinances or parts of ordinances which are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

SECTION 6. This ordinance shall take effect 20 days after final passage and publication and filing with the Essex County Planning Board, as otherwise prescribed by law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 10, 2021 AND XXXX.

JENNIFER KIERNAN
MUNICIPAL CLERK

INTRODUCTION: May 3, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

BANNON, RAWDING, MCDONALD & MASCERA, P.A.
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

JAMES J. BANNON, III (1965-1980)
GEORGE T. RAWDING (1965 – 2000)
JAMES J. McDONALD
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gascera@veronalaw.com

June 1, 2021

Mayor and Council
Township of Verona
600 Bloomfield Avenue
Verona, NJ 07044

RE: Ordinance 2021-15

Mayor and Council,

On May 27, 2021, the Verona Planning Board reviewed Verona Ordinance 2021-15 to determine in accordance with NJSA 40:55-26 whether the Ordinance is consistent with Verona's Master Plan.

The Planning Board determined that the Ordinance is consistent with the Master Plan in that the Ordinance promotes public health, safety, morals, and general welfare of the community as provided in Section 7.1 of the Master Plan.

Very truly yours,


Gregory Mascera
For the Verona Planning Board

GM:ths

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2021-18

**BOND ORDINANCE PROVIDING FOR THE REEXAMINATION AND
UPDATE OF THE VERONA TOWNSHIP MASTER PLAN AND ZONING
CODE IN AND BY THE TOWNSHIP OF VERONA, IN THE COUNTY OF
ESSEX, NEW JERSEY, APPROPRIATING \$185,000 THEREFOR AND
AUTHORIZING THE ISSUANCE OF \$176,000 BONDS OR NOTES OF THE
TOWNSHIP TO FINANCE THE COST THEREOF**

BE IT ORDAINED by the Township Council of the Township of Verona, in the County of Essex, New Jersey (with not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1. The improvement described in Section 3(a) of this bond ordinance is hereby authorized to be undertaken by the Township of Verona, in the County of Essex, New Jersey (the "Township") as a general improvement. For the improvement or purpose described in Section 3(a), there is hereby appropriated the sum of \$185,000, including the sum of \$9,000 as the down payment required by the Local Bond Law. The down payment is now available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

SECTION 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$176,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvement hereby authorized and the purpose for the financing of which the bonds are to be issued is to provide for the reexamination and update of the Verona Township Master Plan and Zoning Code, including all costs necessary therefor or incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation herein made therefor.

SECTION 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to

mature at such later date in accordance with applicable law. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the Chief Financial Officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The Chief Financial Officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

SECTION 5. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

SECTION 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 3(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 10 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Municipal Clerk, and a complete executed duplicate thereof

has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$176,000, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$37,000 for items of expense listed in and permitted under *N.J.S.A. 40A:2-20* is included in the estimated cost indicated herein for the purpose or improvement.

SECTION 7. The Township hereby makes the following covenants and declarations with respect to obligations determined to be issued by the Chief Financial Officer on a tax-exempt basis. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the obligations, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the obligations. The Chief Financial Officer is hereby authorized to act on behalf of the Township to deem the obligations authorized herein as bank qualified for the purposes of Section 265 of the Code, when appropriate. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

SECTION 8. Any grant moneys received for the purpose described in Section 3(a) hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

SECTION 9. The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such

undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 11, 2021 AND XXXX.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

INTRODUCTION: June 7, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

ORDINANCE No. 2021-19

**BOND ORDINANCE PROVIDING FOR UPGRADES TO THE 911 SYSTEM
IN AND BY THE TOWNSHIP OF VERONA, IN THE COUNTY OF ESSEX,
NEW JERSEY, APPROPRIATING \$245,000 THEREFOR AND
AUTHORIZING THE ISSUANCE OF \$233,000 BONDS OR NOTES OF THE
TOWNSHIP TO FINANCE THE COST THEREOF**

BE IT ORDAINED by the Township Council of the Township of Verona, County of Essex, State of New Jersey (with not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1. The improvement described in Section 3(a) of this bond ordinance is hereby authorized to be undertaken by the Township of Verona, in the County of Essex, New Jersey (the "Township") as a general improvement. For the improvement or purpose described in Section 3(a), there is hereby appropriated the sum of \$245,000, including the sum of \$12,000 as the down payment required by the Local Bond Law. The down payment is now available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

SECTION 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$233,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvement hereby authorized and the purpose for the financing of which the bonds are to be issued is to provide for upgrades to the 911 system, including all costs necessary therefor or incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation herein made therefor.

SECTION 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The bond anticipation notes shall

bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the Chief Financial Officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The Chief Financial Officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

SECTION 5. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

SECTION 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 3(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 10 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Municipal Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the

Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$233,000, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$49,000 for items of expense listed in and permitted under *N.J.S.A. 40A:2-20* is included in the estimated cost indicated herein for the purpose or improvement.

SECTION 7. The Township hereby makes the following covenants and declarations with respect to obligations determined to be issued by the Chief Financial Officer on a tax-exempt basis. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the obligations, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the obligations. The Chief Financial Officer is hereby authorized to act on behalf of the Township to deem the obligations authorized herein as bank qualified for the purposes of Section 265 of the Code, when appropriate. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

SECTION 8. Any grant moneys received for the purpose described in Section 3(a) hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

SECTION 9. The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof,

provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 11, 2021 AND XXXX.

JENNIFER KIERNAN
MUNICIPAL CLERK

INTRODUCTION: June 7, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

TOWNSHIP OF VERONA
COUNTY OF ESSEX, NEW JERSEY

ORDINANCE No. 2021-20

AMENDING CHAPTER 140 (VEHICLES AND TRAFFIC)
BY AMENDING CERTAIN SECTIONS

BE IT ORDAINED by the Township Council of the Township of Verona, County of Essex, New Jersey, as follows:

SECTION 1. Chapter 140-35, Schedule I entitled, “No Parking” of the Code of the Township of Verona is hereby amended as follows (additions in **bold**):

<u>Name of Street</u>	<u>Side</u>	<u>Location</u>
Bloomfield Avenue	South	From a point located at the west corner of the main entrance driveway of 151 Bloomfield Avenue continuing west 66 feet
Bloomfield Avenue	South	From a point located at the east corner of the main entrance driveway of 151 Bloomfield Avenue continuing east for 58 feet
Bloomfield Avenue	South	From a point located at the west corner of the eastern entrance driveway of 151 Bloomfield Avenue continuing west for 62 feet
Bloomfield Avenue	South	From a point located at the east corner of the eastern exit driveway of 151 Bloomfield Avenue continuing east for 25 feet

SECTION 2. If any section, sub-section, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

SECTION 3. All ordinances or parts of ordinances which are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

SECTION 4. This ordinance shall take effect after final adoption and publication and otherwise as provided by law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 11, 2021 AND XXXX.

JENNIFER KIERNAN
MUNICIPAL CLERK

INTRODUCTION: June 7, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2021-21

**AUTHORIZING AND APPROVING A FINANCIAL AGREEMENT WITH
VERONA SUNSET URBAN RENEWAL, LLC FOR PROPERTY IDENTIFIED
ON THE VERONA TAX MAPS AS BLOCK 303, LOT 4 PURSUANT TO THE
LONG TERM TAX EXEMPTION LAW (N.J.S.A. 40A:20-1 ET SEQ.)**

WHEREAS, the Township of Verona ("**Township**") is a municipal entity organized and existing under the laws of the State of New Jersey and located in the County of Essex; and

WHEREAS, pursuant to the Redevelopment Law, on August 19, 2019 the Township Council ("**Township Council**") of the Township of Verona, in the County of Essex, New Jersey (the "**Township**"), duly adopted Resolution No. 2019-140 designating the property identified on the tax maps of the Township as Block 303, Lot 4 (the "**Property**") as a "non-condemnation area in need of redevelopment" (the "**Redevelopment Area**"); and

WHEREAS, in order to effectuate the redevelopment of the Redevelopment Area, and pursuant to the authority granted under the Redevelopment Law, the Township caused Benecke Economics to prepare a redevelopment plan for the Redevelopment Area entitled, "The Sunset Avenue Redevelopment Area Redevelopment Plan" dated February 22, 2021 (the "**Redevelopment Plan**"); and

WHEREAS, the Redevelopment Plan has also been prepared in order to effectuate the Township's obligations under the New Jersey Fair Housing Act, *N.J.S.A. 52:27D-301 et. seq.*, and satisfy the Township's obligation as set forth in the First Amended and Restated Settlement Agreement dated January 2020 with Spectrum 360, LLC, dated January 31, 2020 (the "**Settlement Agreement**"); and

WHEREAS, the Township has designated the Township Council as the "Redevelopment Entity" (as such term is defined in the Redevelopment Law) for the purpose of implementing the Redevelopment Plan; and

WHEREAS, Verona Sunset Urban Renewal, LLC (the "**Entity**") is the contract purchaser of the Property and on June 7, 2021, the Township Council, by Resolution No. 2021-082 appointed the Entity as the redeveloper of the Property; and

WHEREAS, the Entity proposes to develop the Property with 200 residential units, of which 15 units will be affordable to very low, low, and moderate income households, together with associated parking, public areas, and amenities (collectively, the "**Redevelopment Project**"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Redevelopment Project, the Township and the Entity are entering into a redevelopment agreement simultaneously herewith (the "**Redevelopment Agreement**"), which Redevelopment Agreement will specify the rights and responsibilities of the Township and the Entity with respect to certain aspects of the Redevelopment Project, all in accordance with the Redevelopment Plan; and

WHEREAS, the Long Term Tax Exemption Law of New Jersey, *N.J.S.A. 40A:20-1 et seq.* ("**Long Term Tax Exemption Law**") permits a municipality to enter into a financial agreement exempting real property from tax assessment and accepting payments in lieu of taxes where the property is qualified; and

WHEREAS, in accordance with the Long Term Tax Exemption Law and in order to ensure the financial feasibility of the Redevelopment Project, the Entity has submitted a written application ("**Application**") to the Township for approval of a tax exemption for the Redevelopment Project; and

WHEREAS, the Entity has represented to the Township that the Redevelopment Project would not be feasible in its intended scope but for the provision of financial assistance by the Township; and

WHEREAS, after review of the Application, the Township Manager recommended that the Application be approved; and

WHEREAS, after review of the Application, the Township Council now desires to approve the Application and to authorize the execution of the proposed form of financial agreement in substantially the form attached hereto as Exhibit A, (the “**Financial Agreement**”); and

WHEREAS, the Township Council hereby determines that the assistance provided to the Redevelopment Project pursuant to the Financial Agreement will be a significant inducement for the Entity to proceed with the Redevelopment Project and that based on information set forth in the Application, the Project would not be feasible without such assistance,

NOW, THEREFORE, BE IT ORDAINED by the Township Council of the Township of Verona, in the County of Essex, New Jersey, as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.
2. The Application, which has been recommended for approval by the Township Manager, is hereby accepted and approved.
3. The Township Manager is hereby authorized to execute the Financial Agreement, substantially in the form as it has been presented to the Council, and attached hereto as Exhibit A, subject to modification or revision deemed necessary or appropriate by the Township in consultation with counsel.
4. The Township Clerk is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms of paragraph 3 hereof, to attest to the signature of the Township Manager upon such document and is hereby further authorized and directed to affix the corporate seal of the Township upon such document.
5. Within ten calendar days following the later of the effective date of this Ordinance or the execution of the Financial Agreement by the Entity, the Township Clerk shall transmit a certified copy of this Ordinance and the Financial Agreement to the chief financial officer of the County of Essex and to the Essex County Counsel for informational purposes, as well as to the Tax Assessor of the Township.
6. The Township Council makes such determinations and findings by virtue of and pursuant to and in conformity with the Long Term Tax Exemption Law.
7. If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Ordinance.
8. A copy of this Ordinance shall be available for public inspection at the offices of the Township.
9. This Ordinance shall take effect according to law.

ATTEST:

JENNIFER KIERNAN
MUNICIPAL CLERK

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF JUNE 11, 2021 AND XXXX.

JENNIFER KIERNAN
MUNICIPAL CLERK

INTRODUCTION: June 7, 2021
PUBLIC HEARING: June 21, 2021
EFFECTIVE DATE:

FINANCIAL AGREEMENT

By and Between

THE TOWNSHIP OF VERONA

and

VERONA SUNSET URBAN RENEWAL LLC

Dated: _____

THIS FINANCIAL AGREEMENT, (the “**Agreement**”) made this ____ day of July, 2021 (the “**Effective Date**”), by and between **VERONA SUNSET URBAN RENEWAL LLC** (“**Entity**”), an urban renewal entity 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. (the “**Law**”), having its principal office at C/O BNE Real Estate Group, 16 Microlab Road, Livingston, NJ 07039 and the **TOWNSHIP OF VERONA**, a Municipal Corporation in the County of Essex and the State of New Jersey, having its principal office at 600 Bloomfield Avenue, Verona, NJ 07044 (the “**Township**”). The Township and Entity are each a “**Party**” and sometimes hereinafter referred to jointly as the “**Parties**”.

