

JULY 11, 2017

**BOROUGH OF CLIFFSIDE PARK  
BERGEN COUNTY, NEW JERSEY**

**MINUTES OF THE CAUCUS MEETING JULY 11, 2017**

**CALLED TO ORDER AT 6:00 P.M.**

**PRESENT AT ROLL CALL:**

Mayor	Thomas Calabrese
Councilwoman	Donna Spoto
Councilman	Bernard Fontana
Councilwoman	Dana Martinotti
Councilman	Kenneth Corcoran
Councilman	Peter Colao

**ABSENT AT ROLL CALL:**

**On a motion by Councilwoman Martinotti, seconded by Councilman Colao, Councilman Bongard was given an excused absence.**

**ROLL CALL:**

**AYES:** Spoto, Fontana, Martinotti, Corcoran, Colao.

**ABSENT:** Bongard.

**SERCAN ZOKLU STATED:**

**THIS IS A CAUCUS MEETING OF THE MAYOR AND COUNCIL, AND NOTICE WAS GIVEN AS FOLLOWS:**

1. NOTICE PUBLISHED JANUARY 9, 2017 WITH THE RECORD, AND JANUARY 11, 2017 WITH THE JERSEY JOURNAL, BOTH OFFICIAL NEWSPAPERS OF THE BOROUGH.
2. POSTING OF NOTICE ON THE BULLETIN BOARD.
3. PRESERVING A COPY IN THE CLERK'S OFFICE.

**MINUTES:** REVIEWED PREVIOUS MONTH'S MINUTES.

**APPOINTMENTS:** REVIEWED PROPOSED APPOINTMENTS.

**RESOLUTIONS:** REVIEWED PROPOSED RESOLUTIONS.

**ORDINANCES:** REVIEWED PROPOSED ORDINANCES.

**COMMUNICATIONS:** REVIEWED COMMUNICATIONS.

**On a motion by Councilwoman Martinotti, seconded by Councilman Corcoran, Resolution 2017-155 was offered for adoption.**

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ROLL CALL:

AYES: Spoto, Fontana, Martinotti, Corcoran, Colao. ABSENT: Bongard.

**RESOLUTION 2017-155**

**Whereas**, the Open Public Meetings Act, P.L. 1975, Chapter 231 permits the exclusion of the public from a meeting in certain circumstances; and

**Whereas**, this public body is of the opinion that such circumstances presently exist; and

**Whereas**, the Mayor and Council of the Borough of Cliffside Park wishes to discuss the following:

**CONTRACT NEGOTIATIONS**  
Redevelopment Project

Minutes will be kept, and once the matter involving the confidentiality of the above no longer requires that confidentiality, the minutes can be made public.

**Now, Therefore Be It Resolved**, that the public be excluded from this meeting.

**The Mayor and Council entered Closed Executive Session.**

**The Mayor and Council returned from Closed Executive Session.**

**On a motion by Councilwoman Martinotti, seconded by Councilman Corcoran, Resolution 2017-154 was offered for adoption.**

ROLL CALL:

AYES: Spoto, Fontana, Martinotti, Corcoran, Colao. ABSENT: Bongard.

**RESOLUTION 2017-154**

**“OFFICIAL ACTION”**

**WHEREAS**, this Resolution pertains to the Redevelopment of certain land within the Borough of Cliffside Park (the “Borough”) designated as BLOCK 2803, LOT 1.01, with the Municipal subterranean lot being designated as BLOCK 2803, LOT 1.02, and actions of the designated Redeveloper known and identified as TOWNE CENTRE URBAN RENEWAL COMPANY, LLC, an urban renewal limited liability company established and operated within the State of New Jersey (hereinafter referred to as the “Redeveloper”), having a business address at 1000 Portside Drive, P.O. Box 207 Edgewater, New Jersey 07020; and

**WHEREAS**, on February 16, 1999, the Cliffside Park Borough Council (the “Borough Council”) adopted Ordinance No. 3-99 which designated the Borough Council as the Redevelopment Agency pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.; and

**WHEREAS**, pursuant to Ordinance No. 8-99 adopted September 14, 1999, as amended by Ordinance No. 03-2006 adopted March 21, 2006, the Borough Council designated the land surrounded on three sides by Anderson Avenue, Glen Street and Lawton Street (and an existing

