

11-1

2011 RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF BLOOMFIELD, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, TERMINATING THE DESIGNATION OF THE HABERMAN BUILDING CORPORATION AS THE CONDITIONAL REDEVELOPER OF A PORTION OF THE BLOOMFIELD CENTER REDEVELOPMENT AREA AND TERMINATING A MEMORANDUM OF UNDERSTANDING IN CONNECTION THEREWITH

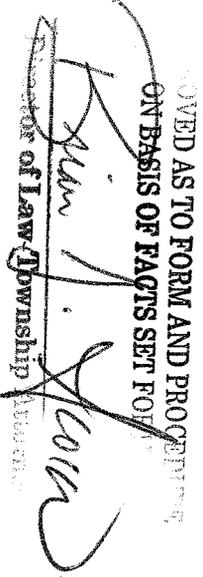
WHEREAS, by resolution duly adopted on September 8, 2000, the Mayor and Council ("Mayor and Council") of the Township of Bloomfield (the "Township") authorized and directed the Planning Board of the Township (the "Planning Board") to undertake an investigation and determine whether the properties identified as Block 220, Lots 26, 27, 30, 35, 40 and 80, Block 225, Lots 1 and 9, Block 227, Lots 1, 3, 5, 6, 8, 9, 10, 11, 12, 13, 15, 16, 17, 19, 20, 22, 24, 26, 30, 31, 32 and 35, Block 228, Lots 1, 4, 5, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 24, 27, 28, 29, 30, 31, 33 and 35, and Block 243, Lots 1, 3, 4, 5, 6, 7, 8, 10, 11, 13, 15, 17, 18 and 20 on the Township's tax map (collectively, the "2000 Study Area"), met the statutory criteria for designation as an area in need of redevelopment pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "Redevelopment Law"); and

WHEREAS, at the direction of the Planning Board, Heyer Gruel Associates, P.A. ("Heyer Gruel") conducted the investigation and prepared a report, dated November 3, 2000 (the "2000 Study") regarding whether the 2000 Study Area met the statutory criteria set forth in the Redevelopment Law for designation as an area in need of redevelopment; and

WHEREAS, the Planning Board considered the 2000 Study during a public hearing and, by resolution adopted on December 5, 2000, recommended that the 2000 Study Area be designated as an area in need of redevelopment; and

WHEREAS, by resolution duly adopted on December 18, 2000, the Mayor and Council agreed with the Planning Board's recommendation and designated the 2000 Study Area as an area in need of redevelopment (the 2000 Study Area shall hereinafter be referred to as the "Redevelopment Area"); and

APPROVED AS TO FORM AND PROCEDURE
ON BASIS OF FACTS SET FORTH
Director of Law Township of Bloomfield



WHEREAS, in an opinion dated August 3, 2005, the Superior Court of New Jersey, Essex County (the "Court"), in the matter known as *Township of Bloomfield v. 110 Washington Street Associates*, held that the 2000 Study did not include all substantial evidence in support of its conclusion that the Redevelopment Area met the statutory criteria set forth in the Redevelopment Law for designation as an area in need of redevelopment; and

WHEREAS, in 2006, the Mayor and Council directed the Planning Board to undertake a supplemental study of the Redevelopment Area to address the concerns raised in the Court's decision; and

WHEREAS, Heyer Gruel prepared a supplemental report, dated July 2006 (the "Supplemental Study"), in which it again concluded that the Redevelopment Area, as of the dates of the 2000 Study and the Supplemental Study, met the statutory criteria for designation as an area in need of redevelopment, and in which it set forth, in greater detail, the basis for such conclusions; and

WHEREAS, on July 20, 2006, the Planning Board considered the Supplemental Study during a public hearing and, by resolution duly adopted on August 1, 2006, it concluded that the 2000 designation of the Redevelopment Area was supported by substantial evidence and it recommended to the governing body of the Township that the Supplemental Study validates the conclusion reached in 2000 that the Redevelopment Area met the statutory criteria for designation as an area in need of redevelopment; and

WHEREAS, by resolution duly adopted on August 7, 2006, the Mayor and Council accepted the recommendation made by the Planning Board and agreed with the Planning Board's conclusion that the Supplemental Study validated the conclusion reached in 2000 that the Redevelopment Area met the statutory criteria for designation as an area in need of redevelopment; and

WHEREAS, by ordinance finally adopted on December 15, 2008, the Mayor and Council approved and adopted a redevelopment plan for the redevelopment of the portion of the Redevelopment Area, along with other parcels which had previously been designated as an Area in Need of Rehabilitation, consisting of certain parcels located in Blocks 220, 225, 227, 228, 242, 243 and 255; and

WHEREAS, the Haberman Building Corporation (“HBC”), through other entities with the same ownership structure as, or otherwise controlled by, HBC, is the former owner of the portions of the Redevelopment Area known as Block 228, Lots 4, 19 and 21 (collectively, the “Block 228 Properties”) and is the current owner of the property located at Block 220, Lot 40 (the “Train Station Property”); and

WHEREAS, on September 15, 2009, the Township and HBC entered into a Memorandum of Understanding (the “MOU”), setting forth each party’s expectations with respect to the redevelopment of the Block 228 Properties and the Train Station Property; and

WHEREAS, at the time the MOU was executed, HBC was interested in maintaining an ownership interest in the project to be constructed on Block 228 and in redeveloping the Train Station Property; and

WHEREAS, toward those ends, the MOU provided, among other things, that HBC was to convey the Block 228 Properties to the Township for a nominal sum and that upon the completion of the redevelopment of Block 228, the redeveloper thereof would convey a portion of the completed improvements to HBC for a nominal sum; and