RECITALS

WITNESSETH:

WHEREAS, the Entity is the contract purchaser and designated Redeveloper of a parcel of land, located in the Township, currently shown and designated as Lot 4, Block 303 on the Tax and Assessment Map of the Township, as generally shown on **Exhibit A**, attached hereto and made a part hereof (the “**Land**”); and

WHEREAS, the Land is located within the boundaries of a designated redevelopment area within the Township (the “**Redevelopment Area**”), duly designated by Resolution No. 2019-140, for which the Township adopted the “The Sunset Avenue Redevelopment Area Redevelopment Plan” dated February 22, 2021, adopted pursuant to Ordinance No. 2021-01, finally adopted on March 8, 2021, as amended and supplemented from time to time (the “**Redevelopment Plan**”); and

WHEREAS, the Redeveloper entered into a Redevelopment Agreement between it and the Township dated ____ as may be further amended and supplemented from time to time (the “**Redevelopment Agreement**”) to provide for a redevelopment project on the Land, consisting of a 4-story building wrapped around a 4-story parking deck consisting of 200 apartments including 15 apartments set aside for affordable housing, approximately 10,000 square feet of amenity space, a pool, and landscaped courtyards (with the Land, the “**Project**”), which Project is consistent with the Redevelopment Plan; and

WHEREAS, the Entity has been formed by the Redeveloper with the intention that the Entity acquire, own and develop the Project; and

WHEREAS, on or about January 31, 2020 the Township entered into an amended and restated settlement agreement (“**Settlement Agreement**”) with Spectrum including, inter alia, provisions relating to the Township’s affordable housing obligations; and

WHEREAS, pursuant to Section 10 of the Settlement Agreement, the Township was obligated to enter into a financial agreement with Spectrum wherein Spectrum, or its assignee, would remit an annal service charge equal to: (a) 10% of gross revenues generated by the Project in years 1 through 15 after the Annual Service Charge Commencement Date, as defined herein; and (b) 11% of gross revenues generated by the Project in years 16 through 30 after the Annual Service Charge Commencement Date, as defined herein; and

WHEREAS, pursuant to Section 7 of the Settlement Agreement, Spectrum set forth its intention to assign its rights under the Settlement Agreement to the designated redeveloper of the Sunset Avenue Redevelopment Area; and

WHEREAS, Spectrum intends to assign and transfer to Entity its rights under the Settlement Agreement for the purpose of allowing the Entity to construct the Improvements (as defined herein); and

WHEREAS, the Parties agree and acknowledge that without this Agreement and the financial incentives created hereby, the Parties cannot feasibly effectuate the terms of the Settlement Agreement or construct the Project; and

WHEREAS, the Entity filed an Application for a Financial Agreement with the Township on May 20, 2021 (the “**Application**” as defined in Section 1.2(d) herein), in accordance with N.J.S.A. 40A:20-8, pursuant to the Law and this Agreement between the Entity and the Township, seeking approval of this Agreement providing for exemption from municipal taxation for the Improvements as aforesaid, for a period of the lesser of 30 years from “Substantial Completion” of the Project, as that term is hereinafter defined, or 35 years from the execution of this Agreement and for payment in lieu of taxes of an Annual Service Charge; and

WHEREAS, the Application is authorized by the Ordinance authorizing the execution of this Agreement, a copy of which is attached hereto as **Exhibit C (“Ordinance”)**; and

WHEREAS, the Township has made the following findings:

1. That the aggregate Annual Service Charge projected for the Project in the first fully stabilized year of operation is estimated to be \$682,302 for 200 units;
2. Of said 200 units, 15 units shall be set aside for low- and middle-income individuals and families with said units complying with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“**UHAC**”);
3. The Project will result in substantial benefit to the community by alleviating existing blight conditions of the Redevelopment Area and providing instead a range of housing opportunities within the Township;
4. The Project, and affordable units to be reserved for low- and middle-income individuals and families pursuant thereto, will be crucial toward allowing the Township to meet its third-round “Mt. Laurel” affordable housing obligations;
5. In addition to the inherent community benefits derived from the Project, the Project will include public components, as set forth in the Redevelopment Agreement, as amended;
6. Consistent with the Redevelopment Plan, the Project will further the Redevelopment Plan objectives and contribute to the economic growth of the Township in general and specifically the Redevelopment Area;
7. The aforesaid benefits of the Project exceed the cost, if any, associated with granting the tax exemption provided by this Agreement; and
8. The assistance provided by this Agreement is a significant and critical inducement to the Entity to proceed with the Project, but for which the Entity represents that the Project cannot be developed.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE 1

GENERAL PROVISIONS

1.1 **Governing Law.** The provisions of the laws of the State of New Jersey, the Law, the Redevelopment Agreement, and the Ordinance approving this Agreement shall govern this Agreement. It is expressly understood and agreed that the Township expressly relies upon the facts, data, and presentations contained in the Application, including Exhibits, all of which are incorporated herein by reference, in granting this tax exemption.

1.2 **General Definitions.** Unless specifically provided otherwise, when used in this Agreement, the following terms, when capitalized, shall have the meanings set forth below:

(a) Allowable Net Profit - The amount arrived at by applying the Allowable Profit Rate and the Net Profit, as those terms are hereinafter defined.

(b) Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1¼% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, the allowable profit rate shall be the greater of 12% or the percentage per annum arrived at by adding 1¼% per annum to the interest rate per annum which the Township determines to be the prevailing rate on mortgage financing on comparable improvements in Essex County, all in accordance with N.J.S.A. 40A:20-3(b).

(c) Annual Administrative Fee - As defined in Section 4.6 hereof.

(d) Annual Service Charge - The amount the Entity has agreed to pay pursuant Section 4.2 of this Agreement, which shall be prorated in the year in which the Annual Service Charge begins and the year in which the Annual Service Charge terminates. The Annual Service Charge shall commence as of the date that the Annual Service Charge exceeds the Minimum Annual Service Charge.

(e) Annual Service Charge Start Date - The first day of the month immediately following the Substantial Completion of any portion of the Project.

(f) Application - the application that the Entity will with the Township in accordance with N.J.S.A. 40A:20-8 of the Law, seeking approval of an urban renewal project pursuant to the Law, the Redevelopment Agreement and this Agreement, a copy of which Application is attached hereto as **Exhibit B**.

(g) Annual Report - A complete, certified annual financial statement outlining the financial status of the Entity as it relates to the Project and reporting the Annual Gross Revenue, Net Profit and Total Project Cost as defined herein, the contents of which have been prepared in a manner consistent with the current standards of the Financial Accounting Standards Board and which fully details all financial items required to determine that the Entity is complying with the Law and this Agreement and which has been certified as to its conformance with the current standards of the Financial Accounting Standards Board by a certified public accountant, who is licensed to practice that profession in the State of New Jersey.

(h) Certificate of Occupancy - The document, whether temporary or permanent, issued by the Township pursuant to N.J.S.A. 52:27D-133 authorizing occupancy of a building, in whole or in part.

(i) Cure Period - As defined in Section 9.3 hereof.

(j) Default Notice - As defined in Section 9.3 hereof.

(k) Default - The failure of the Entity or Township to perform any obligation imposed by the terms of this Agreement or by the Law, beyond any applicable grace or cure periods.

(l) DCA - The New Jersey State Department of Community Affairs, to which the Entity shall report in accordance with the Law.

(m) Improvements - The structural components of the Project described in the Recitals hereof and as further described in and permitted by the Redevelopment Agreement.

(n) Gross Revenue – Annual gross revenue or gross shelter rent or annual gross rents, as appropriate, and other income, for the Entity, in accordance with N.J.S.A. 40A:20-3(a).

(o) In Rem Tax Foreclosure - A summary proceeding by which the Township may enforce the lien for taxes due and owing by a tax sale, under N.J.S.A. 54:5-1 et seq.

(p) Interest Holders - As defined in Section 5.2.3 hereof.

(q) Land Taxes - The amount of conventional real estate taxes assessed on Land (but not the Improvements) during the term of this Agreement.

(r) Land Tax Payments - Payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector.

(s) Minimum Annual Service Charge – The amount of the total taxes levied against the Land and existing improvements in the last full tax year in which the Land and existing improvements were subject to taxation.

(t) Net Profit - The Gross Revenue of the Entity less all operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles and the provisions of N.J.S.A. 40A:20-3(c). Included in expenses shall be an amount sufficient to amortize the Total Project Cost over the life of the Project, which period the Parties agree is 30 years, pursuant to the Law.

(u) Notice of Termination - As defined in Section 10.1 hereof.

(v) Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as the context requires.

(w) Secured Party(ies) – As defined in Section 7.1.3(a) hereof.

(x) Security Arrangements – As defined in Section 7.1.3(a) hereof.

(y) Substantial Completion shall mean the date upon which the Township issues of the initial Certificate of Occupancy.

(z) Termination - Any act or omission which by operation of the terms of this Agreement shall cause the Entity to relinquish its Long-Term Tax Exemption in accordance with N.J.S.A. 40A:20-9g. Upon termination or expiration, all affected property shall be assessed and subject to taxation as are other taxable properties in the Township. After termination or expiration, restrictions and limits on the Entity shall terminate upon the Entity's rendering a final accounting to and with the Entity pursuant to N.J.S.A. 40A:20-12.

(aa) Total Project Cost or Total Project Unit Cost - The Entity's good faith estimate of the total cost of constructing the Project through the date of issuance of a Certificate of Occupancy for the entire completed Project, as more specifically defined in N.J.S.A. 40A:20-3h, consisting of, and limited to, the categories of costs set forth in **Exhibit D** annexed, subject to those exclusions from Total Project Cost set forth in **Exhibit D**, which estimated calculations and exclusions have been approved by the Township and the Entity.

1.3 Incorporation of Recitals. The Recitals (including the defined terms set forth therein) set forth at the beginning of this Agreement are hereby incorporated into this Agreement by reference and made a part of this Agreement as if set forth at length herein.

1.4 Exhibits and Schedules Incorporated. All Exhibits referred to in this Agreement and are attached hereto are incorporated herein and made a part hereof.

ARTICLE 2
APPROVAL OF AGREEMENT, USE, OPERATION, MANAGEMENT AND
FINANCIAL PLAN OF PROJECT

2.1 **Approval of Agreement.** Upon approval of this Agreement by the Township's governing body in accordance with applicable law, the Township hereby grants its approval of this Agreement for the Project that is to be constructed and maintained in accordance with the terms and conditions set forth herein and the provisions of the Law. The Project shall be constructed on the Land.

2.2 **Approval of the Entity.** Approval hereunder is granted to the Entity for the Project, which Entity shall in all respects comply and conform to all applicable statutes of the State of New Jersey, lawful regulations, and local ordinances made pursuant thereto, governing land, buildings and the use thereof.

2.3 **Use, Operation and Management of Project.** The Entity covenants and represents pursuant to N.J.S.A. 40A:20-9 that it shall cause the Project to be constructed and shall manage and operate the Property by leasing the individual residential units of the Project. The Improvements shall be those authorized by the Redevelopment Agreement, implemented in accordance with all permits and approvals and pursuant to the schedule agreed upon by the Township and the Entity. The operation and management of all low- and moderate- income residential units shall be in accordance with the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1, et seq.

2.4 **Financial Plan**

(a) The method for computing gross revenue for the Entity, the method of determining insurance, operating and maintenance expenses paid by a tenant which are ordinarily paid by a landlord, the plans for financing the Project, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on the construction financing, the source and amount of paid-in capital, the terms of mortgage amortization or payment of principal on any mortgage, a good faith projection of initial sales prices of any condominium units and expenses to be incurred in promoting and consummating such sales, and the rental schedules and lease terms to be used in the Project are set forth in the Application.

(b) The Entity's good faith estimate of the Total Project Cost is set forth in **Exhibit D** attached hereto.

ARTICLE 3
DURATION OF AGREEMENT

3.1 **Term.** So long as there is compliance with the Law and this Agreement, it is understood and agreed by the Parties hereto that this Agreement shall remain in effect for the lesser of 30 years from the Annual Service Charge Start Date or 35 years from the Effective Date. This Agreement shall continue in force only while the Project is owned by an urban renewal entity formed and operating pursuant to the Law. This Agreement shall be fully performed by the Parties

hereto within 30 years from the Substantial Completion, and in no event more than 35 years from the date of execution of this Agreement, pursuant to N.J.S.A. 40A:20-13.

ARTICLE 4

EXEMPTION AND ANNUAL SERVICE CHARGE

4.1 **Exemption.** The Township agrees that an Annual Service Charge shall be levied on the Improvements which shall be exempt from traditional real property taxation, as provided in the Law, from the Annual Service Charge Start Date to and through the date that is consistent with Section 3.1 above. From the date that the Entity takes title to the Property until the end of said calendar year, the Entity shall pay the otherwise applicable real estate taxes on the Property. Notwithstanding the provisions of any law, in consideration for, among other things, the granting of the tax exemption herein, the Entity agrees to waive the Township's obligation to provide municipal services to the Project for electric, sanitation, and snow removal, and the Entity shall assume the responsibility, financial or otherwise, for the provision of the same for the term of this Agreement.

4.2 Annual Service Charge

(a) In consideration of the Township granting the Entity the tax exemption set forth in Section 4.1 of this Agreement, the Entity shall make payment to the Township for municipal services, as provided in the Law, by payment to the Township of the Annual Service Charge pursuant to the schedule set forth in Section 4.2(d) below.

(b) The Annual Service Charge shall first begin to accrue on the Annual Service Charge Commencement Date. In the event the Entity fails to timely pay the Annual Service Charge, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid, and the Township shall have the same rights and remedies to collect such charges as provided by law for collection of general municipal taxes.

(c) The Annual Service Charge shall not be in lieu of sewer charges, water charges, connection fees, or other special assessments imposed in accordance with applicable law.

(d) Pursuant to N.J.S.A. 40A:20-12, the Annual Service Charge shall be an amount equal to the greater of: (a) (i) 10% of Annual Gross Revenues for years 1 through 15 after the Annual Service Charge Commencement Date; and (ii) 11% of the Annual Gross Revenues for years 16 through 30 after the Annual Service Charge Commencement Date; or (b) the Minimum Annual Service Charge; or (c) the staged adjustments to the Annual Service Charge as set forth in Section 4.3 below.

4.3 **Schedule of Staged Adjustments to Annual Service Charge.** Pursuant to N.J.S.A. 40A:20-12(b), the Annual Service Charge shall be adjusted as follows:

4.3.1 **Stage One:** Commencing on the Annual Service Charge Commencement Date, and for each of the 14 years thereafter, the Annual Service Charge shall be the amount established in accordance with Section 4.2 of this Agreement;

4.3.2 Stage Two: Commencing upon the end of Stage One as defined above, and continuing for the next 6 years, the Annual Service Charge (if applicable) shall be the greater of (i) the amount established in accordance with Section 4.2 or (ii) 20% percent of the amount of real estate taxes otherwise due on the value of the Land and Improvements;

4.3.3 Stage Three: Commencing upon the end of Stage Two as defined above, and continuing for the next 3 years, the Annual Service Charge (if applicable) shall be the greater of (i) the amount established in accordance with Section 4.2 or (ii) 40% percent of the amount of real estate taxes otherwise due on the value of the Land and Improvements;

4.3.4 Stage Four: Commencing upon the end of Stage Three as defined above, and continuing for the next 1 year, the Annual Service Charge (if applicable) shall be the greater of (i) the amount established in accordance with Section 4.2 or (ii) 60% percent of the amount of real estate taxes otherwise due on the value of the Land and Improvements;

4.3.5 Stage Five: Commencing upon the end of Stage Four as defined above, and continuing until the end of the Term (as defined in Section 3.1 above) of this Agreement, the Annual Service Charge (if applicable) shall be the greater of (i) the amount established in accordance with Section 4.2 or (ii) 80% percent of the amount of real estate taxes otherwise due on the value of the Land and Improvements.

