

TOWNSHIP OF NEPTUNE

RESOLUTION 26-316

AUTHORIZE THE TRANSFER OF BLOCK 3903, LOT 12.01 FROM 3501 RT 66, LLC TO NEW JERSEY AMERICAN WATER COMPANY, INC

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (the "Act"), provides a process for municipalities to participate in the redevelopment and improvement of areas designated as areas in need of redevelopment or as areas in need of rehabilitation; and

WHEREAS, Block 3903, Lots 12.01, 13.01 and 13.02 (formerly Lots 12 and 13), more commonly known as 3501 Route 66, Neptune, New Jersey (referred to collectively herein as the "Redevelopment Area" or "Project Site"), was previously determined to be an area in need of redevelopment under the Act and is to be redeveloped in accordance with the Block 3903 Redevelopment Plan adopted by the Township by Ordinance No. 21-54 on December 20, 2021, as same has been amended (the "Redevelopment Plan"); and

WHEREAS, the Project Site, which comprises approximately 47.37 acres, is owned by 3501 RT 66, LLC ("3501 RT 66"); and

WHEREAS, the Township and 3501 RT 66 entered into a Redevelopment and Land Transfer Agreement, dated May 3, 2024, ("Original Redevelopment Agreement") which prohibited the transfer of, *inter alia*, any portion of the Project Site without the prior written consent of the Township, as set forth in Article VII therein; and

WHEREAS, pursuant to the Original Redevelopment Agreement, 3501 RT 66 was granted a subdivision of the Project Site into three (3) parcels referred to herein as "Section A" (the land located in the "front" of the property along Rte. 66) ("Lot 13.01" or "Retail Parcel", which is to be redeveloped into 15,000 sf of retail); "Section B" (the land located in the "rear" of the property) ("Lot 12.01", which was to be redeveloped into a Distribution Center Facility); and "Section C" (the land adjacent to the Retail Parcel) ("Lot 13.02" or "Park Parcel", which is to be redeveloped as a public park) on August 28, 2024, as set forth in Resolution 24-14 of the Neptune Township Planning Board; and

WHEREAS, 3501 RT 66 has advised the Township that it has been unable to successfully market Lot 12.01 to a potential distribution center facility operator and by letter dated March 13, 2026, 3501 RT 66 advised the Township that it had been approached by New Jersey American Water Inc. ("NJAW") which was interested in purchasing and redeveloping Lot 12.01 as a water treatment facility; and

WHEREAS, the Township is further advised that 3501 RT 66 has executed an agreement for the sale of Lot 12.01 to NJAW ("Sale Agreement"), making NJAW the contract purchaser, with

the intent to redevelop Lot 12.01 as a water treatment facility, with related improvements, including office space ("Water Treatment Project"); and

WHEREAS, following extensive discussions with both 3501 RT 66 and NJAW, the Township, 3501 RT 66 and NJAW negotiated and entered into a Conditional Designation and Interim Cost Agreement, dated June 15, 2026 ("Conditional Designation Agreement"), as authorized by Resolution 26-212 of the Township Committee of the Township of Neptune ("Township Committee"), wherein NJAW is designated as the redeveloper of Lot 12.01 conditioned upon, *inter alia*, the acquisition of Lot 12.01 by NJAW and the successful negotiation of a Redevelopment Agreement between the Township and NJAW ("NJAW Redevelopment Agreement"), among other things; and

WHEREAS, it is anticipated that a NJAW Redevelopment Agreement will more particularly detail the obligations of NJAW for the construction and implementation of the Water Treatment Project on Lot 12.01; and

WHEREAS, the Conditional Designation Agreement also contemplates that the Township and 3501 RT 66 will enter into an Amended and Restated Redevelopment Agreement regarding the redevelopment of the Retail Parcel and the Park Parcel by 3501 RT 66 ("Amended RT 66 Redevelopment Agreement"); and

WHEREAS, subject to the terms of a NJAW Redevelopment Agreement and an Amended RT 66 Redevelopment Agreement, 3501 RT 66 remains obligated to, *inter alia*, redevelop the Section A Parcel into 15,000 sf of retail ("Retail/Commercial Project") and the Section C Parcel into a Public Park and convey the Public Park to the Township, in accordance with the Redevelopment Plan; and

WHEREAS, the Township has been notified that a closing for the transfer of Lot 12.01 to NJAW from 3501 RT 66 is anticipated to occur in the near term, requiring the evaluation of such proposed transfer and prior written consent of the Township, as applicable; and

WHEREAS, the Township has determined that NJAW has the credentials, experience and financial wherewithal to construct and operate the Water Treatment Project on Lot 12.01; and

WHEREAS, the Township has further determined that it is in the best interests of the residents of the Township to consent to the transfer of Lot 12.01 to NJAW from 3501 RT 66, in furtherance of the implementation of the Redevelopment Plan, and to enter into good faith negotiations with 3501 RT 66 towards an Amended Redevelopment Agreement and with NJAW towards a NJAW Redevelopment Agreement.

NOW, THEREFORE, it is hereby resolved by the Township Committee of Neptune as follows:

1. The Township Committee hereby consents to and approves the transfer of Block 3903, Lot 12.01 from 3501 RT 66, LLC to New Jersey American Water, Inc. conditioned upon the payment of any and all outstanding costs and fees that are due and owing to the Township by 3501 RT 66 and/or NJAW.
2. The Mayor, Business Administrator, and Staff of the Township of Neptune are hereby authorized and directed to take all actions as shall be deemed necessary or desirable to implement this Resolution.
4. This Resolution shall be effective immediately.

CERTIFICATION

I, William Bray, Township Clerk of the Township of Neptune hereby certify that the foregoing is a true copy of a resolution duly adopted by the Township Committee of the Township of Neptune, Monmouth County, State of New Jersey at a meeting held on September 14, 2026.

William Bray, RMC
Township Clerk