

ORDINANCE 2021:14
AN ORDINANCE OF THE BOROUGH OF SOMERDALE REPEALING CERTAIN
ORDINANCE OF THE BOROUGH OF SOMERDALE REPEALING CERTAIN
ORDINANCES AND RESOLUTIONS CONCERNING THE REDEVELOPMENT
PROJECT KNOWN AS RESERVE AT GRACE REDEVELOPMENT PROJECT

WHEREAS the Borough of Somerdale has entered into various agreements with Reserve at Grace Urban Renewal LLC including:

1. Redevelopment Agreement dated March 13, 2019;
2. Financial Agreement dated March 13, 2019;
3. Lease dated March 13, 2019;
4. Amendment to the Redevelopment Agreement dated May 12, 2021; and

WHEREAS the Borough of Somerdale has adopted various Ordinances and Resolutions pursuant to the above listed agreements to wit:

1. Ordinance 2018:14, An Ordinance authorizing a tax abatement for the Reserve at Grace;
2. Ordinance 2020:04 An Ordinance amending Ordinance 2018:14 concerning a Tax Abatement for Reserve at Grace;
3. Resolution 2018:140 authorizing a Redevelopment Agreement with the Reserve at Grace;
4. Resolution 2019:137 authorizing an Amendment of the Redevelopment and Financial Agreement with the Reserve at Grace;
5. Resolution 2021:73 allowing for an Amendment to the Financial Agreement, Redevelopment Agreement and Lease with the Reserve at Grace; and

WHEREAS the Reserve at Grace Urban Renewal LLC is in default of its obligations under its agreements with the Borough; and

WHEREAS notice of the defaults and the opportunity to cure were given to Reserve at Grace Urban Renewal LLC by letter dated August 12, 2021 which defaults included:

1. Failure to pay for improvements to the church building as required by Sec. 5.3 of the Redevelopment Agreement;
2. Failure to pay for all improvements as set forth in Secs. 1.1(j), 2.1(j) and 6.2 of the Redevelopment Agreement;
3. Failure to meet the completion date as set forth in Sec 5.2 of the Redevelopment Agreement;

4. Failure to remove the lien placed on the church property in violation of Article 12.01 of the Lease between the parties; and

WHEREAS the above noted default events have not been cured within the 30 days as allowed by the agreements; and

WHEREAS currently the Reserve at Grace Urban Renewal LLC is in default of its obligation to pay the acquisition cost reimbursement of \$70,535.48 as required by Sec 3.2 of the Redevelopment Agreement; and

WHEREAS the Reserve at Grace Urban Renewal LLC is currently in default of its obligation to maintain an escrow of \$4,000 with the Borough pursuant to Sec 6.4 of the Redevelopment Agreement; and

WHEREAS it appears that the project has been abandoned as there has been no progress at the site in months and it does not appear that the Reserve at Grace Urban Renewal LLC has the financial wherewithal or technical skill to complete the project; and

WHEREAS it is appropriate, in light of the default by the Reserve at Grace Urban Renewal LLC to revoke, rescind and cancel any and all agreements.

NOW THEREFORE BE IT ordained by the Mayor and Council of the Borough of Somerdale, County of Camden, State of New Jersey that the following Ordinances and Resolutions are revoked, rescinded and canceled:

1. Ordinance 2018:14;
2. Ordinance 2020:04;
3. Resolution 2018:140;
4. Resolution 2019:137; and
5. Resolution 2021:73

It is further ordained that in light of the repeal of the tax abatement the borough's tax collector is directed to recalculate the property taxes due on the property since the time the tax abatement took place as if there were no tax abatement on the property.

Date introduced: October 11, 2021

Michele D. Miller, RMC
Municipal Clerk

Attest _____
Michelle Miller RMC

Gary Passanante, Mayor