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structure on the fourth side) consisting of Block 2804, Lot 1.01 (formerly Block 2803, Lots 1, 16, 17, 18, 19, 20 and 21; and Block 2804, Lots 1, 2, 3, 4, 5, 6 and 7) on the Tax Map of the Borough as an area in need of redevelopment (hereinafter the "Redevelopment Area"); and

**WHEREAS**, in furtherance of the Borough Council's continuing efforts to enhance and revitalize the Anderson Avenue Business District and vicinity, the Borough entered into a Redevelopment Agreement (the "Initial Redevelopment Agreement"), dated January 9, 2006 with Towne Centre C.P., LLC (hereinafter referred to as "Towne Centre") to undertake redevelopment of the Redevelopment Area; and

**WHEREAS**, in accordance with the Initial Redevelopment Agreement, Redeveloper designed a project (the "Project") which has been modified from time to time and now consists of, amongst other improvements, a residential building of eleven (11) stories plus two (2) two-story penthouses containing 314 residential units, 49,418 sq. ft. of commercial and retail space, a two level parking structure, and a plaza; and

**WHEREAS**, the Borough and Redeveloper entered into an Amended and Restated Redevelopment Agreement ("First Amended and Restated Redevelopment Agreement"), dated the 13<sup>th</sup> day of April, 2010, which restated, amended and superseded in its entirety the terms of the Initial Redevelopment Agreement; and

**WHEREAS**, the Borough and Redeveloper entered into a Second Amended and Restated Redevelopment Agreement ("Second Amended and Restated Redevelopment Agreement"), dated the 28<sup>th</sup> day of June, 2011, which restated, amended and superseded in its entirety the terms of the First Amended and Restated Redevelopment Agreement and which alleviated certain fee payments previously imposed and other obligations of the Redeveloper; and

**WHEREAS**, in June, 2016, the Borough approved a Third Amended and Restated Redevelopment Agreement ("Third Amended and Restated Redevelopment Agreement") for the purpose of extending the Project/Milestone Construction Schedule; and

**WHEREAS**, in October, 2016, the Borough approved a Fourth Amended and Restated Redevelopment Agreement ("Fourth Amended and Restated Redevelopment Agreement") for the purpose of extending the Project/Milestone Construction Schedule to March 31, 2017 and confirming the final number of residential units at 314; and

**WHEREAS**, on February 7, 2017 the Borough approved by Resolution 2017-47 a Fifth Amended and Restated Redevelopment Agreement ("Fifth Amended and Restated Redevelopment Agreement") for the purpose of extending the Project/Milestone Construction Schedule to August 31, 2017 and leaves all other terms and provisions of the Restated Redevelopment Agreement in full force and effect, all in accordance with the terms set forth herein; and

**WHEREAS**, the Borough Council continues to recognize Redeveloper, an affiliate of Towne Center, as the party to effectuate and complete the Project in accordance with the terms of all Restated Redevelopment Agreements; and

**WHEREAS**, the Redeveloper has made or will make application for a Temporary Certificate of Occupancy for the Project, including the entirety of the 314 residential units, two residential garages, plaza and Borough Garage<sup>1</sup> and expects to receive said Temporary Certificate of Occupancy on or about August 31, 2017; and

**WHEREAS**, The Redeveloper intends to make application for and to receive a temporary certificate of occupancy which it anticipates receiving on or about July 31, 2017. In furtherance thereof, the Redeveloper has expressed an intent of a refinancing of the current

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<sup>1</sup> The retail component will be completed after August 31, 2017 as tenants execute leases and fit outs are completed.

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construction loan on the property and which will require the Redeveloper to satisfy, with one exception, all outstanding liabilities between developer and the Borough in connection with this project, including but not limited to a 15% membership interest in the limited liability company that is developing the project; and

**WHEREAS** the resolution of all outstanding fiscal matters between Redeveloper and the Borough will be the subject of an Omnibus Agreement to be prepared and executed by the Mayor after approval by the Mayor and Council in a form acceptable to Special Counsel and which shall provide for the payment in full of all outstanding obligations that the Redeveloper has to the Borough under the aforementioned Restated Redeveloper Agreements as described in a document attached hereto entitled "Redeveloper Financial Obligations" prepared by Lerch, Vinci & Higgins, Borough Auditor, and