4.4 **Quarterly Installments.** The Entity expressly agrees that the Annual Service Charge shall be billed in quarterly installments on those dates when real estate tax payments are due, i.e., February 1, May 1, August 1, and November 1; subject nevertheless to adjustment for over or underpayment within 30 days after close of each fiscal or calendar year, as the case may be.

4.5 **Land Tax Credit.** The Entity shall be entitled to a credit against the Annual Service Charge for the amount, without interest, of the real estate taxes on land paid by the Entity in the 4 preceding quarters provided such payments were made when due and owing.

4.6 **Administrative Fee.** In addition to the Annual Service Charge, the Entity shall pay an annual administrative fee (the “**Annual Administrative Fee**”) in an amount equal to two percent (2%) of the Annual Service Charge. The Annual Administrative Fee shall be due on or before November 1 in each year following the Annual Service Charge Start Date.

ARTICLE 5

ANNUAL REPORTS

5.1 **Accounting System.** The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with Generally Accepted Accounting Principles and pursuant to the Law.

5.2 Periodic Reports

5.2.1 **Total Project Cost Report:** Within 90 days after Substantial Completion of the Project, the Entity shall submit to the Township a report of Total Project Costs, substantially in the form attached hereto as **Exhibit E** certified as to actual construction costs by the Entity's architect which said certification shall be included in the Annual Report.

5.2.2 **Annual Report:** Annually, within 90 days after the close of each fiscal or calendar year, depending on the Entity's accounting basis during the period that this Agreement shall continue in effect, the Entity shall submit to the Township and the New Jersey Division of Local Government Services within the DCA, its Annual Report for the preceding fiscal or calendar year in accordance with N.J.S.A. 40A:20-9(d).

5.2.3 **Disclosure Statement:** Within 30 days of each anniversary date of the Parties' execution of this Agreement, if there has been a change in any person or entity owning more than 10% of the Entity, the Entity shall submit to the Township a Disclosure Statement listing all persons and other entities having a 10% or greater ownership interest in the Project ("**Interest Holders**"), and the extent of the ownership interest held by each.

5.2.4 **Termination of Obligations:** The Entity's obligations under this Section 5.2 shall terminate at the end of the tax exemption period, or upon earlier termination, if any, of this Agreement. Upon termination or expiration, all affected property shall be assessed and subject to taxation as are other taxable properties in the Township. After termination or expiration, restrictions and limits on the Entity shall terminate, upon the Entity's rendering a final accounting to and with the Township pursuant to N.J.S.A. 40A:20-12.

5.3 **Inspection.** The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Entity and shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers by duly authorized representatives of the Township and the State of New Jersey. Such examination or audit shall be made upon no less than 7 days written notice during regular business hours, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the examination, inspection or audit will not materially interfere with the construction or operation of the Project.

ARTICLE 6

LIMITATION OF PROFITS AND RESERVES

6.1 **Limitation of Profits and Reserves.** During the period of the Agreement as provided herein, the Entity shall be subject to a limitation of its profits and, in the case of a corporation, the dividends payable by it, pursuant to the provisions of N.J.S.A. 40A:20-15. The calculation of the Entity's Excess Net Profits shall include those Project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in this Agreement, as provided for in the Law, even though those costs may have been deducted from the Total Project Cost for the purpose of calculating the Annual Service Charge.

6.2 **Annual Payment of Excess Net Profit.** In the event the Net Profits of the Entity, in any fiscal year, shall exceed the allowable Net Profits for such period, then in accordance with N.J.S.A. 40A:20-15, the Entity, within 90 days after the end of such fiscal year, shall pay such excess Net Profits to the Township as an “**Additional Annual Service Charge**”. Gross Revenue and Net Profit for the purposes hereof shall be determined pursuant to N.J.S.A. 40A:20-3 a. and c. in the following manner. For each year during the term of this Agreement, the Entity's (a) Gross Revenue shall be the total amount of annual gross rents the Entity actually collects from the Property during each such year and (b) Net Profits shall be (i) the Gross Revenue of the Entity less (ii) all operating and non-operating expenses of the Entity determined in accordance with generally accepted accounting principles, including without limitation those items required by N.J.S.A. 40A:20-3(c)(1) and (2).

6.3 **Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale.** The date of the termination of this Agreement, expiration of this Agreement or the sale of the Project shall be considered to be the close of the fiscal year of the Entity. Within 90 days after such date, the Entity shall pay to the Township the amount of the reserves, if any, maintained by it pursuant to this Section and the excess Net Profit, if any. Upon termination or expiration, all affected property shall be assessed and subject to taxation as are other taxable properties in the Township. After termination or expiration, restrictions and limits on the Entity shall terminate upon the Entity's rendering a final accounting to and with the Entity pursuant to N.J.S.A. 40A:20-12.

ARTICLE 7

ASSIGNMENT AND/OR ASSUMPTION

7.1 **Approval.** Except with the Township's written consent, as set forth in Section 7.1.2 hereof, the Entity may not sell, convey, grant, bargain, assign, or otherwise transfer its fee title interest in the Project, or any part thereof, or any direct or indirect interest in the Entity, or permit the Project, or any part thereof, to be sold, conveyed, granted, bargained, assigned, or otherwise transferred, except for the transfer of ownership interest in the Entity to any affiliate of the Entity, or related entity or affiliate, to which transfer the Township hereby consents, as set forth in Section 2.2 herein, subject to the conditions set forth therein. Notwithstanding anything to the contrary in this Section, a transfer of ownership interests that occurs by inheritance, devise or bequest or by operation of law to the spouse, child or grandchild of Interest Holders, or a trust established for the benefit of such a spouse, child or grandchild shall not be a violation of this restriction.

7.1.1 It is understood and agreed that the Township, on written application by the Entity, shall not unreasonably withhold its written consent to a transfer of the Project authorized by the Law, or any interest therein, and the assignment of all of the Entity's right, title and interest in and to this Agreement, to an entity eligible to operate under the Law, owning no other "project," as this term is defined in the Law, provided the Entity is not in Default regarding any performance required of it hereunder, full compliance with the Law has occurred, and the Entity's obligations under its Agreement with the Township are fully assumed by the transferee. If such written application is made, simultaneously therewith, the Entity shall pay a transfer fee to the Township of 2% of the Annual Service Charge plus an Additional Annual Service Charge equal to 3% of the gross sales proceeds in excess of 150% of the Total Project Costs set forth in the Total Project Cost Report described in Section 5.2.1 or the Application if the total Project Cost Report is not available.

7.1.2 Notwithstanding anything to the contrary herein, Entity shall have the right to assign its rights and obligations hereunder to an entity of Entity's choosing following issuance of a certificate of completion for the Project without further notice to, or consent from, the Township and shall not be subject to the fee set forth in Section 7.1.1 above.

7.1.3 It is expressly understood and agreed that the Entity has the right, to the extent permitted by the Exemption Law and the Redevelopment Agreement, to encumber and/or assign the fee title to portions of the Property and/or Improvements for purposes of: (i) financing the design, development, and construction of the Property, (ii) obtaining permanent mortgage financing relating to the Property, and/or (iii) refinancing a permanent mortgage relating to the Property, and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement.

(a) The Township acknowledges that the Entity and/or Transferees intend to obtain secured financing in connection with the acquisition, development, and construction of the Property. The Town agrees that the Entity and/or its Transferees may assign, pledge, hypothecate, or otherwise transfer its applicable rights under this Agreement and/or its interest in the Property to one or more secured parties or any agents therefor (each, a "**Secured Party**" and collectively, the "**Secured Parties**") as security for obligations of the Entity, and/or its Affiliates and/or its Transferees, incurred in connection with such secured financing (collectively, the "**Security Arrangements**"). The Entity or Affiliate or Transferee, as applicable, shall give the Town written notice of any such Security Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such notice waives any requirement of the Town hereunder to provide any notice of Default or notice of intent to enforce its remedies under this Agreement.

(b) If the Entity shall Default in any of its obligations hereunder, the Town shall give written notice of such Default to the Secured Parties and the Town agrees that, in the event such Default is not waived by the Town or cured by the Entity, its assignee, designee, or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Town will provide the Secured Parties not less than 15 Days from the date of such written notice to the Secured Parties with regard to a payment Default by the Entity, and 90 Days from the date the Entity was required to cure any other Default.

(c) To the extent permitted by the Exemption Law, in the absence of a Default by the Entity, the Township agrees to consent to any collateral assignment by the Entity

to any Secured Party or Secured Parties of its interests in this Agreement as they relate to the Property and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Town's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

ARTICLE 8 **COMPLIANCE**

8.1 **Compliance.** During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law.

ARTICLE 9 **DISPUTE/DEFAULT**

9.1 **Dispute.** In the event of a breach of this Agreement by either of the Parties or a dispute arising between the Parties in reference to the terms and provisions as set forth herein, then either Party may apply to the Superior Court of New Jersey, Essex County by an appropriate proceeding, to settle and resolve such dispute in such fashion as will tend to accomplish the purposes of this Agreement under Applicable Law.

9.2 **Default.** Default shall be failure of the Entity or Township to conform to the terms of this Agreement beyond the notice, cure and grace periods set forth in Section 9.3 below.

9.3 **Cure Upon Default.** Should a Party be in Default, the non-defaulting Party shall send written notice to the defaulting Party of the Default (the “**Default Notice**”). The Default Notice shall set forth with particularity the basis of the Default. The defaulting Party or a Party acting on its behalf shall have 5 days from receipt of the Default Notice (the “**Cure Period**”), to cure any monetary Default and a 60-day Cure Period to cure any non-monetary default. However, if the Default is a non-monetary Default of a nature that cannot be cured within the Cure Period, using reasonable diligence, the time to cure the Default shall be extended beyond the Cure Period for the time period required in order to allow the defaulting Party to cure the Default, provided that the defaulting Party continues using reasonable diligence to cure the Default. Upon the expiration of the Cure Period, or any extension thereof, and providing that the Default is not cured, the non-defaulting Party shall be permitted to invoke the remedies set forth in Section 9.4 below.

9.4 Remedies Upon Default.

9.4.1 In the event of any Default not cured within the Cure Period or any extension thereof, a breach of this Agreement by either of the Parties hereto, or a dispute arising between the Parties with respect to the terms and provisions of this Agreement, either Party may apply to the Superior Court of New Jersey of Essex County by an appropriate proceeding to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the Parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and

regulations in such a fashion to accomplish the purpose of the Law. Costs for said arbitration shall be borne equally by the Parties.

9.4.2 The Entity's failure to make the requisite Annual Service Charge payment, Land Tax Payment, reserve payment, Additional Annual Service Charge payment, any administrative fee levied, and/or sewer and water charge payments within the Cure Period or any extensions thereof shall constitute a breach of this Agreement by the Entity, and the Township shall, among its other remedies, have the right to proceed against the Property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:55-1 et seq. Whenever the word "Taxes" appears or is implied to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the Annual Service Charges were taxes or municipal liens on land. In addition, the Township may terminate this Agreement as to the Entity pursuant to Section 10.1.

9.4.3 All of the remedies provided in this Agreement, and all rights and remedies granted by Law and equity shall be cumulative and concurrent. No termination of any provision within this Agreement shall deprive either Party of any of its remedies in accordance with Law or any action by the Township against the Entity because of its failure to pay Taxes, Annual Service Charges, Additional Annual Service Charges, Land Taxes, administrative fees, reserve payments, and/or water and sewer charges with interest payments. The bringing of any action for any Taxes, Annual Service Charges, or other charges due hereunder, or in connection with another Default hereunder, or the resort to any other remedy herein provided for the recovery of such Taxes, any Annual Service Charges Additional Annual Service Charges, Land Taxes, administrative fees, reserve payments, and/or water and sewer charges or other charges due hereunder, shall not be construed as a waiver of the right to terminate the Long Term Tax Exemption granted hereby or proceed with an In Rem Foreclosure Action or any other remedy as provided for in this Agreement or by Law.

ARTICLE 10 **TERMINATION**

10.1 **Termination Upon Default of the Entity.** In the event the Entity or a Party acting on its behalf fails to cure or remedy the Default within the Cure Period as provided in Section 9.2, the Township may terminate this Agreement upon 30 days written notice to the Entity (the "**Notice of Termination**").

10.2 **Voluntary Termination by the Entity.** The Entity may, after the expiration of one year from the Substantial Completion of the Project, notify the Township in writing that, as of a date certain designated in such Notice, it relinquishes its status as an Urban Renewal Entity. As of such date, continuation of the tax exemption, the Annual Service Charges hereunder, and the profit and dividend restriction shall terminate, and Section 10.3 below shall control. A final accounting pursuant to N.J.S.A. 40A:20-12 shall be a requirement of termination.

10.3 **Conventional Taxes.** Upon the termination or expiration of this Agreement and thereafter, the Land and Improvements shall be assessed and conventionally taxed according to the general law applicable to other taxable property within the Township, and the Entity is bound by this Agreement and by the Law until expiration or Termination shall occur.

ARTICLE 11

NOTICE

11.1 **Certified Mail.** Any notice required hereunder to be sent by either Party to the other shall be sent by certified or registered mail, return receipt requested or by recognized overnight courier, with proof of delivery.

11.2 **Sent by Township.** When sent by the Township to the Entity, it shall be addressed to:

BNE Acquisitions, LLC
16 Microlab Road, Suite A
Livingston, New Jersey 07039
Attn: Jonathan Schwartz

WITH A COPY TO:

John P. Inglesino, Esq.
Inglesino, Webster, Wyciskala & Taylor, LLC
600 Parsippany Road, Suite 204
Parsippany, New Jersey 07054

Unless prior to giving of notice, the Entity shall have notified the Township in writing otherwise. In addition, provided the Township is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's mortgagee, the Township agrees to provide such mortgagee with a copy of any notice required to be sent to the Entity.