WHEREAS, the MOU also provided that the Township was to designate HBC or its designated successor or assign as the redeveloper of the Train Station Property and then negotiate with HBC, in good faith, the terms of a redevelopment agreement; and

WHEREAS, by resolution duly adopted on October 22, 2009, the Mayor and Council designated HBC as the conditional redeveloper of the Train Station Property; and

WHEREAS, by resolution duly adopted on November 16, 2009, the Mayor and Council again directed the Planning Board to undertake an investigation and determine whether the properties located in the Redevelopment Area met the statutory criteria set forth in the Redevelopment Law for designation as an area in need of redevelopment; and

WHEREAS, at the direction of the Planning Board, the firm Phillips Preiss Shapiro Associates, Inc. ("Phillips") conducted the investigation and, at the Planning Board's direction, Phillips initially limited its investigation to the properties identified as Block 220, Lot 40, and Block 228, Lots 1, 4, 5, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 21, 24, 27, 28, 29, 30, 31, 33 and 35 on the Township's tax map (collectively, "Area 3"); and

WHEREAS, Phillips prepared a report, dated May 2010 (the "Phillips Study"), regarding whether the properties in Area 3, or any portion thereof, met the statutory criteria set forth in the Redevelopment Law for designation as an area in need of redevelopment; and

WHEREAS, the Planning Board considered the Phillips Study during a public hearing on June 22, 2010 and September 23, 2010 and, by resolution duly adopted on September 23, 2010, the Planning Board concluded that the properties in Area 3 met the statutory criteria for designation as an area in need of redevelopment and recommended that the Township so designate such properties; and

WHEREAS, by resolution duly adopted on October 18, 2010, the Mayor and Council accepted the Planning Board's recommendation and designated the properties included in Area 3 as an area in need of redevelopment (Area 3 shall hereinafter be referred to as the "Block 228 and Block 220, Lot 40 Redevelopment Area"); and

WHEREAS, by ordinance finally adopted on February 7, 2011, the Mayor and Council approved and adopted a redevelopment plan for the redevelopment of the Block 228 and Block 220, Lot 40 Redevelopment Area; and

WHEREAS, in the meantime, in early 2010, HBC determined that it no longer desired to redevelop the Block 228 Properties and that, instead, it desired to sell same to the Parking Authority of the Township of Bloomfield (the "Parking Authority"); and

WHEREAS, on April 27, 2010, an affiliate of HBC and the Parking Authority entered into a purchase and sale agreement in connection with the Block 228 Properties; and

WHEREAS, on September 15, 2010, the Parking Authority closed on the acquisition of the Block 228 Properties and the Parking Authority is now the owner thereof; and

WHEREAS, since the execution of the MOU and the designation of HBC as the conditional redeveloper of the Train Station Property in 2009, the Township and HBC representatives have discussed, in good faith, the redevelopment of the Train Station Property, including terms regarding (i) the renovation of the existing train station facility, (ii) the provision of public access to the train station platform and (iii) the construction of new retail space, and the Township has engaged several consultants, at substantial expense, to help identify ways to redevelop the Train Station Property and to identify potential funding sources for the redevelopment thereof; and

WHEREAS, a representative of HBC recently advised the Township, however, that it no longer desires to redevelop the Train Station Property and that, instead, it would like to sell same; and

WHEREAS, toward that end, the Township commissioned and paid for a real estate appraisal for the Train Station Property and forwarded same to HBC for review; and

WHEREAS, the Township has determined that the MOU is moot, and the Mayor and Council now desire to terminate the MOU and the designation of HBC as the conditional redeveloper of the Train Station Property.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of Township of Bloomfield, in the County of Essex and the State of New Jersey, as follows:

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

Section 2. The MOU is hereby terminated and HBC shall have no further rights thereunder.

Section 3. The Township hereby terminates HBC as the conditional redeveloper of the Train Station Property.

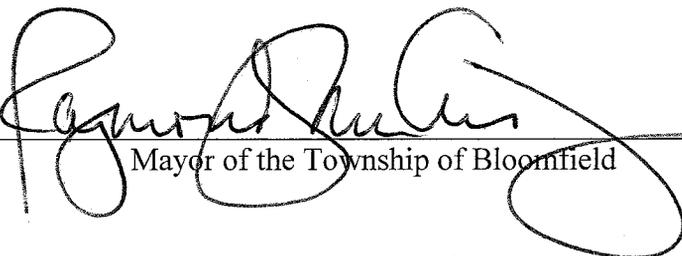
Section 4. This resolution shall take effect immediately.

* * *

I hereby certify that the above resolution was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on September 19, 2011.



 Municipal Clerk of the Township of Bloomfield

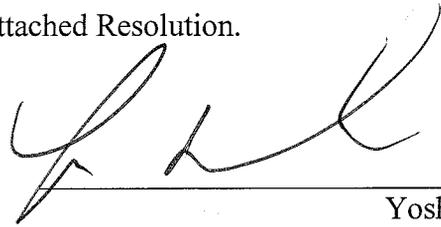


 Mayor of the Township of Bloomfield

ROLL CALL VOTE

MAYOR & COUNCIL	YES	NO	ABSTAIN	ABSENT
COUNCILWOMAN LITTERIO	✓			
COUNCILMAN JOANOW	✓			
COUNCILMAN RUANE	✓			
COUNCILMAN VENEZIA	✓			
COUNCILWOMAN DUNIGAN	✓			
COUNCILMAN HAMILTON	✓			
MAYOR McCARTHY	✓			

I hereby approve / disapprove of the passage of the attached Resolution.



Yoshi Manale
Township Administrator

If the Township Administrator disapproves of the attached Resolution the reasons are as follows:

I hereby approve / disapprove of the passage of the attached Resolution.

Glenn Domenick
Director

If the Department Head disapproves of the attached Resolution the reasons are as follows: