

**BOROUGH OF WATCHUNG  
RESOLUTION: R1**


**BE IT RESOLVED** that Ordinance **OR:21/12** entitled:

***“AN ORDINANCE APPROVING THE FINANCIAL AGREEMENT BETWEEN THE BOROUGH OF WATCHUNG AND BONNIE BURN REDEVELOPERS URBAN RENEWAL, LLC (FORMERLY STERLING WATCHUNG, LLC) UNDER THE LONG-TERM TAX EXEMPTION LAW (N.J.S.A. 40A:20-1, ET SEQ.) FOR AN INCLUSIONARY HOUSING PROJECT ON PROPERTY KNOWN AS 291 BONNIE BURN ROAD IDENTIFIED AS BLOCK 7403, LOTS 5 AND 10 AND BLOCK 7402, LOTS 19.01 AND 19.02 ON THE TAX MAP OF THE BOROUGH OF WATCHUNG”***  
can now be adopted after public hearing.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey, that the Borough Clerk is hereby authorized to publish notice of adoption in accordance with law. This ordinance shall become effective after final passage, adoption and publication in accordance with law.



Pietro Martino, Council Member



Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: CODE, PLANNING,  
C: GENERAL CODE, C. TAYLOR  
T. SNYDER, B. HANCE, 1/12/22

**BOROUGH OF WATCHUNG  
ORDINANCE 21/12**

***APPROVING THE FINANCIAL AGREEMENT BETWEEN THE BOROUGH OF WATCHUNG AND BONNIE BURN REDEVELOPERS URBAN RENEWAL, LLC (formerly STERLING WATCHUNG, LLC) UNDER THE LONG-TERM TAX EXEMPTION LAW (N.J.S.A. 40A:20-1, ET SEQ.) FOR AN INCLUSIONARY HOUSING PROJECT ON PROPERTY KNOWN AS 291 BONNIE BURN ROAD IDENTIFIED AS BLOCK 7403, LOTS 5 AND 10 AND BLOCK 7402, LOTS 19.01 AND 19.02 ON THE TAX MAP OF THE BOROUGH OF WATCHUNG***

**WHEREAS**, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-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; and

**WHEREAS**, the Borough acts as redevelopment entity for the purpose of implementing redevelopment plans and carrying out redevelopment within the Borough pursuant to the LRHL; and

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

**WHEREAS**, the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1, et seq., as amended and supplemented (“LTTEL”), establishes a payment in lieu of taxes program for the use of municipalities and urban renewal entities to assist with the development of projects in areas in need of redevelopment including inclusionary housing projects; and

**WHEREAS**, N.J.S.A. 40A:20-8 authorizes the Mayor of the Borough to receive tax exemption applications on behalf of the Borough and submit them with a recommendation to the Borough of Watchung Council (the “Council”) for final approval; and

**WHEREAS**, Karka Investments, Inc. (“Karka”) and Phillip Properties, Inc. (“Phillip”) are the owners of the property (collectively “Property Owners”) known as 291 Bonnie Burn Road, Watchung, New Jersey, and identified as Block 7403 Lots 5 and 10 and Block 7402 Lots 19.01 and 19.02 on the tax maps of the Borough of Watchung (collectively referred to as “the Property”), specifically Karka is the owner of the portion of the Property designated as Block 7402, Lots 19.01 and 19.02 and Block 7403 Lot 5 and Phillip is the owner of the portion of the Property designated as Block 7403, Lot 10; and

**WHEREAS**, on June 7, 2018, pursuant to the authority granted to it in Resolution R10:06/07/18, the Council entered into a settlement agreement with Fair Share Housing Center, Inc. in the matter captioned In the Matter of the Borough of Watchung (Mt. Laurel), Docket No.

**BOROUGH OF WATCHUNG  
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SOM-L-902-15, to confirm Watchung's compliance with its affordable housing obligations, which designated the Property as a site for affordable housing and the Borough's primary affordable housing compliance mechanism (the "Affordable Housing Settlement Agreement"); and

**WHEREAS**, on June 7, 2018, pursuant to Resolution No. R11:06/07/18, the Mayor and Council directed the Borough of Watchung Planning Board (the "Planning Board") to conduct a preliminary investigation to determine whether the Property should be designated as an area in need of redevelopment according to the criteria set forth in the LRHL; and

**WHEREAS**, on August 21, 2018, the Planning Board held a properly noticed public hearing at which the Borough planner presented findings resulting in a determination to recommend to the Council that the Property be designated as a non-condemnation area in need of redevelopment, memorialized by Resolution No. PB18-R08, adopted on September 18, 2018; and

**WHEREAS**, on October 4, 2018, pursuant to Resolution No. R11:10/04/18, the Council designated the Property as an Area in Need of Non-Condensation Redevelopment (the "Redevelopment Area"); and

**WHEREAS**, on December 6, 2018 via Ordinance No. OR:18/20, the Borough adopted a redevelopment plan (the "Redevelopment Plan"), providing for the redevelopment of the Redevelopment Area; and

