

**WEST DEPTFORD TOWNSHIP**

**RESOLUTION 2017- 253**

**RESOLUTION CONSENTING TO THE SALE OF PROPERTY KNOWN AS TAX BLOCK 328, LOT 3.12 IN THE RIVERWINDS REDEVELOPMENT AREA TO COVE ON GROVE URBAN RENEWAL LLC, FOR THE PURCHASE OF THE RIVERCOVE APARTMENTS (LOT 3.12) AND AUTHORIZING THE ASSIGNMENT OF THE FINANCIAL AGREEMENT FOR A LONG TERM TAX EXEMPTION AND LAND TAX AGREEMENT BY AND BETWEEN THE TOWNSHIP OF WEST DEPTFORD AND GROVE AVENUE PARTNERS URBAN RENEWAL LLC TO COVE ON GROVE URBAN RENEWAL LLC, THE PURCHASE OF THE RIVERCOVE APARTMENTS (LOT 3.12)**

**WHEREAS**, the Township of West Deptford (“the Township”) and Grove Street Realty Urban Renewal, LLC (the “Redeveloper”) entered into that certain Redevelopment Agreement dated June 27, 2002, which Redevelopment Agreement was last amended by a 3<sup>rd</sup> Amendment dated September 30, 2007 (the “Redevelopment Agreement”) for the redevelopment of the real property known as Lots 3.01 and 3.12 in Block 328, as shown on the Tax Maps of the Township of West Deptford, Gloucester County, New Jersey; and

**WHEREAS**, the Township and Redeveloper entered into an Apartment Subparcel Redevelopment Agreement on September 30, 2007, as amended by an Amendment dated August 4, 2009 (the “Subparcel Agreement”) with regard to the redevelopment of Lot 3.12 in Block 328 for a building consisting of 200 age-restricted residential rental units and related site improvements, now known as Rivercove Apartments (hereinafter referred to as the “Project”); pursuant to its terms, the Subparcel Agreement supersedes the Redevelopment Agreement with respect to the development, use, maintenance and operation of Lot 3.12 in Block 328 and the Project; and

**WHEREAS**, Redeveloper satisfied all of the Completion Conditions (as defined under Section 2(c) of the Subparcel Agreement) on October 30, 2009, and therefore, under the terms of the Subparcel Agreement, the Project is considered complete and all rights of reversion held by the Township under Section 7 of the Subparcel Agreement have terminated; and

**WHEREAS**, pursuant to the Redevelopment Agreement, the Redeveloper was also required to redevelop Lot 3.01 in Block 328 for an assisted living facility, which has not been constructed and which is not part of the proposed sale by the successor in title to Redeveloper, Grove Avenue Partners Urban Renewal LLC (the “Seller”) to Cove On Grove Urban Renewal LLC (the “Buyer”); and

**WHEREAS**, pursuant to the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et. seq.), on September 30, 2007, the Township and the Redeveloper entered into a Financial Agreement (the "Financial Agreement") in connection with the Project which was assigned to Seller with the consent of the Township on March 16, 2016; and

**WHEREAS**, the Township and Seller entered into an Agreement regarding Payment in Lieu of Taxes and Ad Valorem Land Taxes (the "Land Tax Agreement") dated August \_\_\_\_, 2017; and

**WHEREAS**, pursuant to a Purchase and Sale Agreement dated effective as of June 29, 2017 between Seller and Buyer, as amended (the "Contract"), Seller has agreed to sell Block 328, Lot 3.12 and the Project to Buyer; and

**WHEREAS**, the Township and Buyer are currently conducting due diligence and a requirement of the Contract is obtaining the Township's consent to (i) the sale of Block 328, Lot 3.12 and Project to Buyer, and (ii) the assignment by Seller to Buyer of all of Seller's right, title and interest in, to and under the Subparcel Agreement as it relates to the Project, the Financial Agreement and the Land Tax Agreement concurrently with the closing of the sale to Buyer; and

**WHEREAS**, pursuant to the Redevelopment Agreement, the Subparcel Agreement and the Financial Agreement, the sale of Block 328, Lot 3.12 and Project, as well as the assignment of the Financial Agreement is subject to the approval of the Township.

**NOW, THEREFORE, BE IT RESOLVED** by the Township Committee of the Township of West Deptford, County of Gloucester, State of New Jersey, that it hereby consents to the sale of Block 328, Lot 3.12 and Project to the Buyer and further consents to and authorizes the assignment of the Subparcel Agreement as it relates to the Project, the Financial Agreement and the Land Tax Agreement and all of the Seller's rights, interests and obligations thereunder from Seller to Buyer.