11.3 **Sent by Entity.** When sent by the Entity to the Township, it shall be addressed to:

Mathew Cavallo, Township Manager
Township of Verona
600 Bloomfield Avenue
Verona, New Jersey 07044

WITH A COPY TO:

Joseph P. Baumann, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068

The notice to the Township shall fully identify the Project to which it relates, including the full name of the Entity and the Land's Block and Lot numbers

ARTICLE 12

MISCELLANEOUS

12.1 **Severability.** If any term, covenant or condition of this Agreement or the Application shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the Application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

12.2 **Construction.** This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, except for those provisions governing choice of law, and without regard to or aid of any presumption or other rule requiring construction against the Party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Township have combined in their review and approval of same.

12.3 **Captions.** The marginal captions after the Article, Section and Paragraph numbers of this Agreement are for convenience of reference purposes only and do not in any way define, limit or amplify the terms of this Agreement and are to be given no weight in its interpretation.

12.4 **Oral Representations.** There have been no oral representations made by either of the Parties hereto which are not contained in this Agreement. This Agreement including all Exhibits, the Ordinance authorizing this Agreement, and the Application including all Exhibits, shall constitute the entire Agreement between the Parties, and there shall be no modifications thereto other than by a written instrument approved and executed by and delivered to each.

12.5 **Recording.** Either this entire Agreement, or a memorandum of this Agreement in form and substance approved in writing by the Township, will be recorded with the Essex County Clerk by the Entity, at no cost to the Township.

12.6 **Remittance to County.** The Township shall remit to the County of Essex on a quarterly basis, five percent (5%) of the Annual Service Charge received from the Entity in accordance with N.J.S.A. 40A:20-12(b).

12.7 **Compliance with Laws.** The Entity represents and warrants that this Agreement complies with N.J.S.A. 40A:20-1 et. seq. and applicable regulations. The Land and Improvements shall be subject to any and all laws promulgated by the State of New Jersey with respect to tax assessments.

12.8 **Amendments.** Any amendments or modifications to this Agreement made after the Effective Date shall be by mutual consent of the Township and the Entity and shall be subject to written approval in accordance with the Law.

ARTICLE 13
EXHIBITS AND SCHEDULES

The following Exhibits and Schedules are attached hereto and incorporated herein as set forth at length herein:

Exhibit A - Land Description

Exhibit B - Executed Application with all Exhibits;

Exhibit C - Ordinance of the Township Authorizing Execution of this Agreement;

Exhibit D – Entity’s Estimate of Total Project Cost;

Exhibit E - Form of Certification of Final Construction Cost;

Exhibit F - Certificate of Formation of Verona Sunset Urban Renewal LLC

[SIGNATURES ON FOLLOWING PAGE]

DRAFT

IN WITNESS WHEREOF, the Parties hereto have caused this to be executed, all as of the date first above written.

Witness/Attest:

TOWNSHIP OF VERONA
a public body corporate and politic

Jennifer Kiernan, Township Clerk

By: _____
Matthew Cavallo, Township Manager

Dated: _____

Dated: _____

Witness/Attest:

**VERONA SUNSET URBAN RENEWAL
LLC**

By: _____

By: _____
Jonathan Schwartz, Member

Dated: _____

Dated: _____

Exhibit A

Land Description

DRAFT

Exhibit B

Executed Application with All Exhibits

[see parent submission]

DRAFT

Exhibit C

Ordinance of the Township Authorizing Execution of this

[attached]

DRAFT

Exhibit D

Entity's Estimate of Total Project Cost¹

Hard Costs:	\$44,650,000.00
Soft Costs and Land Acquisition:	\$30,845,000.00
Total:	\$75,495,000.00

DRAFT

¹ The Parties acknowledge that the amounts of the project costs and reductions set forth above are preliminary estimates that will be refined as project design progresses, and that to the extent project costs increase or decrease the allowed reductions and exclusions from project costs will be adjusted to the extent permitted by applicable Law.

Exhibit E

Form of Certification of Final Construction Cost

BNE Spectrum360 Project
Verona Township, New Jersey

I, _____, do certify the following:

I am the _____ of _____, the architects for the
_____ Project in _____.

2. To the extent that our firm has been involved in the design and construction of the
_____ Project and based on those records and contracts that have been supplied to us by
_____, we certify that the total construction cost forth above referenced project
is \$ _____.

I hereby certify that the foregoing statements made by me are true. I am aware that if any
of the foregoing statements are willfully false, I am subject to punishment.

Date: _____

Exhibit F

Certificate of Formation of Verona Sunset Urban Renewal LLC

[attached]

DRAFT



600 PARSIPPANY ROAD, SUITE 204
PARSIPPANY, NEW JERSEY 07054
T. (973) 947-7111
F. (973) 887-2700
www.iwt-law.com

TOBY M. COHEN
Direct: (973) 585-7723
tcohen@iwwt.law
Admitted in NJ & NY

May 20, 2021

VIA HAND DELIVERY

Mathew Cavallo, Township Manager
Township of Verona
Verona Town Hall
Bloomfield Ave
Verona, N07044

Re: Long Term Tax Exemption Application
Sunset Avenue Redevelopment Area ("Redevelopment Area")
Verona Sunset Urban Renewal, LLC ("URE")
1 Sunset Avenue, Verona, NJ (Block 303, Lot 4, the "Property")
Our File No. 97-012

Dear Mr. Cavallo:

Enclosed herewith please find the URE's application for a long-term tax exemption relating to the Property, in connection with the Redevelopment Area, together with the required exhibits, in the form as provided to the URE by Robert Benecke, F.A.

We look forward to continuing to work with the Township of Verona on this project and please feel free to contact the undersigned if we can provide any additional information. Thank you for your kind attention to this matter.

Very truly yours,

/s/ Toby M Cohen

Encls.

cc: Verona Sunset Urban Renewal, LLC (via email only)
Joseph Baumann, Esq. (via email)
Robert Benecke, F.A. (via email)

Application for
Long Term Tax Exemption

“The Sunset Avenue Redevelopment
Area
Redevelopment Plan”

Block 303 Lot 4

1 Sunset Avenue

March 3rd, 2021

Submitted by:

Jonathan Schwartz
Verona Sunset Urban Renewal, LLC
C/O BNE Real Estate Group
16 Microlab Road Livingston, NJ 07039

Overview of application contents:

- Section I - General instructions regarding the completion of the application
- Section II - Identification of the applicant
- Section III - Detailed description of the Project
- Section IV - Type of exemption and term requested
- Representations and certifications required by statute
- Signature of the applicant
- Exhibits

I. Instructions:

Please complete this application in its entirety and attach all required supporting documentation. Applications may be returned and delay the tax exemption authorization process or cause the application to be denied. Both the Township and the applicant recognize that all numbers and forward looking statements are estimates prepared in good faith and may change, depending on market conditions.

Important notes:

- 1) Certain documents required in this application must be prepared by qualified professionals other than the applicant. In particular, survey documents must be signed and sealed by a licensed surveyor, site plan documents must be signed and sealed by a professional engineer and construction cost estimates must be certified by a licensed engineer or architect.
- 2) Under New Jersey law, applicants for long-term exemption must be organized as an Urban Renewal Entity as certified by the New Jersey Department of Community Affairs.
- 3) The application should be accompanied by a proposed form of financial agreement. Please ensure that the financial agreement attached to this application is appropriate to the type of project for which you are seeking an exemption.

Completed applications should be submitted to:

Mathew Cavallo, Township Manager
Township of Verona
Verona Town Hall,
Bloomfield Ave
Verona, NJ
07044

If you have any questions regarding the application or the tax exemption process, please contact:

Joseph Baumann, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068
(973) 622-4869
jbaumannmcmanimon@msbnj.com

OR:

Robert Benecke, F.A.
Benecke Economics
8410 Sanctuary Boulevard
Riverdale, NJ
07457
Rbenecke@beneckeeconomics.com

II. Redeveloper and Project Information and Identification:

A. Name of Applicant:

Verona Sunset Urban Renewal, LLC (the URE, LLC application has been submitted to NJDCA)

B. Principal Address:

16 Microlab Road Livingston, NJ 07039

C. Type of Entity (check one)

☐ Corporation ☒ LLC ☐ LLP ☐ Partnership ☐ Other (please specify)

D. Contact Information

Name and Address of Statutory Agent-Must be an Attorney or Financial Advisor:

Please list the name and address of the entity upon whom a legal process can be served:

**Larry Pantirer ESQ.
16 Microlab Road
Livingston, NJ 07039**

E. Federal Tax Identification Number of Urban Renewal Entity: (In Process)

F. Disclosure of Ownership:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Redeveloper has, as one or more of its owners, a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner is disclosed.

Please provide the necessary information utilizing the form provided with Exhibit 1 of this application.

G. Certificates of Incorporation and Approval:

Please provide a copy of the approved certificate of incorporation or formation by the State of New Jersey for the entity applying for the exemption. Attach the certificate as Exhibit 2.

Also include a copy of the certificate of approval of the urban renewal entity issued by the State of New Jersey Department of Community Affairs. Attach that certificate as Exhibit 3. (The only projects exempt from this requirement are low and moderate income housing projects located outside a designated redevelopment area.)

III. Project Description:

A. Applicant's Ownership Interest in the Project:

☒ Conventional (Fee Simple) ☐ Condominium

B. Project Type (Please check all that apply), example-residential-number of units-parking spaces, etc.

200 Apartments with Approximately 360 Parking spaces

C. Project Location:

1. Provide all street addresses by which the project site is currently known:

1 Sunset Avenue Verona, NJ

2. Provide all tax lots that comprise the project site. Designate lots as they appear on the official maps of the Tax Assessor as of the date of this application (i.e. prior to any subdivision associated with the project):

Lot 4, Block 13 Township of Verona

3. Metes and Bounds Description-Survey:

If the site plan and survey (metes and bounds) are on file in the Township's offices, then please reattach here. Please attach a copy of a deed or contract of sale (which may be referenced by letter and supplied "in camera") for the property as Exhibit 4 confirming that the project is under the control of the applicant.

See attached.

D. Purpose of Project:

E. Narrative Description of Project:

Provide a brief narrative description of the project, including the height and bulk of proposed improvements, type of construction materials to be used and expected square foot area of each proposed use. Indicate the number and type of each unit to be constructed as part of the project and whether the project will be restricted to any group or groups on the basis of age or income. Include maps, renderings, floor plans and other graphic materials if available. An attachment may be necessary. **See attached.**

F. Current Conditions:

1. Provide a brief description of any improvements that are in place currently on the project site and indicate which if any are expected to be reused, or remain, as part of the project. Attach extra pages as needed.

The property currently consists of a 3 story School building with playground and associated surface parking areas. None of the existing structures will remain.

2. Provide the current tax assessment and the current real property tax levy for each lot included within the project site.

The property is currently exempt from taxes as it is owned by a non-for-profit school.

G. Project Cost Estimates

1. Provide a detailed cost breakdown for the project, including both hard and soft costs. The estimate should be prepared by a licensed architect or engineer-and certified by same prior to adoption of the ordinance implementing the PILOT. Complete the following chart:

N.J.S.A. 40A:20-3 h-Total Project Costs (TPC)

See attached verification from Charles Thomas, P.E.

Verona	PILOT application for residential project.
1-March-2021	TPC Categories
\$44,650,000	Construction costs. Includes site, parking, building-mechanical systems, etc. XXX square feet. {h-4}
\$6,300,000	Architect, legal, etc. {h-2} NOTE: Commissions only to be added if applicable DURING CONSTRUCTION.
\$16,250,000	Land costs. {h-1} DO NOT INCLUDE ANY COSTS NOT ON A SETTLEMENT STATEMENT
\$4,000,000	Insurance, construction financing. {h-5}
\$300,000	Financing fees. {h-6}
\$400,000	Real Estate Taxes-actual paid for xxx years-the time period of construction. (2020). {h-8}
\$71,900,000	Total Project Cost w/o developer's fee(s).
\$3,595,000	Developer's Overhead. {h-9}
\$75,495,000	Total Project Costs-TPC
\$	Project Amortization-Based on a 30 Year PILOT.
\$24,085,500	Financing-Equity (Includes Verona Affordable Housing Payment)
\$55,034,500	Financing-Debt (Includes Verona Affordable Housing Payment)

Please describe special conditions, such as environmental remediation, soil conditions, demolition costs, construction staging, etc.

There is a payment to the Township's affordable housing trust fund of \$3,250,000 not included in the above TPC

2. For each type of unit to be included within the Project, provide an estimate of the total unit cost for that unit. This may be provided at a summary level, not at the level set forth for the estimate required by section K.1 above. The TPC estimate should also be prepared by a licensed architect or engineer.

	<u>Per Unit</u>
Construction	\$221,250
Architect/ Engineering/ Etc..	\$31,500
Land	\$81,250
Verona Payment	\$15,625
Insurance	\$20,000
Perm Financing	\$1,500
Overhead	\$17,975
Total	\$389,100

H. Project Pro-Forma:

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full exemption period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity.

See Attached

I. Explanation of the Need for Tax Exemption:

Provide an explanation of why the applicant believes that a long term tax exemption is necessary to make this project economically feasible. **See Attached.**

J. Project Schedule:

Attach a detailed schedule of the key milestone dates for the approval, construction and leasing or sale of the project as an attachment to the application. **See Attached**

K. Statement of Project Benefits:

Provide a detailed description of the public benefits that would result from the project. At a minimum, include a projection of the number and type of construction jobs to be created, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments. **See Attached**

L. Proposed Rates and Phases: The project will be given 30 Months to be constructed. The project will pay the minimum annual service charge of the PILOT % applied to the annual gross revenue (AGR) generated by the project. The following is the proposed PILOT and the counter-proposal by the Township which will be the PILOT % inserted into the financial agreement.

See Attached.

Please provide a breakdown of the number of proposed residential units by unit type (one-bedroom, affordable, etc.) also please provide an estimated size in square feet of each unit.

See Attached Project Proforma

M. Form of Financial Agreement:

Attach the proposed form of the financial agreement.

Representations and Certifications:

In submitting the application, the Redeveloper certifies that all of the information is true and accurate to the best of his or her knowledge and further certifies to the following:

A. The project conforms to the Redevelopment Plan that is in effect for the area that includes the project site and with any Redevelopment Agreement as may be in place between the Municipality and the Redeveloper.

B. The Project either 1) conforms to the Master Plan of the Municipality; or 2) to the extent that the Redevelopment Plan is inconsistent with the Master Plan, the Project conforms to the Redevelopment Plan and the Municipal Council, in adopting the Redevelopment Plan, set forth its reasons for adopting a Redevelopment Plan with such inconsistencies.