**WHEREAS**, the Property is in the Redevelopment Plan area and is subject to the Redevelopment Plan; and

**WHEREAS**, on December 6, 2018 pursuant to Resolution No. R9:12/06/18, the Borough conditionally designated BNE-Watchung, LLC ("BNE") as the redeveloper of the Property conditioned upon the Borough and BNE entering into a Redevelopment Agreement and a Financial Agreement; and

**WHEREAS**, on April 18, 2019 via Ordinance No. OR:19/05, the Council amended the Redevelopment Plan to address comments of the Planning Board (as amended, the "Redevelopment Plan"); and

**WHEREAS**, on or about May 9, 2019 BNE filed a site plan application for the Property with the Planning Board designated as PB19-01 ("Application"), which was subsequently

**BOROUGH OF WATCHUNG  
ORDINANCE 21/12**

deemed complete and Planning Board hearings related to the Application commenced thereafter;  
and

**WHEREAS**, prior to the conclusion of the Planning Board hearings for the Application on or about May 5, 2020, BNE's counsel advised the Planning Board that BNE terminated its contract with the Property Owners; and

**WHEREAS**, on May 19, 2020, the Planning Board voted to dismiss the Application without prejudice and adopted a resolution confirming same on June 16, 2020; and

**WHEREAS**, as a result of the foregoing the Borough and BNE did not enter into a Redevelopment Agreement under the LHRL or a Financial Agreement under the LTTEL; and

**WHEREAS**, on July 13, 2020, the Property Owners filed an action against the Planning Board as a result of the dismissal of the Application in the matter captioned Karka Investments, Inc. and Phillip Properties Inc. v. The Borough of Watchung Planning Board, Docket No. SOM-L-806-20 ("Litigation"); and

**WHEREAS**, at the request of the Property Owners on November 19, 2020, by way of Resolution R8:11/19/20, the Borough conditionally designated the Property Owners as redeveloper of the Property for purposes of the Application and the approval process; and

**WHEREAS**, at the request of the Property Owners on December 17, 2020 via Ordinance No. OR 20/06, the Borough adopted an Ordinance further amending and clarifying the Redevelopment Plan; and

**WHEREAS**, on February 23, 2021, the Property Owners and the Planning Board entered into a settlement agreement to dismiss the Litigation and allow the Application to continue to be heard by the Planning Board; and

**WHEREAS**, thereafter, the Property Owners entered into a contract of sale to sell the Property to Sterling Watchung, LLC (now Bonnie Burn Redevelopers Urban Renewal, LLC); and

**WHEREAS**, on March 12, 2021 Sterling Watchung, LLC provided the Mayor and Council with information regarding its development experience and qualifications; and thereafter, advised the Council of its proposal to develop an inclusionary housing project containing six residential buildings, consisting of not more than 230 total rental units, of which not more than 184 will be market-rate units and not more than 46 will be affordable housing units with one clubhouse building; and related improvements on the Property (the "Project"); and

**BOROUGH OF WATCHUNG  
ORDINANCE 21/12**

**WHEREAS**, by way of correspondence dated April 12, 2021, Karka and Phillips and Sterling Watchung, LLC requested that the Borough conditionally designate Sterling Watchung, LLC as Redeveloper of the Redevelopment Area; and

**WHEREAS**, on May 20, 2021, pursuant to Resolution No. R5:05/20/2021, the Borough conditionally designated Sterling Watchung, LLC (now Bonnie Burn Redevelopers Urban Renewal, LLC) (“Conditional Redeveloper”) as the redeveloper of the Property; and

**WHEREAS**, pursuant to Resolution No. R5:05/20/2021, Conditional Redeveloper was permitted to convert to an urban renewal entity or assign said redeveloper selection and designation to an urban renewal entity controlled by Conditional Redeveloper; and

**WHEREAS**, pursuant to Resolution No. R5:05/20/2021, designation was conditioned upon the Conditional Redeveloper and the Borough entering into a Redevelopment Agreement and Financial Agreement under the LTTEL (Payment in Lieu of Taxes Program) including the adoption of any authorizing Resolution or Ordinance, acceptable to both parties within ninety (90) days of the adoption of Resolution No. R5:05/20/2021; and

**WHEREAS**, after receiving the approval of the State of New Jersey, Conditional Redeveloper converted to the urban renewal entity named Bonnie Burn Redevelopers Urban Renewal, LLC (the “Redeveloper”); and

**WHEREAS**, the Conditional Redeveloper designation as redeveloper was transferred to Redeveloper by operation of law and as authorized by Council Resolution No. R5:05/20/2021; and

**WHEREAS**, on June 8, 2021 the Redeveloper filed an Application for the Approval of a 30-year long term tax exemption for the Project under the LTTEL seeking a payment in lieu of taxes program based upon 10% of annual gross revenue (AGR) generated by the Project for years 1 through 10; 11% of AGR for years 11 through 16; 12% of AGR for years 17 through 22; 13% of AGR for years 23 through 28; and 14% of AGR for years 29 and 30, all subject to the statutory staged increases as required by the LTTEL; and

