

**NBHA RESOLUTION 2022 – 7/7 # 24**

**Acting as Redevelopment Agency**

**Resolution Approving RTF NB Urban Renewal, LLC as Redeveloper for property known as Block 710, Lots 7.02, 7.03 and 7.04 and Block 707.01, Lot 35.13 on the New Brunswick Tax Map for the construction of a residential and commercial project located in the Sears Redevelopment Plan Area**

**WHEREAS** the Housing Authority of the City of New Brunswick acting as the City of New Brunswick Redevelopment Agency (“Redevelopment Agency”) pursuant to N.J.S.A. 40A:12-4 and N.J.S.A. 40A:12A-21, may exercise all powers, duties and functions relating to redevelopment in the manner of a redevelopment entity under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 to 49, which powers include contracting with the Redeveloper for the planning, replanning, construction or undertaking of any project or redevelopment work under N.J.S.A. 40A:12A-8f; and

**WHEREAS**, the City of New Brunswick (“City Council”) has approved a redevelopment plan for the Sears site (“Redevelopment Plan”), which includes property located on Route 1, which parcel consists of Block 710, Lots 7.02, 7.03 and 7.04 and Block 707.01, Lot 35.13 (“Redevelopment Plan Area”), which Redevelopment Plan was amended by Ordinance O-042205, adopted by the City Council on May 4, 2022 and effective on May 24, 2022; and

**WHEREAS**, RTF NB Urban Renewal, LLC (“Redeveloper”) has made an application to be designated Redeveloper for the Redevelopment Plan Area; and

**WHEREAS**, the Redeveloper is in a joint venture between an affiliate of the current land owner, Transformco Holdings, and an affiliate of Russo Development, LLC, and the Redeveloper has a contract to take title to the Property by December 1, 2022 and has the land owner’s approval to make the application in the Redevelopment Plan Area; and

**WHEREAS**, the Redeveloper proposes to construct a mixed-use development with (1) 530 rental apartments, approximately 18,000 s.f. of indoor amenities (i.e. fitness center, lounges, culinary kitchen, etc.) and approximately 20,319 s.f. of retail with outdoor amenities including a pool, dog run, lounging areas and passive recreation spaces and a buffer area; (2) one single retail building with approximately 23,256 s.f. with approximately 185 dedicated parking spaces; and (3) approximately 190 for sale town house units and a retail pad of approximately 3,556 s.f. with a potential drive-thru and parking (“Redevelopment Project”); and

**WHEREAS**, the Redeveloper proposes to construct the mixed-use project in phases as follows:

- Phase IA: A mixed-use building with approximately 268 residential units, approximately 18,000 s.f. of indoor amenities and retail space of approximately 9,186 square feet;
- Phase 1B: 190 for sale stacked townhouses built in 2 to 4 sub-phases;
- Phase II: A mixed use building with approximately 262 residential units with amenities and approximately 11,000 s.f. of retail space and a new retail pad of approximately 3,556+ square feet with a potential drive-thru; and

- Phase III: A stand-alone retail building of approximately 23,000 square feet which is designed to accommodate a grocer and/or other permitted retail uses

**WHEREAS**, the Redeveloper by letter and application has requested that it be appointed Redeveloper of the Redevelopment Plan Area pursuant to Section 11 of the Redevelopment Plan, which requires that a Redeveloper submit the following information and materials to the Redevelopment Agency:

- Preliminary plans sufficient in scope to demonstrate compliance with the design standards and guidelines of the Redevelopment Plan;
- Documentation evidencing the financial responsibility and capability of the proposed Redeveloper to carry out the proposed redevelopment project including comparable projects completed; financing plan and ownership interest;
- Estimated total development cost for the proposed redevelopment project; and
- Estimated timetable for the start and completion of development.

**WHEREAS**, the Redeveloper submitted a Concept Plan prepared by the Redeveloper consisting of an overall site plan, and floor plans entitled "Proposed Mixed Use-Development – Sears Site – Route 1, New Brunswick" ("Concept Plan:"); and

**WHEREAS**, the Redeveloper is a joint venture between Russo Development, LLC and Transformco Holdings and Redeveloper presented evidence of the financial ability of Russo Development, LLC to complete the redevelopment project and evidence of construction of major residential and mixed-use developments by Russo Development, LLC in Union, N.J.; Kearney, N.J.; Garwood, N.J.; Hackensack, N.J.; Woodbridge, N.J.; Rockaway, N.J.; Orange, N.J.; Newark, N.J.; and East Hanover, N.J.; and

**WHEREAS**, Redeveloper estimates that the development cost is \$207 Million and vertical construction of the project will start by November 1, 2023 and be completed by December 31, 2027; and

**WHEREAS**, based upon a review of the submitted information and the presentation made by the Redeveloper at public meetings held on April 27, 2022, June 29, 2022 and July 7, 2022 including the answering of any questions by the Commissioners and the public, the Redevelopment Agency has found that the documentation and presentation to be acceptable and in conformity with the requirements of Section 11 of the Redevelopment Plan therefore, determining that it is appropriate to designate RTF NB Urban Renewal, LLC as the Redeveloper of the redevelopment project pursuant to Section 11 of the Redevelopment Plan; and

**WHEREAS**, the Redeveloper's attorney and the Agency's Special Counsel have negotiated a Redevelopment Agreement between the Redeveloper and the Agency and a Guaranty Agreement between the Guarantor and Agency, copies of which are annexed hereto.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Authority of the City of New Brunswick, acting as the Redevelopment Agency, that:


1. RTF NB Urban Renewal, LLC is designated as Redeveloper for the mixed-use project described in the Preamble of the Resolution on the Sears Redevelopment Plan Area subject:

2. The Redevelopment Agreement between the Housing Authority and RTF NB Urban Renewal, LLC and the Guaranty Agreement between Russo Development, LLC and the Agency are approved in substantially the form attached hereto; and

3. This Resolution shall take effect immediately.

Passed on this 7<sup>th</sup> day of July 2022 (See attached Vote Box)

  
**YESENIA MEDINA-HERNANDEZ**, Chairperson

  
**JOHN CLARKE**, Executive Director  
And Secretary to the Board

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COMMISSIONERS	MOVES	SECONDS	AYES	NAYS	ABSTAIN	ABSENT
GIORGIANNI			✓			
CALDWELL		✓	✓			
WOLDE			✓			
CEPEDA			✓			
DUNLAP	✓			✓		
WRIGHT						✓
MEDINA- HERNANDEZ				✓		