

ORDINANCE NO.

**AN ORDINANCE ADOPTING THE AMENDED REDEVELOPMENT
PLAN FOR OCEAN GROVE NORTH END LOCATED IN THE
TOWNSHIP OF NEPTUNE, COUNTY OF MONMOUTH, NEW JERSEY**

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 development and improvement of areas designated as areas in need of redevelopment or as areas in need of rehabilitation; and

WHEREAS, the Township of Neptune (the “Township”) desires that the land located in an area which has been determined to be an area in need of redevelopment in accordance with the Act (the “Redevelopment Area”), currently designated on the Tax Map of the Township of Neptune as Block 1.01, Lots 3 and 4 and a portion of Lot 2 that is more commonly known collectively as “North End”, as same is set forth on the survey prepared by Gallas Surveying Group and dated October 3, 2019 (the “Project Site”), be redeveloped in accordance with the Ocean Grove North End Redevelopment Plan (the “Redevelopment Plan”, including as same may be amended); and

WHEREAS, the Project Site, which comprises approximately three (3) acres, is located within the Ocean Grove Historic District; and

WHEREAS, the Project Site is owned by the Ocean Grove Camp Meeting Association (“CMA”); and

WHEREAS, OG North End Development, LLC (“OGNED”), a joint venture entity which is comprised of MB2 Ocean Grove, LLC (“MB2”), an affiliate of MB1 Capital Partners, LLC (“MB1”), and Wesley Atlantic Village Enterprises, LLC (“WAVE”), entered into a Ground Lease Agreement with CMA providing OGNED the right to, *inter alia*, develop the Project Site; and

WHEREAS, as authorized by Resolution No. 19-335 of the Township Committee of the Township of Neptune (“Township Committee”), was designated as the exclusive Redeveloper of the Project Site and OGNED and the Township entered into that certain Redevelopment Agreement dated September 9, 2019 (the “Original Redevelopment Agreement”); and

WHEREAS, as described in the Original Redevelopment Agreement, OGNED agreed to implement a mixed use project upon the Project Site comprising, *inter alia*, two (2) buildings, the first of which would include a new, iconic Victorian boutique hotel containing no more than forty (40) rooms, a residential condominium building containing no more than thirty (30) 2-bedroom condominiums at market rate, and approximately 7,600 sq. ft. of boardwalk retail; and a second building which would contain no more than nine (9) condominium units, of which approximately six (6) would be 2-bedroom residential condominiums and approximately three (3) would be 3-bedroom residential condominiums; as well as ten (10) 3-bedroom single family homes; additionally, no more than twenty (20) surface parking spaces, and no less than one

hundred and forty (140) parking spaces within a subterranean parking structure would be provided; the creation or improvement of certain public open space such as a promenade along Wesley Lake and the preservation of view corridors along Spray Avenue through to Wesley Lake, all in accordance with applicable laws, including the Redevelopment Plan, and the terms and conditions of a Redevelopment Agreement (the “Original Project”); and

WHEREAS, after obtaining site plan approval from the Planning Board of the Township of Neptune (“Planning Board”), OGNED submitted an application for a Certificate of Appropriateness (“COA”) to the Historic Preservation Commission (“HPC”) which included the detailed plans for the Original Project (the “Original Plans”), as such submission was required by the Redevelopment Plan and the Original Redevelopment Agreement; and

WHEREAS, ultimately, the HPC denied OGNED’s application for a COA for, *inter alia*, failure to comply with the Design Guidelines applicable to the Ocean Grove area of the Township; and

WHEREAS, HPC’s thorough technical comments regarding its consideration of the Original Project and the design components were incorporated into the formal Resolution denying OGNED’s application which was adopted by the HPC on October 25, 2022 (“HPC Resolution”); and

WHEREAS, on or about October 21, 2022, OGNED filed a Verified Complaint in Lieu of Prerogative Writ and Writ for Mandamus against the Township of Neptune and the Zoning Officer of the Township of Neptune in the Law Division of the Superior Court of New Jersey (Docket No. MON-L-2916-22) (the “Complaint” or the “Litigation”) seeking to compel the issuance of a COA permitting the construction of the Original Project as it was reflected in the Original Plans; and

WHEREAS, OGNED alleged in its Complaint that the HPC failed to act on its application in a timely fashion and that as such, the issuance of a permit to implement the Original Plans is merely ministerial in nature and should be issued immediately; and