**WHEREAS**, at the request of the Redeveloper, on June 17, 2021 via Ordinance No. 21:08, the Council adopted an Ordinance further amending and clarifying the Redevelopment Plan; and

**BOROUGH OF WATCHUNG  
ORDINANCE 21/12**

**WHEREAS**, on October 28, 2021 the Redeveloper obtained from Planning Board a preliminary site plan approval authorizing the development of the Project as an inclusionary housing project; and

**WHEREAS**, on November 3, 2021, after consultation and collaboration with the Borough and its professionals, Redeveloper filed an Amended and Restated Application seeking the approval of a 30-year long term tax exemption for the Project under the LTTEL with a payment in lieu of taxes program based upon 13% of AGR generated by the Project for years 1 through 15, and 15% of AGR for years 16 through 30, all subject to the statutory staged increases as required by the LTTEL (the "Amended Application"); and

**WHEREAS**, the Amended Application contains documentation with respect to the Project, estimated total development costs, estimated time schedule for commencement and completion of the Project, and conceptual plans; and

**WHEREAS**, the Council evaluated the Amended Application together with the information provided by Redeveloper regarding its qualifications, capabilities, experience, and expertise; and

**WHEREAS**, the Borough determined that the Project qualifies for the long-term tax exemption under the LTTEL; and

**WHEREAS**, the Mayor recommended the approval of the Amended Application; and,

**WHEREAS**, pursuant to Resolution No. R8:12/02/21, adopted on December 2, 2021, the Council approved the Amended Application; and

**WHEREAS**, the Redeveloper submitted with the Amended Application, a proposed Financial Agreement to be entered into by Redeveloper and the Borough (the "Financial Agreement") setting forth the payment in lieu of taxes program applicable to the Project and the rights, responsibilities and obligations of Redeveloper and the Borough under the LTTEL; and

**WHEREAS**, the Council has reviewed the Financial Agreement and makes the following findings in accordance with N.J.S.A. 40A:20-11(a) and N.J.S.A. 40A:20-11(b) regarding the relative benefits and costs of granting the tax exemption for the Project, the importance of the tax exemption in realizing the development of the Project and complying with the Affordable Housing Settlement Agreement:

- I. the tax exemption granted pursuant to the Financial Agreement will benefit the Borough and the community by assuring the successful redevelopment

**BOROUGH OF WATCHUNG  
ORDINANCE 21/12**

- of the Property, which has exhibited the statutorily recognized redevelopment criteria for years;
- II. the benefits of granting the tax exemption will substantially outweigh the costs, if any, associated with the tax exemption;
  - III. the Project is the Borough's primary mechanism for complying with its Third-Round affordable housing obligation as memorialized in the Affordable Housing Settlement Agreement; therefore, granting the tax exemption is critically important to the Borough, the Redeveloper, and the proposed occupants of the Project because without the incentive of the Financial Agreement, it is unlikely that the Project would be undertaken;
  - IV. the high costs associated with the development and construction of the Project and the real estate taxes that would otherwise be levied upon the Project would operate as a disincentive to the redevelopment of the Property, and would therefore frustrate the goals and objectives of the Redevelopment Plan, the Affordable Housing Settlement Agreement, and would make the Project materially less competitive in the marketplace;
  - V. the relative stability and predictability of the Annual Service Charges set forth in the Financial Agreement will make the Project more attractive to lenders and investors needed to finance the Project;
  - VI. the relative stability and predictability of the Annual Service Charges set forth in the Financial Agreement will allow the Redeveloper to stabilize its operating budget, allowing a high level of maintenance to the complex over the life of the Project, which will attract tenants to the Project and insure the likelihood of the success of the Project;
  - VII. the Project will contribute to the economic growth of businesses in the surrounding area;
  - VIII. the Project will further the overall redevelopment objectives of the Redevelopment Plan and the Affordable Housing Settlement Agreement;
  - IX. the current real estate taxes on the Property generate revenue of approximately \$8,000 of total taxes of which the Borough receives approximately \$2,500, whereas, the Annual Service Charge as estimated in

**BOROUGH OF WATCHUNG  
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the Financial Agreement, will generate revenue of \$833,000 to the Borough and an additional sum of approximately \$33,000 to Somerset County; and

- X. it is anticipated that the Project will create construction jobs and new permanent jobs.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Borough of Watchung, County of Somerset, State of New Jersey that:

A. The aforementioned recitals are incorporated herein as though fully set forth at length.

B. The Mayor and Borough Clerk are hereby authorized to execute a Financial Agreement, which shall include at a minimum the following terms and conditions:

