

R-164-25

RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF WHARTON, IN THE COUNTY OF MORRIS, NEW JERSEY, AUTHORIZING THE TRANSFER OF A REDEVELOPMENT AGREEMENT AND A FINANCIAL AGREEMENT, EACH BETWEEN THE BOROUGH OF WHARTON AND WHARTON DEVELOPMENTS A (URBAN RENEWAL) LP, TO WHARTON PROPERTIES HR URBAN RENEWAL, LLC AND AUTHORIZING THE EXECUTION OF AN ASSIGNMENT AND ASSUMPTION AGREEMENT IN CONNECTION THEREWITH

WHEREAS, the Borough of Wharton (the “**Borough**”) is a political subdivision of the State of New Jersey, located in the County of Morris; and

WHEREAS, by Resolution No. 70 – 03, adopted on May 19, 2003, the Borough Council of the Borough (the “**Borough Council**”) designated Block 301, Lot 1.01, Block 801, Lot 3, and Block 903, Lots 2 & 2.03 as shown on the official tax maps of the Borough as a non-condemnation area in need of redevelopment (the “**Redevelopment Area**”) in accordance with the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”); and

WHEREAS, the Borough Council previously adopted the L.E. Carpenter Site Redevelopment Plan Amendment dated on or about July 9, 2015, the Phase II Redevelopment Plan approved October 11, 2005, and the Redevelopment Plan for Phase 1, Block 903, Lot 2 dated July 10, 2003 (collectively, the “**Prior Redevelopment Plans**”); and

WHEREAS, on June 13, 2022, the Borough Council adopted Ordinance No O-10-22, adopting the “L.E. Carpenter Redevelopment Plan” for the Redevelopment Area, prepared by J. Caldwell & Associates LLC Community Planning Consultants (Jessica Caldwell, P.P, A.I.C.P, Borough Planner, P.P. #5944), dated March 9, 2022 (the “**Redevelopment Plan**”), which supersedes and replaces the Prior Redevelopment Plans with regard to the Redevelopment Area; and

WHEREAS, in furtherance of the redevelopment of the Redevelopment Area, the Borough entered into a Redevelopment Agreement with Wharton Developments A (Urban Renewal) LP (the “**Original Redeveloper**”) dated as of May 13, 2025 (as may be amended and supplemented from time to time, the “**Redevelopment Agreement**”), which Redevelopment Agreement specifies the rights and responsibilities of the Borough and the Original Redeveloper with respect to the redevelopment of a portion of the Redevelopment Area identified on the official tax map of the Borough as Block 903, Lot 2.03 (the “**Project Site**”); and

WHEREAS, the Redeveloper has proposed to undertake the following actions, in accordance with the terms of the Redevelopment Agreement and the Redevelopment Plan: (i) design, develop, finance, construct, operate and maintain on the Project Site a multi-family residential development consisting of one, four-story building containing approximately one hundred eighty-two (182) residential, rental units, including twenty-eight (28) residential rental Affordable Units (as defined in the Redevelopment Agreement) and one hundred fifty-four (154)

residential, rental market-rate units; (ii) design, develop, finance, construct, operate and maintain on the Project Site a minimum of 4,000 square feet of indoor amenity space, which is anticipated to include a club room, yoga room and gym, and outdoor amenity space totaling approximately 10,000 square feet, which is anticipated to including a pool and patio areas; (iii) design, develop, finance, construct, operate and maintain on the Project Site approximately two hundred seventy-three (273) surface parking spaces; (iv) design, develop, finance, construct, operate and maintain on the Project Site associated site improvements including but not limited to lighting, landscaping, sidewalks, trash enclosures, signage, stormwater management, and other associated improvements; and (v) relocate a portion of the Wharton Rail Trail as specifically set forth in the Redevelopment Agreement (items (i) through (v), as more specifically described in Redevelopment Agreement, the “**Project**”); and

WHEREAS, in furtherance of the redevelopment of the Redevelopment Area, the Borough entered into a Financial Agreement with the Original Redeveloper dated as of July 10, 2025 (as may be amended and supplemented from time to time, the “**Financial Agreement**”), providing for a long term tax exemption and payment of an annual service charge in accordance with the terms thereof; and

WHEREAS, the Original Redeveloper has notified the Borough of its intent to transfer all of the Original Redeveloper’s right, title and interest in, to and under the Redevelopment Agreement and the Financial Agreement, from the Original Redeveloper to Wharton Properties HR Urban Renewal, LLC (the “**Transferee Redeveloper**”), with the Transferee Redeveloper accepting all of the Original Redeveloper’s right, title and interest in, to and under the Redevelopment Agreement and Financial Agreement; and

WHEREAS, pursuant to Section 9.1(b) of the Redevelopment Agreement, the Original Redeveloper shall not effectuate such a transfer without the prior written consent of the Borough in its reasonable discretion, such Borough consent not to be unreasonably withheld if the Transferee Redeveloper possesses equal or greater experience and financial ability as compared to the Original Redeveloper; and

WHEREAS, pursuant to Section 9.1 of the Financial Agreement, the Financial Agreement may be transferred pursuant to the above terms of the Redevelopment Agreement; and

WHEREAS, pursuant to the terms of the hereinafter defined Assignment Agreement, the Transferee Redeveloper has represented to the Borough that it possesses equal or greater experience and financial ability as compared to the Original Redeveloper; and

WHEREAS, the Borough desires to evidence its consent to the proposed transfer of all of the Original Redeveloper’s right, title and interest in, to and under the Redevelopment Agreement and the Financial Agreement from the Original Redeveloper to the Transferee Redeveloper.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Wharton, in the County of Morris, New Jersey as follows:

Section 1. The Borough Council hereby consents to the proposed transfer of all of the Original Redeveloper's right, title and interest in, to and under the Redevelopment Agreement and the Financial Agreement from the Original Redeveloper to the Transferee Redeveloper.

Section 2. The Borough Council hereby authorizes and directs the Mayor of the Borough to execute an Assignment and Assumption of Financial Agreement and Redevelopment Agreement in the form set forth on file in the office of the Borough Clerk, with such changes, omissions or amendments as the Mayor deems appropriate in consultation with the Borough's general counsel, redevelopment counsel, redevelopment planner and other Borough professionals (the "**Assignment Agreement**"). The Clerk of the Borough is hereby authorized and directed to attest to the Mayor's signature and affix the seal of the Borough to the Assignment Agreement. Upon execution and attestation of same, the Mayor is hereby authorized to deliver the Assignment Agreement to the other parties thereto.

Section 3. The Mayor, Borough Administrator, Borough Clerk and other appropriate Borough officials are hereby authorized and directed to take any and all other necessary action and to execute any document, instrument, certificate or agreement reasonably necessary to effectuate the transactions contemplated by the Assignment Agreement and this resolution.

Section 4. This resolution shall take effect immediately.

Adopted: December 8, 2025

BOROUGH OF WHARTON

ATTEST:

WILLIAM J. CHEGWIDDEN
MAYOR

Cheryl Muzzillo,
Deputy Borough Clerk