C. The project will conform to and the applicant(s) agrees to comply with all Federal and State laws, including all affordable housing laws (regulations and rules) and to all applicable municipal ordinances.

D. Construction of the project has not commenced as of the time of the submission of this application. The applicant understands that the Municipal Council is under no obligation to approve this tax exemption application. Any work done on the assumption of receipt of a tax

exemption following the submission of the application and before final approval is undertaken at the risk of the Redeveloper. **Note that under no circumstances will an exemption be granted for a project that has already reached substantial completion.**

F. No officer or employee of the Municipality has any interest, directly or indirectly, in the project that is the subject of this application.

Signatures

By my signature below, I hereby submit this application on behalf of the Redeveloper. I certify that all of the information is true and accurate to the best of my knowledge and belief. I am aware that if any of the information provided is willfully false, that I am, subject to prosecution.

For the Redeveloper:

Jonathan Schwartz

Date: March 3rd, 2021

Title: Authorized Signatory

EXHIBITS

I, J, K

EXHIBIT I

EXPLANATION OF THE NEED FOR TAX ABATEMENT

The tax pilot sought by this application is necessary to achieve financial viability of the project. The project cannot be built at traditional tax levels. Applicant would suffer a loss on the project if traditional real property taxes were levied. Applicant also believes the rents it will be able to offer if given a tax exemption will help attract tenants.

Exhibit J

Estimated Project Schedule

Submission of site plan application	9/01/2021
Receipt of all approvals for project	9/01/2022
Commencement of construction	9/01/2023
	(Spectrum 360 has 1 year to move out)
Completion of construction	9/01/2025

EXHIBIT K

Statement of Project Benefits

The Project will provide economic activity in the area in which the Project will be constructed, and it will create approximately 300 construction jobs and 10 permanent jobs and will also yield significant municipal revenue. It will also provide new housing in the community.

EXHIBITS-Please Complete.

The following is a check-list of required exhibits that must be attached to the application:

<u>Exhibit #</u>	<u>Description</u>	<u>Included</u>
1	Disclosure of Ownership	<u> X </u>
2	Certificate of Incorporation-Urban Renewal Entity	<u> </u>
3	Certificate of DCA Approval of Urban Renewal Entity	<u> </u>
4	Metes and Bounds Description	<u> X </u>
Required	Copy of Deed or Sale, or Lease Agreement	<u> X </u>

(Note: this agreement may be described by a representation letter if it is in process of being effectuated.)

EXHIBIT 1-A

DISCLOSURE OF OWNERSHIP

Instructions:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Redeveloper has as one or more of its owners a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner with more than a 10% interest is disclosed.

This information must be provided on the forms following these instructions entitled “Disclosure of Ownership.” Separate forms should be used for each corporation or partnership included in the chain of ownership. Each form must be signed by an officer of the corporation and be attested to by the secretary (if a corporation) or by all partners (if a partnership). Partnership forms must be notarized as well.

Failure to properly complete this disclosure statement or to submit it as part of the application will be grounds for the application to be rejected.

EXHIBIT I-C

DISCLOSURE OF OWNERSHIP
(for use by Corporations)

I. Principals (list all owners of 10% or more of stock)

<u>Name</u>	<u>Home Address</u>	<u>Title</u>	<u>%Owned</u>
-------------	---------------------	--------------	---------------

Howard Schwartz			12.5
-----------------	--	--	------

Larry Pantirer			12.5
----------------	--	--	------

Alan Pines			12.5
------------	--	--	------

Jonathan Schwartz			12.5
-------------------	--	--	------

Marshall Tycher			25
-----------------	--	--	----

Carl Goldberg			25
---------------	--	--	----

By:

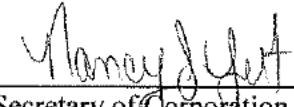

Verona Sunset Urban Renewal, LLC

Name of Corporation

Signature of Officer

Date

Attested by:


Secretary of Corporation

Date

5/20/2021

CERTIFICATE OF INCORPORATION

Please attach a copy of the approved certificate of incorporation of the entity applying for the exemption to this sheet.

See attached.

ORLOFF, LOWENBACH, STIFELMAN & SIEGEL, P.A.

Attorneys at Law

44 Whippany Road - Suite 100
Morristown, New Jersey 07960
973.622.6200 • Fax: 973.622.3073

800 Third Avenue - Suite 2800
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Alexander S. Firsichbaum*
Samantha T. Alexander*
Alexander B. Imelt†

Of Counsel
Ralph M. Lowenbach*
Floyd Shapiro
Samuel Feldman*
Sanders M. Chattman

Frank L. Stifelman
1937-2015

*MEMBER NJ & NY BARS
†MEMBER NJ, NY & PA BARS

Refer To File No.
068993-120

March 2, 2021

BY FEDEX

Ms. Pamela Weintraub
NJ DCA, Office of Local Planning Services
101 South Broad Street
Trenton, New Jersey 08608

Re: Verona Sunset Urban Renewal LLC

Dear Ms. Weintraub:

Enclosed are one (1) signed original and five (5) copies of the Certificate of Formation of the above referenced entity, together with the signed and notarized Disclosure Information Form. Please arrange to have these documents reviewed and, if acceptable, return to me a certificate of approval.

If you have any questions, please call me.

Very truly yours,

ORLOFF, LOWENBACH, STIFELMAN
& SIEGEL

By: Samantha T. Alexander
Samantha T. Alexander

Enc.

cc: Jonathan Schwartz

**CERTIFICATE OF FORMATION
OF
VERONA SUNSET URBAN RENEWAL LLC**

This Certificate of Formation is made by an authorized person in order to form a limited liability company in accordance with the New Jersey Limited Liability Company Act (N.J.S.A. 42:2C-1 et seq.).

1. The name of the limited liability company is:

Verona Sunset Urban Renewal LLC

(referred to below as the “**Company**”).

2. The address of the Company’s initial registered office in New Jersey is c/o BNE Real Estate Group, 16 Microlab Road, Suite A, Livingston, New Jersey 07039. The Company’s initial registered agent at that address is Larry Pantirer.

3. The term of the Company shall be perpetual.

4. The purpose for which the Company is organized shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.), and to initiate and conduct projects for the redevelopment of a redevelopment area in the Township of Verona (the “**Municipality**”) pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the Municipality, to acquire, plan, develop, construct, alter, maintain, or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.).

5. So long as the Company is obligated under the Financial Agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et. seq.), it shall engage in no business other than the ownership, operation and management of the project.

6. The Company declares that (a) it has been organized to serve a public purpose; (b) its operations shall be directed toward: (i) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; (ii) the acquisition, management and operation of a project, redevelopment

relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.); and (c) it shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.).

7. The Company shall not voluntarily transfer more than ten (10%) percent of its ownership in the project or any portion thereof undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until: (i) the Company has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.); and (ii) if the project includes housing units, the Company has obtained the consent of the Commissioner of Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the Municipality, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the Financial Agreement with the Municipality.

8. The Company shall file annually with the municipal governing body a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each.


9. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10%, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

10. The Company is subject to the provisions of section 18 of P.L.1991, c.431 (C.40A:20-18) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

11. Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

12. This Certificate shall be effective upon its filing in the Commercial Recording Division of the office of the New Jersey Department of Treasury.

IN WITNESS WHEREOF, the undersigned duly authorized person has executed this Certificate of Formation this 2nd day of March, 2021.


Samantha T. Alexander, Authorized Person

**NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
OFFICE OF LOCAL PLANNING SERVICES
PO BOX 813
TRENTON, NEW JERSEY 08625-0813**

**URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION**

Instructions for Completion: You have filed an application for approval of an urban renewal entity pursuant to the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.). In order for us to process the application, we require that you provide the following information and forward this form to the above address or fax it to (609) 633-6056. This form must be completed prior to DCA approval of the entity. If you have any questions, please call Pamela Weintraub at (609) 633-2133 or email Pamela.Weintraub@dca.nj.gov.

Name of Urban Renewal Entity: Verona Sunset Urban Renewal LLC

SECTION 1: TYPE OF APPROVAL REQUESTED (check one):

- ☒ Original Certificate (of incorporation, limited partnership, formation, etc.)
☐ Amendment to original certificate (of incorporation, limited partnership, formation, etc.). Note: In the case of amendments, please forward a copy of original certificate marked "filed, State Treasurer" or "filed, Secretary of State" with this form.
☐ Other (please specify) _____

SECTION 2: PROJECT INFORMATION

Project Name: Verona Sunset Urban Renewal LLC

Project Street Address: 1 Sunset Avenue

Project Block Number(s) 13 (Verona Tax Map)
301 (Montclair Tax Map)
401 (Montclair Tax Map)

Project Lot Number(s) 4 (Verona Tax Map)
5 (Montclair Tax Map)
1 (Montclair Tax Map)

Municipality in which the Project is located Township of Verona

County in which the Project is located Essex County

SECTION 3 (For project listed in SECTION 2. Check one.)

- ☐ This project is solely a commercial project (with no housing units) developed in a redevelopment area pursuant to a municipal redevelopment plan.
☐ 2. This project consists solely of market rate housing units developed in a redevelopment area pursuant to a municipal redevelopment plan.
☒ 3. The project consists of low and moderate income housing units, which may include senior citizen low and moderate income housing units.
☐ 4. This project consists of mixed uses (Specify type).
☒ Market rate and low and moderate income housing.
☐ Commercial and market rate housing.
☐ Commercial and low and moderate income housing.
☐ Other (please describe). _____

NOTE: If you checked 1 or 2, complete **SECTIONS 4, 6, and 7.**

If you checked 3, complete **SECTION 5, 6, and 7.**

If you checked 4, complete **SECTIONS 4, 5, 6, and 7.**

SECTION 4: REDEVELOPMENT PLAN INFORMATIONName of Municipal Redevelopment Agency Township of VeronaCitation of municipal ordinance adopting the redevelopment plan No. 2021-01-Amended

For housing projects, complete the following:

Specify type and number of units as applicable:

- ☐ Condominium units _____
- ☒ Market rate rental 185
- ☒ Low and moderate income in mixed use projects 15
- ☐ Senior citizen in mixed use projects _____
- ☐ Other (please specify) _____

Total number of units 200**SECTION 5: PROJECT FUNDING SOURCES**

The low and moderate income housing project will be financed or insured by which of the following (check all applicable):

- ☒ Private funds (Please specify) Developer Equity and Bank Funds
- ☐ State or Federal financing or insuring agencies (Please specify below)
- ☐ Other (Please specify) _____

State or Federal Financing or Insuring Agencies for the Project (check all that apply):

NJ Department of Community Affairs:

- ☐ Neighborhood Preservation Balanced Housing
- ☐ HOME – CHDO Production (Community Housing Development Organizations) Program
- ☐ HOME – Housing Production Investment Fund
- ☐ National Housing Trust Fund

NJ Redevelopment Authority:

- ☐ NJ Urban Site Acquisition Program

US Department of Housing and Urban Development (HUD):

- ☐ Section 811 Supportive Housing for Persons with Disabilities
- ☐ Section 202 Supportive Housing for the Elderly
- ☐ HOPE VI Grants
- ☐ HOME Program

US Department of Agriculture:

- ☐ Rural Resources Administration (formerly Farmers' Home Administration)

Other (Please specify):

NJ Housing and Mortgage Finance Agency:

- ☐ NJ Community Housing Demo Program (developmental disabilities)
- ☐ NJ Supportive Housing Connection Program
- ☐ CHOICE Program
- ☐ Special Needs Housing Partnership Program
- ☐ Multifamily Rental Housing Program
- ☐ Multifamily Conduit Bond Program
- ☐ Public Housing Construction and Permanent Loan Program
- ☐ Sandy Special Needs Housing Fund
- ☐ Rental Housing Incentive Finance Fund
- ☐ 100% Mortgage Program
- ☐ Urban Home Ownership Recovery Program
- ☐ Low-Income Housing Tax Credit Allocation Program
- ☐ Money Follows the Person Housing Partnership Program
- ☐ Section 811 Project Based Rental Assistance Program
- ☐ Fund for Restoration of Multifamily Housing (FRM)
- ☐ Fund for restoration of Multifamily Housing -Public Housing Authority Set -Aside

List the information of the State or Federal financing or insuring agency's contact person:

Name: _____

Title: _____

Department/Agency: _____

Address: _____

Telephone Number: _____

SECTION 6: PROJECT CONSTRUCTION/OWNERSHIP (check all that apply)

- ☒ 1. The project is new construction.
- ☐ 2. An existing project is being rehabilitated.
If rehab, specify name of individual, entity, etc. who is the current owner of the project: _____

- ☐ 3. Ownership of an existing project is being transferred to the new urban renewal entity.

If transfer, specify name of individual, entity, etc. from whom the project is being or has been transferred. _____

Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Non Profit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Has the project ever been subject to a deed restriction, as a limited dividend project, pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Is the transferor entity an existing urban renewal entity established pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.? (yes or no) _____

- ☐ 4. Has this project caused or will this project cause displacement of individuals or businesses? (yes or no) _____

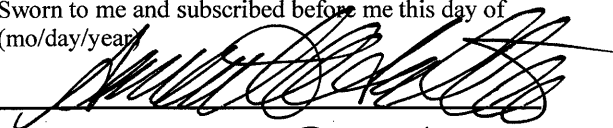
SECTION 7: CERTIFICATION

NOTE: This certification must be completed by an individual authorized to execute the certificate of incorporation (incorporator), the certificate of limited partnership (general partner), or other similar certificate or statement as may be required by law.

CERTIFICATION

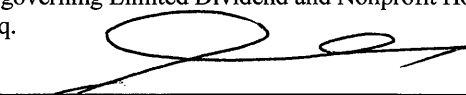
I attest that the information stated herein is truthful and accurate to the best of my knowledge and understand that failure to fully and accurately disclose any information may delay processing the application while the Department investigates the application and project. Further, I understand that any project of the urban renewal entity may be subject to additional Department review and approval, pursuant to the requirements of the Limited Dividend and Nonprofit Corporations or Associations Law, N.J.S.A. 55:16-1 et seq., the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., and/or rules governing Limited Dividend and Nonprofit Housing Corporations and Associations and Urban Renewal Entities, N.J.A.C. 5:13-1 et seq.