1. Term: the earlier of thirty (30) years from Substantial Completion of the Project or thirty-five (35) years from the execution of the Financial Agreement;
2. Annual Service Charge: each year the greater of:
  - (i) the Minimum Annual Service Charge; (ii)(a) 13% of Annual Gross Revenue each year for years 1 through 15 of the Financial Agreement (e.g. in year 1 such amount would be \$865,681 based on the projected Annual Gross Revenue of \$6,659,087); (b) 15% of Annual Gross Revenue each year for years 16 through 30 of the Financial Agreement (e.g. in year 16 such amount would be \$1,344,338 based on the projected Annual Gross Revenue of \$8,962,254); and (iii) and which shall be subject to statutory staged increases under N.J.S.A. 40A:20-12.b (2) as specifically set forth in the Financial Agreement;
3. Administrative Fee: 2% of the prior year's Annual Service Charge which sum is estimated to be \$17,000;
4. County Payment: the Borough to remit 5% of the Annual Service Charge received and collected to Somerset County which sum is estimate to be \$33,000;

C. The Borough Clerk shall deliver a certified copy of the Ordinance and executed Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.



**BOROUGH OF WATCHUNG  
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D. The Amended Application together with the Financial Agreement is on file with the office of the Borough Clerk. The Financial Agreement to be executed shall be in substantially the form on file in the Office of the Borough Clerk, subject to such modification, as the Mayor, Financial Consultant, Borough Administrator and/or Borough Counsel deems appropriate or necessary.

E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.


F. This ordinance shall take effect at the time and in the manner provided by law.


INTRODUCED: MARTINO  
PASSED: DECEMBER 2, 2021  
PUBLISHED: DECEMBER 9, 2021  
ADOPTED: DECEMBER 16, 2021

INDEX: CODE, PLANNING,  
C: GENERAL CODE, C.TAYLOR  
C. TAYLOR, CODE

ATTEST:

APPROVED:

  
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Edith G. Gil, Borough Clerk

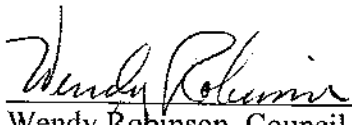
  
\_\_\_\_\_  
Keith S. Balla, Mayor

**BOROUGH OF WATCHUNG  
RESOLUTION: R2**

**WHEREAS**, Section 2-25.13 of the Code of the Borough of Watchung requires that contracts for purchases or services involving more than two thousand dollars be awarded by a resolution of the Mayor and Council.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey, that the Purchasing Agent be authorized to issue Purchase Orders as follows:

Vendor: Foveonics Document Solutions, 999 Willow Grove St, Hackettstown, NJ 07840  
Item: Planning, Zoning, and Code Enforcement Files to Scan w/OCR Tech  
Total Price: \$40,899.77  
Charged to: 1-01-610-204 and 1-01-165-281

  
Wendy Robinson, Council President

  
Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: PURCHASING  
C: B. HANCE 1/12/22

**BOROUGH OF WATCHUNG  
RESOLUTION: R3**

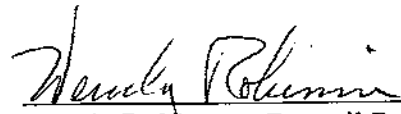
**WHEREAS**, N.J.S. 40A:4-58 provides for budget appropriation transfers during the last two months of the fiscal year (excluding appropriations for Contingent Expenses, Deferred Charges, Reserve for Uncollected Taxes, Capital Improvement Fund, and Interest and Debt Redemption Charges); and

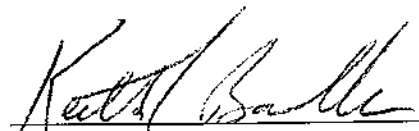
**WHEREAS**, a need has arisen to expend amounts in excess of the original amounts appropriated therefore;

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the Borough of Watchung, County of Somerset, State of New Jersey that the Chief Financial Officer be, and is hereby authorized to make the following transfers:

<u>To:</u>	<u>Amount</u>
Telephone OE	<u>\$20,000.00</u>
Total:	<u>\$20,000.00</u>

<u>From:</u>	<u>Amount</u>
Legal OE	<u>\$20,000.00</u>
Total:	<u>\$20,000.00</u>

  
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Wendy Robinson, Council President

  
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Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: FINANCE-MISC.  
C: B. HANCE, 1/12/22

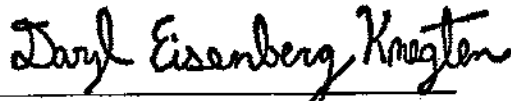
**BOROUGH OF WATCHUNG  
RESOLUTION: R4**

**BE IT RESOLVED, by the Mayor and Council of the Borough of Watchung,**  
that the Borough Treasurer be, and is hereby directed to pay bills in the amount of  
\$1,237,696.93 per the attached bill list. The expenditures can be broken down into  
the following categories:

Grant Fund	\$	849.32
Animal Control	\$	3.60
Developer Escrow	\$	8,005.50
Other Escrow	\$	64,492.00
Capital Fund	\$	148,213.75
Current Fund	\$	1,016,132.76
Total:	\$	1,237,696.93



