

RESOLUTION NO. 22-

**TOWNSHIP OF MIDDLETOWN
COUNTY OF MONMOUTH**

**RESOLUTION DESIGNATING THE PLACE AT MIDDLETOWN WALK, LLC
("PMW") REDEVELOPER OF THE "MULTIFAMILY DISTRICT" WITHIN THE
CIRCUS LIQUORS REDEVELOPMENT PLAN AREA AND AUTHORIZING
EXECUTION OF A PARTIAL ASSIGNMENT AND ASSUMPTION OF THE
REDEVELOPMENT AGREEMENT BETWEEN TOLL NJ XII, L.P. ("TOLL") AND
THE TOWNSHIP**

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

WHEREAS, the Township Committee serves as an instrumentality and agency of the Township of Middletown ("the Township") pursuant to the LRHL for the purpose of implementing redevelopment plans and carrying out redevelopment projects; and

WHEREAS, N.J.S.A. 40A:12A-8 authorizes the Township to enter into contracts or agreements for the planning, construction or undertaking of any development project or redevelopment work in an area in need of redevelopment; and

WHEREAS, pursuant to Resolution No. 17-205 adopted on July 17, 2017 and Resolution No. 17-239 adopted on September 18, 2017, the Township Committee authorized and requested that the Planning Board undertake a preliminary investigation ("the Investigation") to determine whether Block 825, Lots 53, 54, 55, 56, 57, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69.01, 72, 73, 74, 75, 76, 77, 78, 79, 80 and 81; Block 825, Lot 70; Block 605, Lot 64; Block 638, Lot 31.01; Block 825, Lot 58; Block 870, Lots 1 and 2; and Block 871, Lots 3 and 7.02 ("the Area of Investigation") constitutes an "area in need of redevelopment" for non-condemnation purposes according to the criteria set forth in N.J.S.A. 40A:12A-5 and N.J.S.A. 40A:12A-3; and

WHEREAS, consistent with the requirements set forth in N.J.S.A. 40A:12A-6, the Planning Board specified and gave notice that on December 6, 2017, a hearing would be held for the purpose of hearing all persons who are interested in or would be affected by a determination that the properties in the Area of Investigation are an "area in need of redevelopment" as that term is defined in Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. ("LRHL"); and

WHEREAS, DMR Architects ("DMR") prepared a "Report of Preliminary Investigation for Determination of an Area in Need of Redevelopment" (the "Investigation Report") for the Area of Investigation that was publicly presented after adequate notice before the Planning Board on December 6, 2017; and

WHEREAS, the Investigation Report determined that Block 825, Lots 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69.01, 70, 72, 73, 74, 75, 76, 77, 78, 79, 80, and 81, Block 870, Lots 1 and 2, and Block 871, Lot 7.02 evidenced conditions and characteristics that qualify

for designation as an “area in need of redevelopment” because they collectively satisfy the applicable criteria of the LRHL under N.J.S.A. 40A:12A-5 and -3; and

WHEREAS, the Planning Board hearing was opened to the public on December 6, 2017 for the purpose of hearing all persons who are interested in or would be affected by a determination that all or a part of the Area of Investigation is a redevelopment area; and

WHEREAS, on December 6, 2017, the Planning Board received direct testimony from Fran Reiner, L.L.A., P.P. of DMR, and Mr. Reiner provided an eye witness account of the conditions that he observed during his exhaustive investigation of the properties within the Area of Investigation, which confirmed the description of the conditions and his findings contained in the Investigation Report; and

WHEREAS, after completing its hearing and investigation of this matter on December 6, 2017, the Planning Board determined to recommend that the Township Committee designate the above-cited portions of the Area of Investigation as an area in need of redevelopment for non-condemnation purposes due to the substantial evidence that these parcels within the Area of Investigation meet the criteria enumerated in the Investigation Report pursuant to N.J.S.A. 40A:12A-5 and N.J.S.A. 40A:12A-3; and

WHEREAS, pursuant to Resolution 17-294, on December 18, 2017, the Township Committee adopted a resolution concurring with the Planning Board’s findings and designated the above-cited portions of the Area of Investigation as an “area in need of redevelopment” pursuant to the LRHL; and