Sworn to me and subscribed before me this day of _____
(mo/day/year)



Samantha Scibetta
(notary public/attorney)

X



(authorized individual's signature)



Jonathan Schwartz
(print name of authorized individual)

Rev. 11/2018

SAMANTHA SCIBETTA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 2/22/2023

Certificate of Approval of Urban Renewal Entity from the New Jersey Department of
Community Affairs (DCA)

Please attach a copy of DCA's certificate of approval of the applicant as an Urban Renewal entity to this sheet. (Low and moderate income housing projects to be constructed outside an approved redevelopment area are exempt from this requirement.)

See attached.



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL PLANNING SERVICES
101 SOUTH BROAD STREET
PO Box 813
TRENTON, NJ 08625-0813
(609) 292-3000 • FAX (609) 633-6056

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

April 6, 2021

Ms. Samantha T. Alexander
Orloff, Lowenbach, Stifelman & Siegel, P.A.
44 Whippany Road
Suite 100
Morristown, NJ 07960

Dear Ms. Alexander:

Enclosed is the approval of the Certificate of Formation for VERONA SUNSET URBAN RENEWAL LLC. Please return a marked copy of the approval form and the Certificate to this office once it is filed and stamped by the State Treasurer. You can either mail a copy or e-mail a copy to me at UrbanRecert@dca.nj.gov.

Thank you for your cooperation in this matter. If you have any questions, please call me at 609-633-2133.

Sincerely,

Pamela R. Weintraub
Pamela R. Weintraub, PP/AICP
Principal Planner
Local Planning Services



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL PLANNING SERVICES
101 SOUTH BROAD STREET
PO Box 813
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(609) 292-3000 • FAX (609) 633-6056

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: VERONA SUNSET URBAN RENEWAL LLC
File # 2995
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 31st day of April 2021 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

By: 

Sean Thompson, Director
Local Planning Services



**CERTIFICATE OF FORMATION
OF
VERONA SUNSET URBAN RENEWAL LLC**

This Certificate of Formation is made by an authorized person in order to form a limited liability company in accordance with the New Jersey Limited Liability Company Act (N.J.S.A. 42:2C-1 et seq.).

1. The name of the limited liability company is:

Verona Sunset Urban Renewal LLC

(referred to below as the “**Company**”).

2. The address of the Company’s initial registered office in New Jersey is c/o BNE Real Estate Group, 16 Microlab Road, Suite A, Livingston, New Jersey 07039. The Company’s initial registered agent at that address is Larry Pantirer.

3. The term of the Company shall be perpetual.

4. The purpose for which the Company is organized shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.), and to initiate and conduct projects for the redevelopment of a redevelopment area in the Township of Verona (the “**Municipality**”) pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the Municipality, to acquire, plan, develop, construct, alter, maintain, or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.).

5. So long as the Company is obligated under the Financial Agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et. seq.), it shall engage in no business other than the ownership, operation and management of the project.

6. The Company declares that (a) it has been organized to serve a public purpose; (b) its operations shall be directed toward: (i) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; (ii) the acquisition, management and operation of a project, redevelopment

relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.); and (c) it shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.).

7. The Company shall not voluntarily transfer more than ten (10%) percent of its ownership in the project or any portion thereof undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until: (i) the Company has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.); and (ii) if the project includes housing units, the Company has obtained the consent of the Commissioner of Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the Municipality, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the Financial Agreement with the Municipality.

8. The Company shall file annually with the municipal governing body a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each.

9. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10%, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

10. The Company is subject to the provisions of section 18 of P.L.1991, c.431 (C.40A:20-18) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

11. Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

12. This Certificate shall be effective upon its filing in the Commercial Recording Division of the office of the New Jersey Department of Treasury.

IN WITNESS WHEREOF, the undersigned duly authorized person has executed this Certificate of Formation this 2nd day of March, 2021.


Samantha T. Alexander, Authorized Person

#2995

ORLOFF, LOWENBACH, STIFELMAN & SIEGEL, P.A.

Attorneys at Law

44 Whippany Road - Suite 100
Morristown, New Jersey 07960
973.622.6200 • Fax: 973.622.3073

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Frank L. Stifelman
1937-2015

*MEMBER NJ & NY BARS
†MEMBER NJ, NY & PA BARS

Refer To File No.
068993-120

March 2, 2021

BY FEDEX

Ms. Pamela Weintraub
NJ DCA, Office of Local Planning Services
101 South Broad Street
Trenton, New Jersey 08608

Re: Verona Sunset Urban Renewal LLC

Dear Ms. Weintraub:

Enclosed are one (1) signed original and five (5) copies of the Certificate of Formation of the above referenced entity, together with the signed and notarized Disclosure Information Form. Please arrange to have these documents reviewed and, if acceptable, return to me a certificate of approval.

If you have any questions, please call me.

Very truly yours,

ORLOFF, LOWENBACH, STIFELMAN
& SIEGEL

By: Samantha T. Alexander
Samantha T. Alexander

Enc.

cc: Jonathan Schwartz

RECEIVED

MAR 3 2021

LOCAL PLANNING SERVICES

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
OFFICE OF LOCAL PLANNING SERVICES
PO BOX 813
TRENTON, NEW JERSEY 08625-0813

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION

Instructions for Completion: You have filed an application for approval of an urban renewal entity pursuant to the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.). In order for us to process the application, we require that you provide the following information and forward this form to the above address or fax it to (609) 633-6056. This form must be completed prior to DCA approval of the entity. If you have any questions, please call Pamela Weintraub at (609) 633-2133 or email Pamela.Weintraub@dca.nj.gov.

Name of Urban Renewal Entity: Verona Sunset Urban Renewal LLC

SECTION 1: TYPE OF APPROVAL REQUESTED (check one):

- ☒ Original Certificate (of incorporation, limited partnership, formation, etc.)
☐ Amendment to original certificate (of incorporation, limited partnership, formation, etc.). Note: In the case of amendments, please forward a copy of original certificate marked "filed, State Treasurer" or "filed, Secretary of State" with this form.
☐ Other (please specify) _____

SECTION 2: PROJECT INFORMATION

Project Name: Verona Sunset Urban Renewal LLC

Project Street Address: 1 Sunset Avenue

Project Block Number(s) 13 (Verona Tax Map)
301 (Montclair Tax Map)
401 (Montclair Tax Map)

Project Lot Number(s) 4 (Verona Tax Map)
5 (Montclair Tax Map)
1 (Montclair Tax Map)

Municipality in which the Project is located Township of Verona

County in which the Project is located Essex County

SECTION 3 (For project listed in **SECTION 2**. Check one.)

- ☐ This project is solely a commercial project (with no housing units) developed in a redevelopment area pursuant to a municipal redevelopment plan.
☐ 2. This project consists solely of market rate housing units developed in a redevelopment area pursuant to a municipal redevelopment plan.
☒ 3. The project consists of low and moderate income housing units, which may include senior citizen low and moderate income housing units.
☐ 4. This project consists of mixed uses (Specify type).
☒ Market rate and low and moderate income housing.
☐ Commercial and market rate housing.
☐ Commercial and low and moderate income housing.
☐ Other (please describe). _____

NOTE: If you checked 1 or 2, complete **SECTIONS 4, 6, and 7**.

If you checked 3, complete **SECTION 5, 6, and 7**.

If you checked 4, complete **SECTIONS 4, 5, 6, and 7**.

SECTION 4: REDEVELOPMENT PLAN INFORMATION

Name of Municipal Redevelopment Agency Township of Verona

Citation of municipal ordinance adopting the redevelopment plan No. 2021-01-Amended

For housing projects, complete the following:

Specify type and number of units as applicable:

- ☐ Condominium units _____
- ☒ Market rate rental 185
- ☒ Low and moderate income in mixed use projects 15
- ☐ Senior citizen in mixed use projects _____
- ☐ Other (please specify) _____

Total number of units 200

SECTION 5: PROJECT FUNDING SOURCES

The low and moderate income housing project will be financed or insured by which of the following (check all applicable):

- ☒ Private funds (Please specify) Developer Equity and Bank Funds
- ☐ State or Federal financing or insuring agencies (Please specify below)
- ☐ Other (Please specify) _____

State or Federal Financing or Insuring Agencies for the Project (check all that apply):

NJ Department of Community Affairs:

- ☐ Neighborhood Preservation Balanced Housing
- ☐ HOME – CHDO Production (Community Housing Development Organizations) Program
- ☐ HOME – Housing Production Investment Fund
- ☐ National Housing Trust Fund

NJ Redevelopment Authority:

- ☐ NJ Urban Site Acquisition Program

US Department of Housing and Urban Development (HUD):

- ☐ Section 811 Supportive Housing for Persons with Disabilities
- ☐ Section 202 Supportive Housing for the Elderly
- ☐ HOPE VI Grants
- ☐ HOME Program

US Department of Agriculture:

- ☐ Rural Resources Administration (formerly Farmers' Home Administration)

Other (Please specify): _____

NJ Housing and Mortgage Finance Agency:

- ☐ NJ Community Housing Demo Program (developmental disabilities)
- ☐ NJ Supportive Housing Connection Program
- ☐ CHOICE Program
- ☐ Special Needs Housing Partnership Program
- ☐ Multifamily Rental Housing Program
- ☐ Multifamily Conduit Bond Program
- ☐ Public Housing Construction and Permanent Loan Program
- ☐ Sandy Special Needs Housing Fund
- ☐ Rental Housing Incentive Finance Fund
- ☐ 100% Mortgage Program
- ☐ Urban Home Ownership Recovery Program
- ☐ Low-Income Housing Tax Credit Allocation Program
- ☐ Money Follows the Person Housing Partnership Program
- ☐ Section 811 Project Based Rental Assistance Program
- ☐ Fund for Restoration of Multifamily Housing (FRM)
- ☐ Fund for restoration of Multifamily Housing -Public Housing Authority Set -Aside

List the information of the State or Federal financing or insuring agency's contact person:

Name: _____

Title: _____

Department/Agency: _____

Address: _____

Telephone Number: _____

-next-

SECTION 6: PROJECT CONSTRUCTION/OWNERSHIP (check all that apply)

- ☒ 1. The project is new construction.
- ☐ 2. An existing project is being rehabilitated.
If rehab, specify name of individual, entity, etc. who is the current owner of the project. _____

- ☐ 3. Ownership of an existing project is being transferred to the new urban renewal entity.

If transfer, specify name of individual, entity, etc. from whom the project is being or has been transferred. _____

Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Non Profit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Has the project ever been subject to a deed restriction, as a limited dividend project, pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____

Is the transferor entity an existing urban renewal entity established pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.? (yes or no) _____

- ☐ 4. Has this project caused or will this project cause displacement of individuals or businesses? (yes or no) _____

SECTION 7: CERTIFICATION

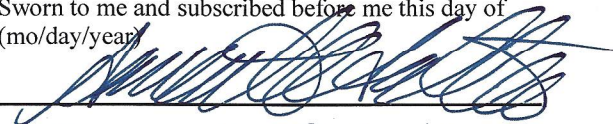
NOTE: This certification must be completed by an individual authorized to execute the certificate of incorporation (incorporator), the certificate of limited partnership (general partner), or other similar certificate or statement as may be required by law.

CERTIFICATION

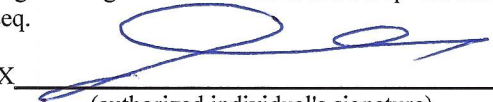
I attest that the information stated herein is truthful and accurate to the best of my knowledge and understand that failure to fully and accurately disclose any information may delay processing the application while the Department investigates the application and project. Further, I understand that any project of the urban renewal entity may be subject to additional Department review and approval, pursuant to the requirements of the Limited Dividend and Nonprofit Corporations or Associations Law, N.J.S.A. 55:16-1 et seq., the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., and/or rules governing Limited Dividend and Nonprofit Housing Corporations and Associations and Urban Renewal Entities, N.J.A.C. 5:13-1 et seq.

Sworn to me and subscribed before me this day of _____
(mo/day/year)

X _____
(authorized individual's signature)



Samantha Scibetta
(notary public/attorney)



Jonathan Schwartz
(print name of authorized individual)

Rev. 11/2018

SAMANTHA SCIBETTA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 2/22/2023

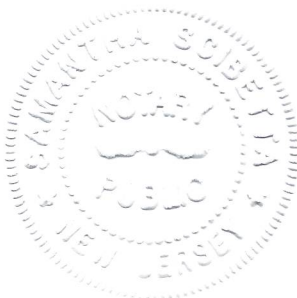


Exhibit 4

METES AND BOUNDS DESCRIPTION

Attached

SURVEY

Attach survey of the project. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A certified survey will be required prior to execution of any financial agreement.

Attached

Exhibit 7

COPY OF DEED, PURCHASE AND SALE AGREEMENT OR LEASE AGREEMENT

Please attach evidence that applicant has legal control over site(s) included in the proposed project.