Wendy Robinson




Daryl Eisenberg Knechten



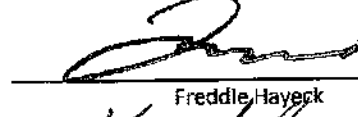
Lindsay Goodloe



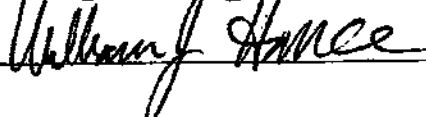
Ronald Jubin



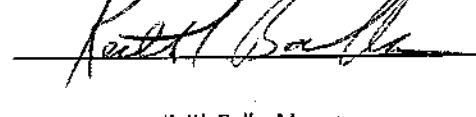
Mario Martino



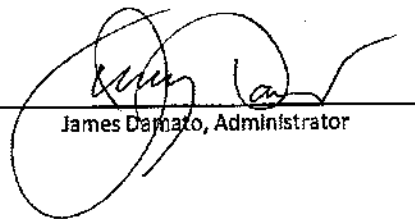
Freddie Hayerck



William J. Hance, CFO



Keith Balla, Mayor



James Damato, Administrator

Date: December 16, 2021  
Index: Finance

**BOROUGH OF WATCHUNG  
RESOLUTION: R5**

***GOVERNING BODY CERTIFICATION OF THE ANNUAL AUDIT***

**WHEREAS**, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions; and

**WHEREAS**, the Annual Report of Audit for the fiscal year ended **December 31, 2020** has been filed by a Registered Municipal Accountant with the Borough Clerk pursuant to N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body; and

**WHEREAS**, R.S. 52:27BB-34 authorizes the Local Finance Board of the State of New Jersey to prescribe reports pertaining to the local fiscal affairs; and

**WHEREAS**, the Local Finance Board has promulgated N.J.A.C. 5:30-6.5, a regulation requiring that the governing body of each municipality shall by resolution certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, as a minimum, the sections of the annual audit entitled "Comments and Recommendations; and

**WHEREAS**, the members of the governing body have personally reviewed as a minimum the Annual Report of Audit, and specifically the sections of the Annual Audit entitled "Comments and Recommendations, as evidenced by the group affidavit form of the governing body attached hereto; and

**WHEREAS**, such resolution of certification shall be adopted by the Governing Body no later than forty-five days after the receipt of the annual audit, pursuant to N.J.A.C. 5:30-6.5; and

**WHEREAS**, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

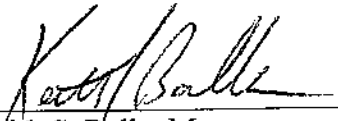
**WHEREAS**, failure to comply with the regulations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of R.S. 52:27BB-52, to wit:

**BOROUGH OF WATCHUNG  
RESOLUTION: R5**

R.S. 52:27BB-52: A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office.

**NOW, THEREFORE BE IT RESOLVED**, that the Governing Body of the Borough of Watchung, County of Somerset, State of New Jersey hereby states that it has complied with N.J.A.C. 5:30-6.5 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

  
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Ronald Jubin, Council Member

  
\_\_\_\_\_  
Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: FINANCE-BUDGET  
C: DLGS, B. HANCE 1/12/22

***I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF A RESOLUTION  
PASSED AT THE MAYOR AND COUNCIL MEETING HELD ON DECEMBER 16, 2021.***

\_\_\_\_\_  
**EDITH G. GIL, RMC**

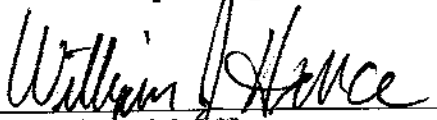
**BOROUGH OF WATCHUNG  
RESOLUTION: R6**

**WHEREAS**, N.J.S.A. 40:48-5.1 mandates that under certain specified circumstances a municipality must enter into negotiations with an animal control service for the collecting, keeping, redemption and destroying of stray animals with the municipality; and

**WHEREAS**, said statute provides that the municipality may enter into a contract for the provision of services with such a humane society without advertisement for public bids; and

**WHEREAS**, pursuant to the provisions of said statute, the Borough of Watchung has entered into negotiations with Washington Humane Society dba St. Hubert's Animal Welfare Center, which meets the requirements of N.J.S.A. 40:48-5.1; and


**WHEREAS**, the Chief Financial Officer has certified that funds are available for this contract in the Animal Control Trust Fund and the municipal budget; and

  
Chief Financial Officer

**WHEREAS**, the Mayor and Council have determined that it is in the best interest of the municipality to enter into a one-year contract with Washington Humane Society dba St. Hubert's Animal Welfare Center.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey does hereby authorize the execution of a one-year contract, in the form annexed hereto, effective **January 1, 2022 through December 31, 2022** in the amount of **\$16,839.00**

  
Ronald Jubin, Council Member

  
Keith S. Balla, Mayor


DATE: DECEMBER 16, 2021  
INDEX: AWARDS,  
CC: FINANCE, BD OF HEALTH, POLICE CHIEF 1/12/22

**BOROUGH OF WATCHUNG  
RESOLUTION: R7**

**WHEREAS**, the Borough of Watchung awarded a contract to Black Rock Enterprises, LLC, 1316 Englishtown Road, Old Bridge, NJ 08857, on October 7, 2021, via resolution R6 for "Elsinore Drive Culvert Emergency Repair and Replacement Project" in the amount of \$200,000.00; and

