

**THE TOWNSHIP OF CRANFORD  
COUNTY OF UNION, NEW JERSEY**

**ORDINANCE NO. 2022-28**

**AN ORDINANCE ESTABLISHING A FINANCIAL AGREEMENT FOR THE BENEFIT  
OF THE REDEVELOPMENT OF WALNUT AVENUE AND SOUTH AVENUE**

**WHEREAS**, Iron Ore Properties LLC, (the “Entity”), an urban renewal entity formed and qualified to do business under the provisions of the Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, et seq.; is the redeveloper of the following areas:

- a) 201 Walnut Avenue - Block 484, Lot 19.01 (“Walnut Avenue”)
- b) 100-126 South Avenue E - Block 478, Lots 1.01, 1.02, 2, 3, 4, and 5;
- c) 32 High Street- Block- 478, Lot 6; and
- d) 2 Chestnut Street - Block 483, Lot 18 (collectively, with 100-126 South Avenue and 32 High Street “South Avenue”)

(All the properties are known collectively as the “Project Site”) which are areas designated by the Township of Cranford (the “Township”) as areas in need of redevelopment; and

**WHEREAS**, the Redevelopment Agreement allows for the following redevelopment plan:

- a) Walnut Avenue Phase—201 Walnut Avenue:
  - i. New construction of a single building containing approximately 37 residential dwelling units;
  - ii. Special Needs Housing comprised of both a self-contained 4-bedroom group home within the building and 2 two-bedroom independent living units; and
  - iii. Construction of related parking, site improvements and amenities.
- b) South Avenue Phase—South Avenue:
  - i. New construction of approximately 55 residential dwelling units;
  - ii. New construction of commercial/retail space of approximately 5,800 square feet in size;
  - iii. Renovation and incorporation into the Project of the existing single-story commercial buildings located at 100-104 South Avenue to remain as commercial/retail space;
  - iv. Conversion of 2 Chestnut Street in the Township into overflow surface parking; and
  - v. Construction of related parking, site improvements and amenities

**WHEREAS**, the Entity submitted to the Township an application (the “Application”), which is on file with the Township Clerk, and such application also requests financial assistance in the form of a tax exemption and abatement pursuant to the Five-Year Exemption and Abatement

Law, N.J.S.A. 40A:21-1, et seq.; and

**WHEREAS**, the Entity also submitted a form of Tax Agreement (the “Tax Agreement”), a copy of which is on file with the Township Clerk, establishing the rights, responsibilities and obligations of the Entity; and

**WHEREAS**, the Entity qualifies for a tax abatement on the physical improvements under N.J.S.A. 40A:21-1, et seq.;

**WHEREAS**, the Township Council has determined that the Project represents an undertaking permitted by the Act.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF CRANFORD, NEW JERSEY AS FOLLOWS:**

**Section 1.** The Application for financial assistance in the form of a tax exemption and abatement pursuant to the Five-Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, et seq. and the Tax Agreement are hereby approved.

**Section 2.** The Mayor is hereby authorized to execute the Tax Agreement substantially in the form on file with the Township Clerk, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

**Section 3.** In accordance with N.J.S.A. 40A:21-10(c), the Township is authorized to enter into an agreement with the Entity in which the Entity will pay to the Township, in lieu of full property tax payments, an amount equal to a percentage of taxes otherwise due on the value of the project’s improvements on the property, according to the following schedule:

- (1) In the twelve months following the PILOT Commencement Date for each Phase, zero percent (0%) of the real property tax otherwise due on the Improvements’ Value for that Phase
- (2) In the second tax year following the PILOT Commencement Date for each Phase, an amount not less than 20% of taxes otherwise due;
- (3) In the third tax year following the PILOT Commencement Date for each Phase, an amount not less than 40% of taxes otherwise due;
- (4) In the fourth tax year following the PILOT Commencement Date for each Phase, an amount not less than 60% of taxes otherwise due;
- (5) In the fifth tax year following the PILOT Commencement Date for each Phase, an amount not less than 80% of taxes otherwise due;
- (6) In the sixth tax year following the PILOT Commencement Date for each Phase an amount not less than 100% of the taxes otherwise due.

**Section 4.** The Clerk of the Township is hereby authorized and directed, upon execution of the Tax Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Township upon such document.

**Section 5.** This ordinance shall take effect in accordance with applicable law.

Introduced: November 22, 2022

Adopted: December 13, 2022

Approved:

\_\_\_\_\_  
Kathleen Miller Prunty, Mayor

Attest:

\_\_\_\_\_  
Patricia Donahue, RMC  
Municipal Clerk

**Recorded Vote**

**Introduced**

**Adopted**

Kathleen Miller Prunty  
Jason Gareis  
Brian Andrews  
Gina Black  
Mary O'Connor

Aye  
Aye  
Aye  
Aye  
Aye

Aye  
Aye  
Aye  
Absent  
Aye