**BE IT FURTHER RESOLVED**, that the Subparcel Agreement, the Financial Agreement and Land Tax Agreement remain in full force and effect in accordance with their respective terms and have not been subsequently amended or modified, and there is no default or breach on the part of the Township or, to the best of the Township's knowledge, the Seller under any of the foregoing agreements.

**BE IT FURTHER RESOLVED**, that the Mayor and Township Clerk are hereby authorized, empowered and directed to execute and deliver, on behalf of the Township, such documents and/or instruments as are necessary to effectuate the actions authorized herein, including but not limited to an assignment agreement for the Subparcel Agreement, the

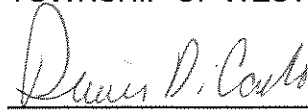
Financial Agreement, the Land Tax Agreement and an estoppel certificate in favor of Buyer and/or its lender(s).

**BE IT FURTHER RESOLVED** that the Mayor and Township Clerk are hereby authorized to execute any and all related documents in order to effectuate this Resolution, subject to the review and approval of any documents by the Township Solicitor and Redevelopment Counsel.

**ADOPTED** at a meeting of the Township Committee of the Township of West Deptford held on August 16, 2017.

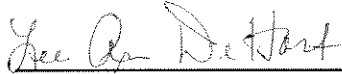
TOWNSHIP OF WEST DEPTFORD

By:



DENICE DICARLO, MAYOR

ATTEST:



Lee Ann DeHart, Registered Municipal Clerk

## CERTIFICATION

I, Lee Ann DeHart, Registered Municipal Clerk of the Township of West Deptford in the County of Gloucester, State of New Jersey, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting of the Township Committee held on August 16<sup>th</sup> 2017.

A handwritten signature in cursive script that reads "Lee Ann DeHart".

\_\_\_\_\_  
Lee Ann DeHart, Registered Municipal Clerk

COVE ON GROVE URBAN RENEWAL LLC  
C/O STONEMARK HOUSING PARTNERS  
1218 THIRD AVENUE, SUITE 2200  
SEATTLE, WA 98101

August 14, 2017

**Via Email: lbarnes@westdeptford.com**

Township of West Deptford  
400 Crown Point Road  
West Deptford, NJ 08086  
Attention: Lyman Barnes, Township Administrator

RE: The Cove at Riverwinds, 370 Grove Avenue, West Deptford, NJ (the “Property”)

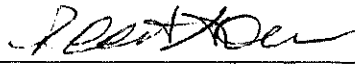
Dear Lyman:

In connection with the proposed acquisition of the Property by Cove on Grove Urban Renewal LLC (the “**Purchaser**”), the undersigned hereby certifies to the Township of West Deptford, New Jersey, as follows:

- (1) Purchaser is not now nor shall it be at any time an individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity (collectively, a “**Person**”) with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a “**U.S. Person**”), is prohibited from transacting business of the type associated with the acquisition and ownership of the Property, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury (“**OFAC**”) (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC (“**Specially Designated Nationals and Blocked Persons**”)) or otherwise.
- (2) Neither Purchaser nor, to the best of the undersigned’s knowledge, any Person who owns or will own a direct interest in Purchaser (collectively, a “**Purchaser Party**”), is now a Person with whom a U.S. Person, including a United States Financial Institution as defined in 31 U.S.C. 5312, as periodically amended (“**Financial Institution**”), is prohibited from transacting business of the type associated with the purchase and ownership of the Property, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC (including those executive orders and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise.

- (3) To the best of the undersigned's knowledge, no Purchaser Party has been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony, or to any other crime that has caused or could reasonably be expected to cause injury to Purchaser or affect the Purchaser's ability to carry out its obligations to West Deptford Township.
- (4) Purchaser anticipates obtaining mortgage acquisition financing through Federal National Mortgage Association (FNMA or Fannie Mae) or Federal Home Loan Mortgage Corporation (Freddie Mac). As part of the loan application process for said financing, the principals of Purchaser will be vetted by the applicable federal agency.

**COVE ON GROVE URBAN RENEWAL LLC,**  
a New Jersey limited liability company

By:   
\_\_\_\_\_  
Robert D. Howe  
Authorized Signatory

cc: Kevin S. Barber, Esq. ([kbarber@ledgewood.com](mailto:kbarber@ledgewood.com))  
David A. Weinstein, Esq. ([dweinstein@archerlaw.com](mailto:dweinstein@archerlaw.com))  
Timothy D. Scaffidi, Esq. ([tdscaffidi.scaffidi.law@verizon.net](mailto:tdscaffidi.scaffidi.law@verizon.net))