WHEREAS, the Township and OGNED agreed to temporarily hold the Complaint in abeyance in order to allow for an opportunity to resolve the matter and to discuss the Redevelopment Plan, the terms and conditions of the Original Redevelopment Agreement, and the specific design elements in the Original Plans and the related comments regarding same in the HPC Resolution; and

WHEREAS, the Redevelopment Committee and OGNED have undertaken extensive additional negotiations regarding the redevelopment project to be implemented and protracted, expensive litigation would render the future of the Project Site uncertain, thereby frustrating the Redevelopment Plan and the vision of the Township; and

WHEREAS, therefore, the Township and OGNED desire to enter into a Settlement Agreement and Amended and Restated Redevelopment Agreement (“Amended Redevelopment

Agreement”), in order to settle the pending Complaint without further delay and expense and to further the implementation of the Redevelopment Plan, as amended; and

WHEREAS, the Township and OGNED agreed that upon the satisfaction of certain conditions in the Amended Redevelopment Agreement including the adoption of an amendment of the Redevelopment Plan in the form attached hereto as **Attachment A** (“Amended Redevelopment Plan”), the Amended Redevelopment Agreement shall (a) fully replace and supersede the Original Redevelopment Agreement, (b) provide for the new construction and implementation of a project, as specifically reflected in the updated, detailed project plans and drawings (“Architectural Plans”) (the “Project”) and (c) result in the dismissal of the Complaint; and

WHEREAS, the Parties acknowledge that the Amended Redevelopment Agreement and the Architectural Plans attached thereto reflect thoroughly negotiated modifications of the Original Plans and the Township Committee deems such modifications to satisfactorily address a substantial majority of the insightful and detailed comments which were set forth in the HPC Resolution; and

WHEREAS, additionally, the Township Committee deems the Architectural Plans to be materially consistent with the Victorian character of Ocean Grove as well as the Design Guidelines; and

WHEREAS, as set forth in the Amended Redevelopment Agreement, an amendment of the Redevelopment Plan is a condition of the settlement of the Litigation and as such, an ordinance authorizing same is simultaneously presented to the Township Committee with this Resolution; and

WHEREAS, upon passage of this Ordinance Adopting the Amended Redevelopment Plan, the Amended Redevelopment Plan shall amend and supersede the Redevelopment Plan for the Ocean Grove North End; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, the Amended Redevelopment Plan has been referred to the Planning Board for its review and recommendation; and

WHEREAS, the Township Committee has reviewed and considered the recommendations of the Planning Board regarding the proposed Amended Redevelopment Plan; and

WHEREAS, the Township Committee has determined that the Amended Redevelopment Plan will further the overall goals and objectives of the Redevelopment Plan and that the Amended Redevelopment Plan meets the statutory requirements of, and can be adopted consistent with, the applicable provisions of the Redevelopment Law.

NOW, THEREFORE, BE IT ORDAINED, by the Township Committee of Neptune as follows:

SECTION 1.

1. The Township Committee has determined that the Amended Redevelopment Plan, a copy of which is attached hereto as **Attachment A**, is in conformance with the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq.
2. The Township Committee has received the comments of the Planning Board and has determined that adopting and implementing the Amended Redevelopment Plan is in the best interest of the Township.

SECTION 2.

Upon full adoption of this Ordinance, the Amended Redevelopment Plan shall fully supersede and replace the Ocean Grove North End Redevelopment Plan.

SECTION 3.

All ordinances or parts of ordinances heretofore adopted that are inconsistent with the terms and provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 4.

Upon full adoption, the Township Clerk shall transmit a copy of this Ordinance to the Planning Board of the County of Monmouth for filing, pursuant to N.J.S.A. 40:55D-16, and the Clerk shall further transmit a copy of this Ordinance to the Planning Board of the Township of Neptune for review and recommendations, pursuant to N.J.S.A. 40A:12A-7.

SECTION 5.

Township Staff and consultants are hereby authorized and directed to take all actions to implement this Ordinance as are necessary or appropriate to accomplish its goals and intent.

SECTION 6.

This Ordinance shall become final upon adoption and publication in the manner prescribed by law.

APPROVED ON FIRST READING:

APPROVED, PASSED AND ADOPTED:

ATTEST:

Gabriella Siboni,
Municipal Clerk

Keith Cafferty,
Mayor

Attachment A (to the Ordinance)
Amended Redevelopment Plan for Ocean Grove North End