WHEREAS, on August 21, 2018, pursuant to Ordinance No. 2018-3232, the Township Committee duly adopted the Circus Liquors Redevelopment Plan dated July 2018 consisting of Block 825, Lots 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69.01, 70, 72, 73, 74, 75, 76, 77, 78, 79, and 81; and Block 870, Lots 1 and 2; and

WHEREAS, the Township adopted a Resolution on November 19, 2018, authorizing the Township to enter into exclusive negotiations with Village 35, LP regarding the redevelopment of the Circus Liquors Redevelopment Plan Area and conditionally designating it the redeveloper of the site; and

WHEREAS, on January 9, 2019 the Township Planning Board adopted Resolution #2018-105 memorializing the approval of Village 35 LP’s application seeking Minor Subdivision approval and permitting the creation of two new lots for the “Commercial Tract” and “Residential Tract” as defined in the Circus Liquors Redevelopment Plan; and

WHEREAS, the Township designated Toll NJ XII, L.P. as the redeveloper of the Residential Tract within the Circus Liquors Redevelopment Plan Area by Resolution #19-87 adopted on February 4, 2019, that also authorized the Township to enter into a Redevelopment Agreement with Toll NJ XII, L.P. (the “RDA”), which was subsequently executed by the parties on or about February 15, 2019.

WHEREAS, the Residential Tract contains two sub-districts: the Multi-Family District on Block 825, Lot 53.02 designated for the development of family rental affordable units, and the Townhouse District designated for development with market rate townhomes on Block 825, Lot 53.03, as well as Block 825, Lot 53.04, which was retained by Mountain Hill, LLC and subject to a conservation easement;

WHEREAS, the Township of Middletown Planning Board (“Board”) granted Toll Preliminary and Final Major Site Plan & Preliminary and Final Major Subdivision approval to construct 280 market rate townhomes in the Townhouse District and 70 affordable units within three multi-family buildings in the Multi-Family District by resolutions adopted by the Board on November 6, 2019, and November 4, 2020 (“Board Approvals”). The subdivision aspect of the Board Approvals was perfected by filing of the subdivision plat;

WHEREAS, PMW is a limited liability company, and the managing member of PMW’s managing member is CIS Middletown Walk, LLC, whose managing member is Community Investment Strategies, Inc. (“CIS”). CIS is a New Jersey real estate development company with significant experience in developing, owning, and operating low-income housing, including in Middletown;

WHEREAS, Toll entered into an agreement to convey the Multi-Family District to PMW, whereby Toll will construct the Project Infrastructure for both the Townhouse District and the Multi-Family District, and PMW shall thereafter take title to the Multi-Family District and develop the balance of the Phase II improvements pursuant to, and in accordance with, the Redevelopment Plan, the RDA, and the Board Approvals;

WHEREAS, Toll and PMW desire to enter into a partial Assignment and Assumption of the Redevelopment Agreement in order to effectuate the transfer to and the assumption by PMW of all of the respective rights, obligations, covenants, duties and liabilities of the Toll under the RDA corresponding to the redevelopment of the Multi-Family District and Phase II, after title of the Multi-Family District is conveyed to PMW;

WHEREAS, the Township wishes to designate PMW as the redeveloper of the Multi-Family District and enter into an Assignment and Assumption of the Redevelopment Agreement in a form substantially consistent to that attached hereto as Exhibit A; and,

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Middletown in the County of Monmouth, State of New Jersey, as follows:

1. That the Township hereby designates The Place at Middletown Walk, LLC, as the designated redeveloper of the Multi-Family District portion of the Residential Tract within the Circus Liquors Redevelopment Plan Area, comprised of Block 825, Lot 53.02; and
2. That the Mayor of the Township is authorized and directed to execute and the Clerk is authorized to attest to the Assignment and Assumption of the Redevelopment Agreement with Toll NJ XII, L.P., and The Place at Middletown Walk, LLC, the designated redevelopers of the Residential Tract, in a form substantially consistent with Exhibit A attached hereto, with such additions, deletions, modifications or amendments that do not alter the substantive rights and obligations of the parties thereto.
3. This Resolution shall become effective immediately pursuant to law.