Attached signature page of Contract (to be assigned from BNE Acquisitions to Verona Sunset Urban Renewal LLC)

PURCHASE AND SALE AGREEMENT FOR REAL ESTATE BETWEEN
SPECTRUM360, SELLER
TO
BNE ACQUISITIONS, LLC, PURCHASER

PROPERTY: **1 SUNSET AVENUE**
 VERONA, NEW JERSEY 07044
 ESSEX COUNTY

VERONA TAX MAP: **BLOCK 303, LOT 4 (FORMERLY BLOCK 13, LOT 4)**

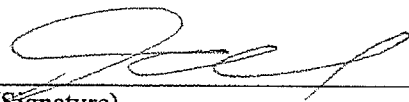
MONTCLAIR TAX MAP: **BLOCK 301, LOT 5**
 BLOCK 401, LOT 1

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:
SPECTRUM360

PURCHASER:
BNE ACQUISITIONS, LLC

By: _____
(Signature)

By:  _____
(Signature)

(Name and Title)

Jonathan Schwartz *Authorized Signatory*
(Name and Title)

ESCROW AGENT (only with respect to Section 14):
GOTHAM ABSTRACT & SETTLEMENT, LLC

By: _____
(Signature)

(Please Print Name and Title)

PURCHASE AND SALE AGREEMENT FOR REAL ESTATE
SPECTRUM360 TO BNE ACQUISITIONS, LLC
1 SUNSET AVENUE
VERONA, NJ

VERONA TAX MAPS: BLOCK 303; LOT 4 (FORMERLY BLOCK 13; LOT 4)
MONTCLAIR TAX MAPS: BLOCK 301; LOT 5 AND
BLOCK 401; LOT 1

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:
SPECTRUM360

PURCHASER:
BNE ACQUISITIONS, LLC

By: Bruce Ettinger
(Signature)

By: _____
(Signature)

BRUCE ETTINGER, EXEC DIRECTOR
(Name and Title)

(Name and Title)

ESCROW AGENT (only with respect to Section 14):
GOTHAM ABSTRACT & SETTLEMENT, LLC

By: _____
(Signature)

(Please Print Name and Title)

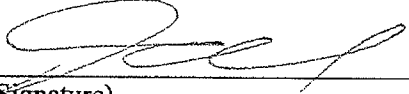
PURCHASE AND SALE AGREEMENT FOR REAL ESTATE
SPECTRUM360 TO BNE ACQUISITIONS, LLC
1 SUNSET AVENUE
VERONA, NJ
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MONTCLAIR TAX MAPS: BLOCK 301; LOT 5 AND
BLOCK 401; LOT 1

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:
SPECTRUM360

PURCHASER:
BNE ACQUISITIONS, LLC

By: _____
(Signature)

By:  _____
(Signature)

(Name and Title)

Jonathan Schwartz *Authorized Signatory*
(Name and Title)

ESCROW AGENT (only with respect to Section 14):
GOTHAM ABSTRACT & SETTLEMENT, LLC

By: _____
(Signature)

(Please Print Name and Title)

PURCHASE AND SALE AGREEMENT FOR REAL ESTATE
SPECTRUM360 TO BNE ACQUISITIONS, LLC
1 SUNSET AVENUE
VERONA, NJ

VERONA TAX MAPS: BLOCK 303; LOT 4 (FORMERLY BLOCK 13; LOT 4)
MONTCLAIR TAX MAPS: BLOCK 301; LOT 5 AND
BLOCK 401; LOT 1

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:
SPECTRUM360

PURCHASER:
BNE ACQUISITIONS, LLC


By: _____
(Signature)

By: _____
(Signature)

(Name and Title)

(Name and Title)

ESCROW AGENT (only with respect to Section 14):
GOTHAM ABSTRACT & SETTLEMENT, LLC

By:  _____
(Signature)

Jonathan Feldman, Principal
(Please Print Name and Title)

PURCHASE AND SALE AGREEMENT FOR REAL ESTATE
SPECTRUM360 TO BNE ACQUISITIONS, LLC
1 SUNSET AVENUE
VERONA, NJ

VERONA TAX MAPS: BLOCK 303; LOT 4 (FORMERLY BLOCK 13; LOT 4)
MONTCLAIR TAX MAPS: BLOCK 301; LOT 5 AND
BLOCK 401; LOT 1

EXHIBIT 13

COPY OF PROJECT PRO FORMA

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full exemption period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity.

Attached Project Pro Forma

Project Proforma

Verona Sunset Urban Renewal LLC

3/1/2021

Verona, NJ - Spectrum Site

Unit Data

Unit Type	Description	No. Units	Mix	Unit SF	Total Net SF	Monthly Unit Rents	Rent/SF	Total Monthly Rent	Total Annual Rent
<i>Market Units</i>									
A1	1BR/1BA	85	42.50%	800	68,000	2,500	3.13	212,500	2,550,000
B1	2BR/2BA	100	50.00%	1,320	132,000	3,500	2.65	350,000	4,200,000
Totals		185	92.5%		200,000			\$562,500	\$6,750,000
Averages				1,081		\$3,041	\$2.81		
								\$33.75	

Affordable Units

A3 - 52% AMI	1BR/1BA	3	1.50%	650	1,950	800	1.23	2,400	28,800
B3 - 52% AMI	2BR/2BA	9	4.50%	950	8,550	975	1.03	8,775	105,300
C1 - 52% AMI	3BR/2BA	3	1.50%	1,100	3,300	1,125	1.02	3,375	40,500
Totals		15	7.5%		13,800			\$14,550	\$174,600
Averages				920		\$970	\$1.05		
								\$12.65	

Totals		200	100.0%		213,800			\$577,050	\$6,924,600
Averages				1,069		\$2,885	\$2.70		
								\$32.39	

Parking

Pre-Cast Garage	300	1.50x
Surface Spaces	60	0.30x
Total Parking	360	1.80x

SF Calculation

Net Residential SF	213,800	
Lobby/Amenity/ Leasing	10,000	3.85%
Circulation	36,200	13.92%
Gross Residential SF	260,000	17.77%

Total Units	200
Affordable %	15%
Affordable Units	30
Market Rate Units	170
1BR COAH	6
2BR COAH	18
3BR COAH	6

Parking	105,000	350 SF/space
Gross SF	365,000	

Verona Sunset Urban Renewel LLC

Verona, NJ - Spectrum Site

Operating Proforma

Total Units	200
Net Square Feet	213,800

RESIDENTIAL

Income

			First Stabilized Year	Per Unit	Per Residential Net SF
Gross Potential Income - Market Units			\$6,750,000	\$33,750	\$31.57
Gross Potential Income - Affordable Units			<u>174,600</u>	<u>873</u>	<u>0.82</u>
Gross Potential Income - Total			\$6,924,600	\$34,623	\$32
Amenity Fee	184 units	\$50 per unit/mo.	110,400	552	0.52
Other Income	199 units	\$75 per unit/mo.	<u>179,100</u>	<u>896</u>	<u>0.84</u>
Gross Annual Collections			\$7,214,100	\$36,071	\$33.74
Less: Vacancy - Market Units		5.00%	(\$351,975)	(\$1,760)	(\$1.65)
Less: Vacancy - Affordable Units		1.50%	(2,619)	(13)	(0.01)
Less: Rental Concessions			0	0	0.00
Less: Employee Discounts			0	0	0.00
Less: Non-Revenue Units		1 units	<u>(36,486)</u>	<u>(182)</u>	<u>(0.17)</u>
Total Net Collections			\$6,823,020	\$34,115	\$31.91

Operating Expenses

Onsite Maintance Manager, Leasing, etc...	incl part-time concierge		\$457,636	\$2,288	\$2.14
Leasing & Marketing			85,000	425	0.40
Repairs and Maintenance			150,000	750	0.70
Grounds & Landscaping			150,000	750	0.70
Make Ready @	\$900	40% turnover	72,000	360	0.34
Admin/Professonal Services			75,000	375	0.35
Utilities			150,000	750	0.70
Property Taxes	10%	of Net Collections	682,302	3,412	3.19
Insurance			100,000	500	0.47
Management Fee @		3.50%	<u>238,806</u>	<u>1,194</u>	<u>1.12</u>
Total Expenses			\$2,160,744	\$10,804	\$10.11

NET OPERATING INCOME			\$4,662,276	\$23,311	\$21.81
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Total Construction Costs \$78,039,920

Yield on Cost 5.97%

TABLE 10
PROPOSED RESIDENTIAL REDEVELOPMENT
VERONA
PROJECTED TAX AND PILOT PAYMENTS

Year	MINIMUM TAX	PROJECT AGR	PILOT 0.100	PILOT MUNICIPAL	PILOT COUNTY	MUNICIPAL ADMIN FEE	MUNICIPAL TOTAL
1	Pilot	6,823,020	682,302	648,187	34,115	13,646	661,833
2	Pilot	6,959,480	695,948	661,151	34,797	13,919	675,070
3	Pilot	7,098,670	709,867	674,374	35,493	14,197	688,571
4	Pilot	7,240,643	724,064	687,861	36,203	14,481	702,342
5	Pilot	7,385,456	738,546	701,618	36,927	14,771	716,389
6	Pilot	7,533,165	753,317	715,651	37,666	15,066	730,717
7	Pilot	7,683,829	768,383	729,964	38,419	15,368	745,331
8	Pilot	7,837,505	783,751	744,563	39,188	15,675	760,238
9	Pilot	7,994,255	799,426	759,454	39,971	15,989	775,443
10	Pilot	8,154,140	815,414	774,643	40,771	16,308	790,952
11	Pilot	8,317,223	831,722	790,136	41,586	16,634	806,771
12	Pilot	8,483,568	848,357	805,939	42,418	16,967	822,906
13	Pilot	8,653,239	865,324	822,058	43,266	17,306	839,364
14	Pilot	8,826,304	882,630	838,499	44,132	17,653	856,151
15	684,041	9,002,830	900,283	855,269	45,014	18,006	873,275
16	697,722	9,182,887	1,010,118	959,612	50,506	20,202	979,814
17	711,677	9,366,544	1,030,320	978,804	51,516	20,606	999,410
18	725,910	9,553,875	1,050,926	998,380	52,546	21,019	1,019,398
19	740,428	9,744,953	1,071,945	1,018,348	53,597	21,439	1,039,786
20	755,237	9,939,852	1,093,384	1,038,715	54,669	21,868	1,060,582
21	1,540,683	10,138,649	1,115,251	1,059,489	55,763	22,305	1,540,683
22	1,571,497	10,341,422	1,137,556	1,080,679	56,878	22,751	1,571,497
23	1,602,927	10,548,250	1,160,308	1,102,292	58,015	23,206	1,602,927
24	2,452,478	10,759,215	1,183,514	1,124,338	59,176	23,670	2,452,478
25	3,335,371	10,974,400	1,207,184	1,146,825	60,359	24,144	3,335,371
26	3,402,078	11,193,888	1,231,328	1,169,761	61,566	24,627	3,402,078
27	3,470,120	11,417,765	1,255,954	1,193,156	62,798	25,119	3,470,120
28	3,539,522	11,646,121	1,281,073	1,217,020	64,054	25,621	3,539,522
29	3,610,312	11,879,043	1,306,695	1,241,360	65,335	26,134	3,610,312
30	3,682,519	12,116,624	1,332,829	1,266,187	66,641	26,657	3,682,519

March 3, 2021

Township of Verona
Verona Town Hall
600 Bloomfield Avenue
Verona, NJ 07044

Re: Verona Sunset Urban Renewal, LLC
Application for Tax Exemption
1 Sunset Avenue
Verona, New Jersey

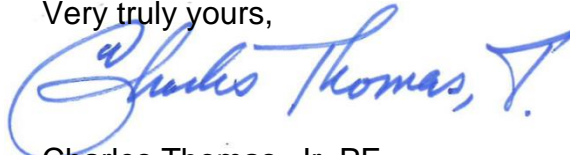
To Whom It May Concern:

As requested by Verona Sunset Urban Renewal, LLC, I have reviewed the attached estimate of costs which includes a cost per unit estimate for the proposed development of the Project as it is described in the accompanying application for a long-term tax exemption. The budget includes all anticipated costs associated with design and construction of the project, together with all anticipated applicable contingencies.

I feel that to the best of my professional knowledge that the costs listed in the attached estimate are reasonably accurate and are in line with recent design and construction cost data.

If you require any additional information, please call.

Very truly yours,



Charles Thomas, Jr. PE
New Jersey Professional Engineer Lic. No. 39244
cthomas@BNErealestate.com

cc:

Jonathan Schwartz

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

RESOLUTION No. 2021-__

**RESOLUTION CONCERNING COMMENTS FROM THE VERONA
PLANNING BOARD WITH RESPECT TO THE FIRST AMENDED AND
RESTATED SUNSET AVENUE REDEVELOPMENT AREA
REDEVELOPMENT PLAN**

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* ("**Redevelopment Law**"), authorizes municipalities to determine whether certain parcels of land located therein constitute areas in need of redevelopment; and

WHEREAS, on August 19, 2019, the Township Council for the Township of Verona (the "**Township Council**") adopted Resolution No. 2019-140, designating as a non-condemnation redevelopment area, Block 303, Lot 4 as shown on the Tax Map of the Township (the "**Redevelopment Area**"); and

WHEREAS, on March 28, 2021, by Ordinance No. 2021-01 the Township Council adopted a redevelopment plan for the Redevelopment Area entitled "The Sunset Avenue Redevelopment Area Redevelopment Plan", dated February 22, 2021 (as may be amended and supplemented from time to time, the "**Redevelopment Plan**"); and

WHEREAS, the Township Council now desires to adopt a first amendment to the Redevelopment Plan to clarify ambiguous language and to incorporate comments from the public, the planning board and the Township's professionals; and

WHEREAS, Benecke Economics prepared a first amendment to the Redevelopment Plan entitled, "The First Amended and Restated Sunset Avenue Redevelopment Area Redevelopment Plan", dated April 30, 2021, which is attached hereto as Exhibit A (the "**Amended Redevelopment Plan**"); and

WHEREAS, the Township Council referred the Amended Redevelopment Plan to the Verona Planning Board for consideration in accordance with *N.J.S.A. 40A:12A-7e*; and

WHEREAS, pursuant to *N.J.S.A. 40A:12A-7e*, prior to the adoption of a redevelopment plan, or revision or amendment thereto, the planning board shall transmit to the governing body, a report containing its recommendation concerning the redevelopment plan including an identification of any provisions therein that are inconsistent with the master plan and recommendations concerning such inconsistencies and any other matters as the planning board deems appropriate; and

WHEREAS, on May 20, 2021 and May 27, 2021, the Verona Planning Board considered the Amended Redevelopment Plan and via a report dated May 28, 2021, found the Amended Redevelopment Plan is inconsistent with the Township's Master Plan and provided certain comments thereon to the Township Council; and

WHEREAS, the Township Council addresses such comments in detail as set forth below.

NOW THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona, in the County of Essex, New Jersey that the aforementioned recitals are incorporated herein as though fully set forth at length.

SECTION A. The Township Council disapproves of the recommended changes to the Amended Redevelopment Plan set forth in the May 28, 2021 Report of the Planning Board for the reasons set forth below.

1. "The Planning Board rejects the Ordinance's conclusion that the completed development is to be considered a "Center" within the meaning of the New Jersey State Development and Redevelopment Plan. A "Center" within the meaning of the State Plan is an area with residential neighborhoods having

commercial and civic uses. The Planning Board finds that a single apartment building is not a Center. The Planning Board further rejects conclusions that the proximity of the site to the Township's extended town center zone warrants defining the site as a Center. The Planning Board suggests that the Ordinance be more sensitive to the Pa-5 designation of the site in the State Plan and that the Council more strongly consider the environmental sensitivity of the site than currently considered in the Ordinance."

The Township Council finds that the State Plan defines "Centers" on page 319 as "a compact form of development with one or more Cores and residential neighborhoods." The State Plan defines "Core" on page 320 as "a pedestrian-oriented area of commercial and civic uses serving the surrounding municipality or a Center, generally including housing and access to public transportation." The site is situated in proximity to Verona's Extended Town Center zoning district. The State Plan identifies the Metropolitan Planning Area on page 190 with the intention for it to "provide for much of the state's future redevelopment" and "promote growth in compact forms." This specification is for the Metropolitan Planning Area as a whole, not just Centers, and Verona is largely in and surrounded by the Metropolitan Planning Area.

Further, the Township Council finds that although the subject property is partially situated in an Environmentally Sensitive Planning Area (PA-5) surrounded by a Metropolitan Planning Area, the State Plan states on page 190 in its delineation criteria for a PA-1 that "Areas that are totally surrounded by land areas that meet the criteria of a Metropolitan Planning Area are geographically interrelated with the Metropolitan Planning Area and meet the intent of this Planning Area." Further, the site has been developed for over 50 years previously having a significant office use which was converted to a school use. Therefore, the project site and its partial classification as a PA-5 must be viewed in the context of being surrounded by a Metropolitan Planning Area and the fact that it is developed. The State Plan's intention for the PA-5 on page 222 includes to "accommodate growth in Centers" and "revitalize cities and towns" with a policy objective to "provide for housing choices through redevelopment, new construction, rehabilitation, and adaptive reuse."

2. "The Ordinance removes the Planning Board's authority to review the site plan for adherence to certain critical design criteria with respect to off-street parking, traffic, lighting, drainage, open space, and landscaping. The Ordinance instead grants this authority to review solely to the Township Engineer. The Planning Board should retain jurisdiction with regard to these issues."

Pursuant to the power granted to it by the Redevelopment and Housing Law, the Township Council has responsibility for implementing redevelopment plans. In order to satisfy its statutory responsibility and implement the redevelopment plan, the Township Council finds that the Amended Redevelopment Plan appropriately designates the Township Engineer to review certain aspects of the site plan that require engineering expertise. For example, the review of the layout of the surface parking areas located within or underneath a principal building requires knowledge of various measurements, turning radii and other information that is within the Township Engineer's expertise. Traffic circulation elements must be designated by a traffic engineer with appropriate credentials. Further, storm water regulations and water flow and drainage calculations and controls thereto are best determined by a qualified engineer.

3. "Ordinance Section VI A iii j exempts the property from Verona Code Section 150-12.7. (the Parking Ordinance) Commercial vehicles will be permitted to park on the property. The Planning Board recommends that the Council specifically prohibit overnight parking of commercial vehicles in all areas except for the parking deck."

The Township Council finds that Section VI.A.iii.j is appropriate for the proposed project and notes that the property owner has the authority to further restrict who and what type of vehicles are permitted to park on the property.

4. "Ordinance Section VI A iii n exempts the property from Verona Code Section 150-23.1 et seq. (the Steep Slope Ordinance). The Township of Verona passed the Steep Slope Ordinance on April 4, 2016. The Planning Board notes that the steep slope ordinance is consistent with Verona's Master Plan. The Planning Board urges the Council to re-consider the omission of steep slope compliance from the Ordinance. The Ordinance is not consistent with the Master Plan because the Ordinance does not account for the limitations of building on a steep slope with the Township. The Planning Board recommends that the Ordinance be modified after definitively calculating the appropriate disturbance allowed on the site with the application of Verona's Steep Slope Ordinance."

The Township Council finds that most, if not all of the steep slopes on the subject property have previously been disturbed or impacted by the existing facility. Further, the footprint of the proposed project has been adjusted by the designated redeveloper, following substantial public input to minimize the impact on the adjacent properties.

5. "The Ordinance lacks clarity as to buffer zones. Section VI A iii c of the ordinance provides that Verona Code Section 150-11.1 (Buffer Zone Requirements) shall be applicable but for specific requirements along the frontage of Afterglow Avenue and a portion of Sunset Avenue. Section VI A vi of the Ordinance prohibits certain structures with the "50 foot buffer area". The Planning Board recommends modification to the Ordinance to address the inconsistency."

The Township Council finds that the buffer zone requirements are clear in the Amended Redevelopment Plan. Specifically, Section VI.A.ii.c refers to 30 foot-wide planted landscape buffers required along Afterglow Avenue and portions of Sunset Avenue and Section VI.A.vi refers to the 50 foot setback requirement as provided in Figure 4.

6. "The Planning Board objects to the provision in Ordinance Section VI A vi which allows balconies, eaves and porches to extend into buffer areas."

The Township Council finds that Section VI.A.vi.f of the Amended Redevelopment Plan appropriately limits encroachment of balconies, eaves and porches to 5 feet into any yard or buffer area. The limited encroachment permits the construction of reasonably sized balconies, eaves and porches in order to increase the desirability of the project and increase the likelihood of success of the project. From a design perspective such building features provides added design interest, eliminates blank/flat walls and adds an element of architectural appeal. Further, the Township Council finds that the limited encroachment permitted by the Amended Redevelopment Plan is the appropriate balance between preservation of buffers and practical development design.

7. "The Planning Board finds no justification for the exception to Verona Code Section 150-7.9 (Signs) which would allow 26 square feet surface area signs. The Planning Board also recommends that "signs" be replaced with "sign" so as to ensure against multiple signs on the property."

The Township Council finds that signage is a critical tool in the success of a development and therefore determines that the sign requirements in the Amended Redevelopment Plan are appropriate for the size and use of the proposed development.

8. "Prior to its deliberations and discussion of the Ordinance, the Planning Board accepted a letter dated May 10, 2021 from Verona Resident Erica Davila, Esq. The Planning Board noted that Ms. Davila's correspondence accurately identified the material changes between Ordinance 2021-01, the Council's initial ordinance regarding the Sunset Avenue redevelopment area, and the Ordinance. Because Ms. Davila accurately identified those material changes, a copy of Ms. Davila's letter is attached hereto and incorporated by reference."

The Planning Board reached conclusions similar to Ms. Davila's conclusions regarding the substance of the Ordinance and its lack of consistency with Verona's Master Plan. It is important to note that the Planning Board did not accept Ms. Davila's conclusions without first independently and thoroughly discussing the content of each section of the Ordinance."

- a. Removal of Planning Board Authority to Review Design of Off-Street Parking.

This concern is addressed in paragraph 2 above.

- b. Exemption from Off-Street Parking Ordinances. Exemption from Required Screening of Off-Street Parking.

The Township Council finds that plantings provide a more effective and attractive solution to screen parking areas from public streets than fences or walls.

- c. Exemption from Off-Street Parking Ordinances. Exemption from any Parking Restrictions.

This concern is addressed in paragraph 3 above.

- d. Exemption from the Steep Slope Ordinance.

This concern is addressed in paragraph 4 above.

- e. Allowance of Extra Large Signage.

This concern is addressed in paragraph 7 above.

- f. Exemption from Ordinances Requiring Plantings and Screens.

The Township Council finds that the plantings and screenings required by the Amended Redevelopment Plan are reasonable, and will effectively screen the project given the proposed location and layout of the project and the existing vegetation located on the property.

- g. Exemption from Ordinance Requiring Sufficient Parking.

The Township Council finds that the minimum parking space requirement set forth in the Amended Redevelopment Plan will effectively serve the project given the proposed bedroom distribution, size of the project and location of the site.

- h. Encroachment on Buffer Zones.

This concern is addressed in paragraph 6 above.

SECTION B. This resolution shall be effective immediately.

ROLL CALL:

AYES:

NAYS:

ABSENT:

ABSTAIN:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JUNE 21, 2021.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2021-_____

A motion was made by _____; seconded by _____ that the following resolution be adopted:

**AUTHORIZING THE TAX COLLECTOR TO PREPARE AND MAIL
ESTIMATED TAX BILLS IN ACCORDANCE WITH P.L 1994, C.72**

WHEREAS, the State of New Jersey has not certified Municipal County Budgets as of this date; and

WHEREAS, as a result thereof, the Essex County Board of Taxation is unable to verify Verona's tax rate and the Tax Collector will be unable to mail the Township's 2021 tax bills on a timely basis; and

WHEREAS, the Tax Collector has computed an estimated tax levy in accordance with *N.J.S.A 54:4-66.3*, and has signed a certification showing the tax levies for the previous year, the tax rates and the range of permitted estimated tax levies.

NOW, THEREFORE, BE IT RESOLVED that the Township Council of the Township of Verona, County of Essex, State of New Jersey:

1. The Tax Collector is hereby authorized and directed to prepare and issue estimated tax bills for the Township for the third installment of 2021 taxes. The Tax Collector shall proceed and take such actions as are permitted and required by L.1994, C. 72 (*N.J.S.A 54:4-66.2 and 54:4-66.3*).
2. The entire estimated tax levy for 2021 is hereby set at \$70,587,821.41.
3. The Estimated tax rate (based on estimated levy) is hereby set at \$2.957.
4. In accordance with law, the third installment of 2021 taxes shall not be subject to interest until the later of August 10 or the twenty-fifth calendar day after the date the estimated tax bills were mailed. The estimated tax bills shall contain a notice specifying the date on which interest may begin to accrue.

ROLL CALL:

AYES:

NAYS:

ABSENT:

ABSTAIN:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JUNE 21, 2021.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

RESOLUTION No. 2021-__

A motion was made by _____ ; seconded by _____ that the following resolution be adopted:

APPROVAL OF PLENARY RETAIL CONSUMPTION
LIQUOR LICENSE RENEWALS

WHEREAS, the submitted renewal application forms are complete in all respects and the applicants are qualified to be licensed according to all standards established by N.J.S.A. 33 and regulations promulgated thereunder, as well as pertinent local ordinances and conditions consistent with Title 33; and

WHEREAS, the following licensees have obtained a Tax Clearance Certificate from the New Jersey Division of Taxation.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona, in the County of Essex, State of New Jersey that the following applications for renewal of Plenary Retail Consumption License be granted, effective July 1, 2021; and

BE IT FURTHER RESOLVED that the Municipal Clerk is hereby authorized to sign and issue said license certificates to the following applicants:

0720-33-007-008	470 Bloomfield Avenue Inc., dba AVENUE BISTRO 470 Bloomfield Avenue Verona, New Jersey
0720-33-006-014	Amadeo, Inc., dba MIELE’S RESTAURANT 125 Bloomfield Avenue Verona, New Jersey
0720-33-004-009	Macari Spirits Inc., dba ARIANE KITCHEN & BAR 706 Pompton Avenue Verona, New Jersey
0720-33-008-005	RJV Corporation, dba RICHFIELD REGENCY 420 Bloomfield Avenue Verona, New Jersey
0720-33-011-010	Verona Liquor License LLC, dba VERONA INN 624 Pompton Avenue Verona, New Jersey

ROLL CALL:
AYES:
NAYS:
ABSENT:
ABSTAIN:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JUNE 21, 2021.

JENNIFER KIERNAN
MUNICIPAL CLERK

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2021-__

A motion was made by _____; seconded by _____ that the following resolution be adopted:

**APPROVAL OF PLENARY RETAIL DISTRIBUTION
LIQUOR LICENSE RENEWALS**

WHEREAS, the submitted renewal application forms are complete in all respects and the applicants are qualified to be licensed according to all standards established by *N.J.S.A. 33* and regulations promulgated thereunder, as well as pertinent local ordinances and conditions consistent with Title 33; and

WHEREAS, the following licensees have obtained a Tax Clearance Certificate from the New Jersey Division of Taxation.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona, in the County of Essex, State of New Jersey that the following applications for renewal of Plenary Retail Distribution License be granted, effective July 1, 2021; and

BE IT FURTHER RESOLVED that the Municipal Clerk be and is hereby authorized to sign and issue said license certificates to the following applicants:

0720-44-010-009	Ami & Tithi LLC t/a KRAUSER'S LIQUOR LOCKER 645 Bloomfield Avenue Verona, New Jersey
0720-44-001-003	Hinixi, LLC t/a VERONA WINE CELLAR 360 Bloomfield Avenue Verona, New Jersey
0720-44-003-005	Vallabh Krupa Inc. t/a PILGRIM LIQUORS 283 Pompton Avenue Verona, New Jersey

ROLL CALL:

AYES:

NAYS:

ABSENT:

ABSTAIN:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JUNE 21, 2021.

**JENNIFER KIERNAN
MUNICIPAL CLERK**

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2021-_____

A motion was made by _____; seconded by _____ that the following resolution be adopted:

GREEN ACRES ENABLING RESOLUTION

WHEREAS, the New Jersey Department of Environmental Protection, Green Acres Program ("State"), provides loans and/or grants to municipal and county governments and grants to nonprofit organizations for assistance in the acquisition, development, and stewardship of lands for outdoor recreation and conservation purposes; and

WHEREAS, the Township of Verona desires to further the public interest by obtaining funding in the amount of \$6,000,000.00 from the State to fund the following project(s): Open Space Recreation Plan at a cost of \$12,000,000.00;

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Verona, in the County of Essex, New Jersey that the Township Manager is hereby authorized to:

- (a) make application for such a loan and/or such a grant,
- (b) provide additional application information and furnish such documents as may be required, and
- (c) act as the authorized correspondent of the above-named applicant; and

WHEREAS, the State shall determine if the application is complete and in conformance with the scope and intent of the Green Acres Program, and notify the applicant of the amount of the funding award; and

WHEREAS, the applicant is willing to use the State's funds in accordance with such rules, regulations and applicable statutes, and is willing to enter into an agreement with the State for the above-named project;

BE IT FURTHER RESOLVED by the Township Council of the Township of Verona, in the County of Essex, New Jersey:

1. That the Township Manager of the above named body or board is hereby authorized to execute an agreement and any amendment thereto with the State known as Open Space and Recreation Plan;
2. That the applicant has its matching share of the project, if a match is required, in the amount of \$6,000,000.00;
3. That, in the event the State's funds are less than the total project cost specified above, the applicant has the balance of funding necessary to complete the project;
4. That the applicant agrees to comply with all applicable federal, state, and local laws, rules, and regulations in its performance of the project; and
5. That this resolution shall take effect immediately.

ROLL CALL:

AYES:

NAYS:

ABSENT:

ABSTAIN:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JUNE 21, 2021.

**JENNIFER KIERNAN
MUNICIPAL CLERK**