**WHEREAS**, the Borough's Professional Engineers, CME Associates, have recommended the approval of Change Order #1, increasing the original contract by \$13,500.00 to provide for unforeseen labor, material, and equipment necessary to continue with the renovation as designed, a copy of which is attached hereto and made a part of this resolution; and

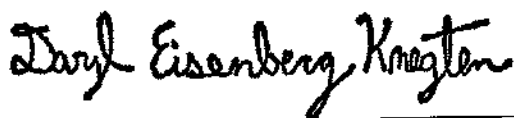
**WHEREAS**, the Chief Financial Officer of the Borough of Watchung has certified that funds are available in the following account: Bond Ordinance OR21/04

  
\_\_\_\_\_  
William J. Hance, CFO

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey that **Change Order #1** to the Contract of Black Rock Enterprises, LLC for a net increase of \$13,500.00, is hereby approved and the contract sum, including this Change Order, is \$213,500.00.

**BE IT FURTHER RESOLVED**, that the Mayor is hereby authorized to sign the Change Order form.

**BE IT FURTHER RESOLVED**, that a true copy of this Resolution be forwarded to: Black Rock Enterprises, LLC., the Borough Engineer and the Borough Chief Financial Officer.

  
\_\_\_\_\_  
Daryl Eisenberg Knegten, Council Member

  
\_\_\_\_\_  
Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: AWARDS, ROADS, FINANC-MISC  
C: B. HANCE, ENG. 1/12/22



**BOROUGH OF WATCHUNG  
RESOLUTION: R8**

***AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT WITH BONNIE BURN REDEVELOPERS URBAN RENEWAL, LLC (formerly STERLING WATCHUNG, LLC) AS REDEVELOPER OF THE PROPERTY KNOWN AS 291 BONNIE BURN ROAD IDENTIFIED AS BLOCK 7403, LOTS 5 AND 10 AND BLOCK 7402, LOTS 19.01 AND 19.02 ON THE TAX MAP OF THE BOROUGH OF WATCHUNG***

**WHEREAS**, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-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; and

**WHEREAS**, the Borough acts as redevelopment entity for the purpose of implementing redevelopment plans and carrying out redevelopment within the Borough pursuant to the LRHL; and

**WHEREAS**, Karka Investments, Inc. (“Karka”) and Phillip Properties, Inc. (“Phillip”) are the owners of the property (collectively “Property Owners”) known as 291 Bonnie Burn Road, Watchung, New Jersey, and identified as Block 7403 Lots 5 and 10 and Block 7402 Lots 19.01 and 19.02 on the tax maps of the Borough of Watchung (collectively referred to as “the Property”), specifically Karka is the owner of the portion of the Property designated as Block 7402, Lots 19.01 and 19.02 and Block 7403 Lot 5 and Phillip is the owner of the portion of the Property designated as Block 7403, Lot 10; and

**WHEREAS**, on June 7, 2018, pursuant to Resolution R10:06/07/18, the Council authorized the Mayor and Council to enter into a settlement agreement with Fair Share Housing Center, Inc. in the matter captioned In the Matter of the Borough of Watchung (Mt. Laurel), Docket No. SOM-L-902-15, to confirm Watchung’s compliance with its affordable housing obligations, which designated the Property as a site for affordable housing and the Borough’s primary affordable housing compliance mechanism (“Settlement Agreement”); and

**WHEREAS**, on June 7, 2018, pursuant to Resolution No. R11:06/07/18, the Mayor and Council directed the Borough of Watchung Planning Board (the “Planning Board”) to conduct a preliminary investigation to determine whether the Property should be designated as an area in need of redevelopment according to the criteria set forth in the LRHL; and

**WHEREAS**, on August 21, 2018, the Planning Board held a properly noticed public hearing at which the Borough planner presented findings resulting in a determination to recommend to the Council that the Property be designated as a non-condemnation area in need of redevelopment, memorialized by Resolution No. PB18-R08, adopted on September 18, 2018; and

**WHEREAS**, on October 4, 2018, pursuant to Resolution No. R11:10/04/18, the Council designated the Property as an Area in Need of Non-Condensation Redevelopment (the “Redevelopment Area”); and

**WHEREAS**, on December 6, 2018 via Ordinance No. OR:18/20, the Borough adopted a redevelopment plan (the “Redevelopment Plan”), providing for the redevelopment of the Redevelopment Area; and

**WHEREAS**, the Property is in the Redevelopment Plan area and is subject to the Redevelopment Plan; and

**WHEREAS**, on December 6, 2018 pursuant to Resolution No. R9:12/06/18, the Borough conditionally designated BNE-Watchung, LLC (“BNE”) as the redeveloper of the Property conditioned upon the Borough and BNE entering into a Redevelopment Agreement and a Financial Agreement; and