**WHEREAS**, the only remaining item outstanding will be a taxable bond issued by the borough in 2011 in the original principal amount of \$12,005,000, in which bond payments will continue to be made by the Redeveloper under a certain Ground Lease entered into between the Borough and the Redeveloper on July 25, 2012, and which will be amended consistent with the actions to be taken in accordance with this Resolution. This is with the added proviso that this 2011 bond will be fully paid and satisfied no later than December 31, 2021 as opposed to the original payment date of February 1, 2038; and

**WHEREAS**, the Borough believes that the Ground Lease provides sufficient security for the Bond Payments and deems it to be in its best interest as well as the interests of the taxpayers that it agree to defer full satisfaction of the 2011 bond issue to December 31, 2021, and which shall also encourage occupancy of this long awaited development which will bring substantial payment in lieu of tax payments to the Borough, the public utilization of the Plaza attached thereto, the providing of much needed municipal parking on site and which will revitalize the business district.

**NOW, THEREFORE, BE IT RESOLVED**, that the Cliffside Park Borough Council hereby approves the entry into an Omnibus Agreement, Amended Ground Lease and other documents necessary for the entry into an Agreement with TOWNE CENTRE URBAN RENEWAL COMPANY, LLC to provide for the deferment on immediate payment of a taxable bond issued by the borough in 2011 in the original principal amount of \$12,005,000, which bond payments will continue to be made by the Redeveloper under a certain Ground Lease entered into between the Borough and the Redeveloper on July 25, 2012, and which will be amended consistent with the actions to be taken in accordance with this Resolution. This is with the added proviso that (1) Redeveloper shall make payment in full of all outstanding obligations that the Redeveloper has to the Borough in the amount of \$14,429,453 if paid by July 21, 2017 or \$14,529,453 if after July 21, 2017, but in no event will payment be made after October 20, 2017 as described in a document attached hereto entitled "Redeveloper Financial Obligations" prepared by Lerch, Vinci & Higgins, Borough Auditor, and (2) the 2011 bond will be continue to be paid under an Amended Ground Lease and fully paid and satisfied no later than December 31, 2021 as opposed to the original payment date of February 1, 2038; and

The Mayor is authorized to execute, on behalf of the Borough, all necessary documents related hereto. This Resolution is expressly subject to the Redeveloper's execution and agreement to a new ground lease, redeveloper agreement and omnibus agreement on or before August 31, 2017. This Resolution shall take effect in accordance with applicable law.

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**On a motion by Councilman Corcoran, seconded by Councilman Colao, Resolution 2017-153 was offered for adoption.**

ROLL CALL:

AYES: Spoto, Fontana, Martinotti, Corcoran, Colao. ABSENT: Bongard.

**RESOLUTION 2017-153**

**Renewal of Liquor Licenses**

**WHEREAS**, the Mayor and the Council of the Borough of Cliffside Park having investigated the applications of the following licenses to conduct business for retail consumption of alcoholic beverages; and

**BE IT RESOLVED**, that the Borough Clerk be and is hereby empowered to issue plenary retail consumption licenses to the following persons for the year commencing on:

**July 1, 2017 through June 30, 2018**

0206-33-025-015	III XXIII MMX LLC T/A Giulia's Kitchen	696 Anderson Ave.
0206-33-024-005	Izakaya Maru LLC T/A Izakaya Maru	631 Anderson Ave.

**BE IT FURTHER RESOLVED**, that all of said licenses have been issued pursuant to an Act of the Legislature of the State of New Jersey, entitled "An Act Concerning Alcoholic Beverages, Its Supplements and Amendments Thereto" and the Borough of Cliffside Park.

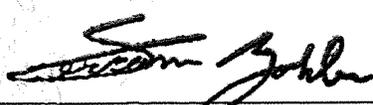
**PUBLIC PORTION:** On a motion by Councilman Bongard, seconded by Councilwoman Martinotti, the meeting was opened to the public.

**PUBLIC PARTICIPATION:** None.

On a motion by Councilman Bongard, seconded by Councilwoman Martinotti, the public portion of the meeting was closed.

**ADJOURN:** On a motion by Councilman Bongard, seconded by Councilwoman Martinotti, the meeting was adjourned at 6:43 p.m.

**ATTEST:**

  
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SERCAN ZOKLU, RMC  
BOROUGH CLERK

**APPROVED:**

  
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THOMAS CALABRESE  
MAYOR