

BOROUGH OF CLAYTON

RESOLUTION 60-21

**RESOLUTION AUTHORIZING EXECUTION OF
ESCROW AGREEMENT**

WHEREAS, the Borough of Clayton has been asked to consider the redevelopment and rehabilitation of certain Property located at 516 Delsea Drive also known as Block 905, Lots 13, 14, 15 & 29, on the Borough Tax Maps, (the “Property”); and

WHEREAS, the Borough Council has determined it to be in the best interests of the residents, citizens, and taxpayers of the Borough of Clayton to consider the redevelopment and rehabilitation of said Property in a fashion acceptable to the Borough; and

WHEREAS, AC Development, LLC has proposed to develop the Property, and the Borough is desirous of allowing its professionals and staff to meet with AC Development, LLC and its professionals to explore and promote the development of the Property; and

WHEREAS, the Borough Council is desirous of minimizing the costs to the taxpayers associated with said efforts, and has therefore required AC Development, LLC to deposit an escrow to fund the costs of the Borough’s professionals, and AC Development, LLC has agreed to do so; and

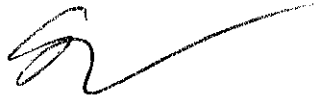
WHEREAS, the Borough Council is desirous of executing the attached “Escrow Agreement” so that the discussions regarding the development of the Property can commence in earnest;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Clayton, County of Gloucester, State of New Jersey, that the Mayor and Borough Clerk are

hereby authorized and directed to execute the attached "Escrow Agreement" with AC Development, LLC.

ADOPTED at a meeting of the Mayor and Council of the Borough of Clayton, in the County of Gloucester, State of New Jersey, held on February 25, 2021.

BOROUGH OF CLAYTON



TOM BIANCO, Mayor

ATTEST:



CHRISTINE NEWCOMB, Borough Clerk

CERTIFICATION

I, Christine Newcomb, Clerk of the Borough of Clayton, do hereby certify that the foregoing Resolution was presented and duly adopted by the Borough Council at a regular meeting of the Borough of Clayton Council, held on February 25, 2021.

Christine Newcomb, Borough Clerk

ESCROW AGREEMENT

THIS AGREEMENT made this 25th day of February, 2021, between the **BOROUGH OF CLAYTON**, a municipal corporate body politic, with offices located at 125 North Delsea Drive, Clayton, New Jersey 08312 (hereinafter "Borough"), and **AC DEVELOPMENT, LLC**, located at P.O. Box 135, Forked River, New Jersey 08731.

WITNESSETH:

WHEREAS, AC Development, LLC is the owner or prospective contract purchaser of certain property known as 516 Delsea Drive also known as Block 905, Lots 13, 14, 15 & 29 on the Borough Tax Maps ("the Property"); and AC Development, LLC wishes to develop said Property, for 1 and 2 bedroom apartments; and

WHEREAS, AC Development, LLC has requested that the Borough authorize certain Borough officials and professionals to review and analyze this potential development, including planning, legal, engineering, and other expertise associated with same; and

WHEREAS, AC Development, LLC further understands that there are other corollary issues associated with the suggested development, but particularly first evaluating and adopting an Amended Redevelopment Plan for the property under the New Jersey Housing and Redevelopment Law, N.J.S.A. 40A:12A-1 et seq.; and

WHEREAS, the Parties recognize that the efforts of the Borough's professionals have been, and will be, undertaken on behalf of the Borough, and are intended to provide advice to the Borough with regard to this proposed evaluation, but that AC Development, LLC shall be entitled to receive non-privileged input and comments from said professional staff; and

WHEREAS, the Borough seeks to ensure that the cost of the services of its professionals are not borne by the taxpayers of the Borough; and

WHEREAS, AC Development, LLC has agreed to deposit the sum of Five Thousand Dollars (\$5,000.00) in an escrow account to cover the costs of these professional services;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, AC Development, LLC does agree to deposit with the Borough the sum of Five Thousand Dollars (\$5,000.00), as and for an escrow account to cover the fees and costs incurred by the Borough's professionals in reviewing and analyzing, and in facilitating the process, to rehabilitate and/or redevelop the area. The Borough's professionals shall charge for their services at an hourly rate to be agreed upon between the professionals and the Borough, and copies of all bills for said services shall be made available to AC Development, LLC; and copies of all bills for said services shall be made available to AC Development, LLC upon written request. In the event that the costs of said services do not exceed the amount of the escrow, AC Development, LLC shall receive a refund of the escrow account. In the event, however, that the costs and fees associated with the services of the Borough's professionals exceed the Five Thousand Dollars (\$5,000.00) escrow, (and when the remaining escrow balance is one thousand dollars \$1,000) then AC Development, LLC shall deposit an additional sum of money sufficient to replenish said fund to \$5,000, and to compensate the Borough for the services of its professionals. The Parties further agree that this escrow shall be utilized for services retroactive to and including February 1, 2021.

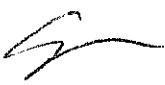
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

AC DEVELOPMENT, LLC

Attest: _____

BOROUGH OF CLAYTON

Attest: Christine Newcomb
Christine Newcomb
Borough Clerk


Honorable Tom Bianco, Mayor