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**WHEREAS**, on April 18, 2019 via Ordinance No. OR:19/05, the Council amended the Redevelopment Plan to address comments of the Planning Board (as amended, the "Redevelopment Plan"); and

**WHEREAS**, on or about May 9, 2019 BNE filed a site plan application for the Property with the Planning Board designated as PB19-01 ("Application"), which was subsequently deemed complete and Planning Board hearings related to the Application commenced thereafter; and

**WHEREAS**, prior to the conclusion of the Planning Board hearings for the Application on or about May 5, 2020, BNE's counsel advised the Planning Board that BNE terminated its contract with the Property Owners; and

**WHEREAS**, on May 19, 2020, the Planning Board voted to dismiss the Application without prejudice and adopted a resolution confirming same on June 16, 2020; and

**WHEREAS**, the Borough and BNE did not enter into a Redevelopment Agreement under the LHRL or a Financial Agreement under the LTTEL; and

**WHEREAS**, on July 13, 2020, the Property Owners filed an action against the Planning Board as a result of the dismissal of the Application in the matter captioned Karka Investments, Inc. and Phillip Properties Inc. v. The Borough of Watchung Planning Board, Docket No. SOM-L-806-20 ("Litigation"); and

**WHEREAS**, at the request of the Property Owners on November 19, 2020, by way of Resolution R8:11/19/20, the Borough conditionally designated the Property Owners as redeveloper of the Property for purposes of the Planning Board Application and the approval process; and

**WHEREAS**, at the request of the Property Owners on December 17, 2020 via Ordinance No. OR 20/06, the Borough adopted an Ordinance further amending and clarifying the Redevelopment Plan; and

**WHEREAS**, on February 23, 2021, the Property Owners and the Planning Board entered into a settlement agreement to dismiss the Litigation and allow the Planning Board Application to continue to be heard by the Planning Board; and

**WHEREAS**, thereafter, the Property Owners entered into a contract of sale to sell the Property to Sterling Watchung, LLC (now Bonnie Burn Redevelopers Urban Renewal, LLC); and

**WHEREAS**, on or about March 12, 2021 Sterling Watchung, LLC provided the Mayor and Council with information regarding its development experience and qualifications; and thereafter, advised the Council of its proposal to develop an inclusionary housing project containing six (6) residential buildings, consisting of not more than two hundred thirty (230) total rental units, of which not more than one hundred eighty-four (184) will be market-rate units and not less than forty-six (46) will be affordable housing units; one clubhouse building; and other related improvements on the Property (the "Project") consistent with the Redevelopment Plan; and

**WHEREAS**, by way of correspondence dated April 12, 2021, Karka and Phillips and Sterling Watchung, LLC requested that the Borough conditionally designate Sterling Watchung, LLC as Redeveloper of the Redevelopment Area; and

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**WHEREAS**, on May 20, 2021, pursuant to Resolution No. R5:05/20/2021, the Borough conditionally designated Sterling Watchung, LLC (now Bonnie Burn Redevelopers Urban Renewal, LLC) ("Conditional Redeveloper") as the redeveloper of the Property; and

**WHEREAS**, pursuant to Resolution No. R5:05/20/2021, Conditional Redeveloper was permitted to convert to an urban renewal entity or assign said redeveloper selection and designation to an urban renewal entity controlled by Conditional Redeveloper; and

**WHEREAS**, pursuant to Resolution No. R5:05/20/2021, designation was conditioned upon the Conditional Redeveloper and the Borough entering into a Redevelopment Agreement and Financial Agreement under the LTTEL (Payment in Lieu of Taxes Program) including the adoption of any authorizing Resolution or Ordinance, acceptable to both parties within ninety (90) days of the adoption of Resolution No. R5:05/20/2021; and

**WHEREAS**, after receiving the approval of the State of New Jersey, Conditional Redeveloper converted to the urban renewal entity named Bonnie Burn Redevelopers Urban Renewal, LLC (the "Redeveloper"); and

**WHEREAS**, the Conditional Redeveloper designation as redeveloper was transferred to Redeveloper by operation of law and as authorized by Council Resolution No. R5:05/20/2021; and

**WHEREAS**, on June 8, 2021 the Redeveloper filed an Application for the Approval of a 30-year long term tax exemption for the Project under the LTTEL seeking a payment in lieu of taxes program; and

**WHEREAS**, at the request of the Redeveloper, on June 17, 2021 via Ordinance No. 21:08, the Council adopted an Ordinance further amending and clarifying the Redevelopment Plan; and

**WHEREAS**, on October 28, 2021 the Redeveloper obtained from Planning Board a preliminary site plan approval authorizing the development of the Project as an inclusionary housing project; and

**WHEREAS**, on November 3, 2021, after consultation and collaboration with the Borough and its professionals, Redeveloper filed an Amended and Restated Application seeking the approval of a 30-year long term tax exemption for the Project under the LTTEL with a payment in lieu of taxes program; and

**WHEREAS**, on November 22, 2021, pursuant to Resolution No. R10:11/22/2021, the Borough extended the conditional redeveloper designation until December 3, 2021; and

**WHEREAS**, the Council evaluated the Amended Application together with the information provided by Redeveloper regarding its qualifications, capabilities, experience, and expertise, and the Mayor's Report, and under all of the circumstances, the Borough determined that the Project qualified for the long term tax exemption under the LTTEL; and

**WHEREAS**, on December 2, 2021, pursuant to Resolution Nos. R8:12/02/2021 and R9:12/02/2021, the Borough approved the Amended and Restated Application, extended the conditional redeveloper designation until January 31, 2022 and adopted on first reading Ordinance No. OR:21/12, entitled "*AN ORDINANCE APPROVING THE FINANCIAL AGREEMENT BETWEEN THE BOROUGH OF WATCHUNG AND BONNIE BURN REDEVELOPERS URBAN RENEWAL, LLC (formerly STERLING WATCHUNG, LLC) UNDER THE LONG-TERM TAX EXEMPTION LAW (N.J.S.A. 40A:20-1, ET SEQ.) FOR AN INCLUSIONARY HOUSING PROJECT ON PROPERTY*"

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*KNOWN AS 291 BONNIE BURN ROAD IDENTIFIED AS BLOCK 7403, LOTS 5 AND 10 AND BLOCK 7402, LOTS 19.01 AND 19.02 ON THE TAX MAP OF THE BOROUGH OF WATCHUNG*"; and

**WHEREAS**, the Borough and the Redeveloper have engaged in negotiations, and the Borough has determined that in furtherance of compliance with the Settlement Agreement, and the Borough's goals and objectives to implement the Redevelopment Plan, it is in the Borough's best interest to enter into an agreement with the Redeveloper to redevelop the Redevelopment Area in accordance with the requirements of the Settlement Agreement, the Redevelopment Plan and the Act ("Redevelopment Agreement"); and

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

**NOW THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey that it hereby authorizes the execution of a Redevelopment Agreement between the Borough of Watchung and Bonnie Burn Redevelopers Urban Renewal, LLC in substantially the form attached hereto; and

**BE IT FURTHER RESOLVED** by the Council of the Borough of Watchung does hereby authorize the Mayor and the Borough Clerk to execute a Redevelopment Agreement on behalf of the Borough of Watchung with Bonnie Burn Redevelopers Urban Renewal, LLC, in a final form subject to the approval of the Mayor and Borough Administrator.

  
Pietro Macagno, Council Member

  
Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: PLANNING BD, AWARDS, FINANCE-  
C: C. TAYLOR, T. SNYDER  
B. HANCE, ENG. 1/12/22

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**WHEREAS**, the Borough of Watchung has received a Winter Holiday Display Application which has been reviewed by the Borough's Zoning Officer and Borough Clerk; and

**WHEREAS**, Governing Body of the Borough of Watchung, County of Somerset, State of New Jersey wishes to authorize said display application at the recommendation of the Borough.

**NOW THEREFORE BE IT RESOLVED**, by the Mayor and Council of the Borough of Watchung, County of Somerset, State of New Jersey that the use of the Village Green for a Winter Holiday Display is authorized for the intended use as noted below and is hereby approved as noted below:

1. Watchung IDEA to display a Kwanzaa Kinara, from December 26, 2021 through January 1, 2022.
2. Approval is subject to having an acceptable insurance certificate and payment of all Borough application fees.



Freddie Hayeck, Council Member



Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: MISC.,  
C: LM, PD 1/12/22

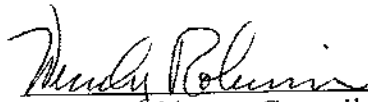
**BOROUGH OF WATCHUNG  
RESOLUTION: R10**

**WHEREAS**, the governing body of the Borough of Watchung is ever concerned with the accidents on Hillcrest Road, CR 531 within the proximity of Borough borders; and

**WHEREAS**, over a period of years, the governing body has voiced concerns to County Officials with no real remedy and residents repeatedly question the apparent inaction of Borough, County and State Representatives each time another accident occurs.

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Body of the Borough of Watchung, County of Somerset, State of New Jersey that it hereby supports the Mayor's efforts in issuing a letter to Commissioner Diane Gutierrez-Scaccetti to urge the New Jersey Department of Transportation to take the appropriate measures necessary to assist the Borough in their efforts to make Hillcrest Road, CR 531 a safer road.

**BE IT FURTHER RESOLVED**, that copies of this resolution be forwarded to NJ Department of Transportation, NJ Transportation Planning Authority, Congressman Tom Malinowski, Senator Thomas H. Kean, Jr., Assemblyman Jon M. Bramnick, and Assemblywoman Nancy F. Munoz, Township of Warren and the Somerset County Commissioners.

  
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Wendy Robinson, Council President

  
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Keith S. Balla, Mayor

ADOPTED: DECEMBER 16, 2021  
INDEX: MISC., ROADS,  
C: NJDOT, COUNTY, ENG., 1/12/22