

ORDINANCE NO. 2021- 38

ORDINANCE AUTHORIZING THE PURCHASE OF 1674 W. GARDEN ROAD, BLOCK 604, LOT 30 FOR \$520,000.00; TRANSFER OF THE PROPERTY TO THE CITY OF VINELAND INDUSTRIAL COMMISSION FOR \$1.00; AND EXECUTION OF A RECOVERABLE GRANT.

WHEREAS, the Vineland Industrial Commission was created for the purpose of acquiring title to vacant land owned by the City of Vineland for resale or lease to industries whose presence in the City will benefit its citizens; and

WHEREAS, the City of Vineland proposes to purchase 1674 W. Garden Road, Block 604, Lot 30 for \$520,000.00 from LJS Enterprise, LLC and prepare the property for resale;

WHEREAS, the City of Vineland proposes to fund the purchase, and the cost to prepare the property for resale, through a recoverable grant from the Vineland Revolving Loan Fund, LLC;

WHEREAS, the City proposes to transfer the property to the City of Vineland Industrial Commission for resale for industrial purposes in accordance with N.J.S.A. 40:55-8, and the standards set by the Industrial Commission.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Vineland that the Mayor of the City of Vineland is hereby authorized to execute a Purchase and Sale Agreement for the purchase of 1674 W. Garden Road, Block 604, Lot 30, for an amount not to exceed \$520,000.00, plus closing costs;

BE IT FURTHER ORDAINED that the Mayor is authorized to execute a recoverable grant to be given by Vineland Revolving Loan Fund, LLC pledging the net proceeds of the sale of 1674 W. Garden Road to the Vineland Revolving Loan Fund, LLC;

BE IT FURTHER ORDAINED that the Mayor is authorized to execute a deed transferring 1674 W. Garden Road to the City of Vineland Industrial Commission for \$1.00 on the condition that the Industrial Commission assumes the City's obligations under the Recoverable Grant.

This Ordinance shall take effect upon adoption and publication according to Law.

Passed first reading:

Passed final reading:

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President of Council

Approved by the Mayor:

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Mayor

ATTEST:

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City Clerk



Economic Development Dept.  
www.vinelandcity.org

640 E. Wood Street  
PO Box 1508  
Vineland, NJ 08362-1508  
Phone: (856) 794-4100  
Fax: (856) 405-4607

MEMORANDUM

TO: Bob Dickenson and Rick Tonetta 

FROM: Sandy Forosisky

SUBJECT: Ordinance for the purchase of industrial zoned property located at 1674 W. Garden Road, Vineland, NJ a/k/a Block 604, Lot 30

DATE: May 28, 2021

Dear Bob and Rick:

The City of Vineland Industrial Commission has approved the purchase of property located 1674 W. Garden Road, Vineland, NJ, Block 604, Lot 30 for the purchase amount of \$520,000. In addition, to complete demolition of a residential structure and outbuilding(s) along with required professional services, an additional amount of \$30,000 was allocated to the total project for a combined total amount of \$550,000.00.

The Industrial Commission finds that the purchase will promote economic development, creation/retention of jobs, and/or create tax ratable(s) that will benefit the City of Vineland.

Attached is the supporting documentation regarding the subject request. Please prepare an Ordinance for approval by City Council at its next regular scheduled meeting.

Respectfully submitted,



Sandra Forosisky  
Director of Economic Development

SF/fd

cc: Frank DiGiorgio  
file



Special arrangements for persons with disabilities may be made if requested in advance by contacting the Business Administrator's office at 856-794-4144.



## **Letter of Intent**

Date: April 7, 2021

From: City of Vineland  
640 E. Wood Street  
Vineland, New Jersey 08360

To: LJS Enterprise, LLC  
1003 Columbia Avenue  
Newfield, NJ 08344  
Att: Louis Sepers

Dear Mr. Sepers:

The purpose of this letter is to set forth the intent of the City of Vineland with respect to the possible purchase of real estate known as 1674 W. Garden Road, Block 604, Lot 30 of the tax map of the City of Vineland (the "Property"). Except for the consent granted to the City for access to the property to begin its environmental due diligence, this letter is a letter of intent only and is not an agreement binding upon the City or you. The proposed purchase is subject to the execution and delivery by both Buyer and Sellers of a definitive written agreement in form and substance satisfactory to Buyer and Sellers (the "Agreement").

Both Buyer and Sellers acknowledge that the Proposed Terms are neither binding upon nor enforceable against Buyer or Sellers.

### **Summary of Proposed Terms**

1. The City proposes to purchase the Property for the sum of \$520,000.00. The parties intend to proceed to closing as soon as possible, but in no event prior all of the contingencies contained in this Letter of Intent being satisfied.

2. The City and Sellers will promptly begin to negotiate the Agreement, the execution of which would be subject to the approval of Vineland City Council, and the City of Vineland Industrial Commission, containing comprehensive representations, warranties, indemnities, conditions and agreements by each Seller. The City Solicitor would prepare the initial draft of the Agreement.

3. Buyer and Sellers do not intend to be bound by the Proposed Terms unless and until the Agreement has been executed and delivered. If, however, the Agreement were to be successfully negotiated, executed and delivered, it is expected that the Agreement would provide that the Proposed Purchase would be subject to comprehensive terms and conditions, including, among others, the following:

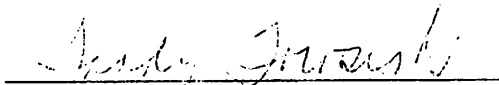
- a. The City would purchase the property in its as is condition, subject to environmental due diligence, and Seller's ability to deliver marketable title, insurable at regular rates by a reputable title company,.
- b. The City securing a recoverable grant from the Vineland Revolving Loan Fund, LLC in the amount of \$550,000.00 to cover the cost of acquisition, demolition of the existing structure on the property, performing environmental due diligence, and closing costs.

- c. Passage of an Ordinance by Vineland City Council approving the purchase of the Property.
- d. Passage of a Resolution by the Industrial Commission of the City of Vineland approving the purchase of the Property.
- e. Seller being responsible for any and all real estate commissions incurred by reason of the sale.
- f. Seller and the City being responsible for their customary share of the closing costs and the customary adjustments being made at closing.
- g. Seller delivering an adequate affidavit of title and bargain and sale deed to the City at the time of closing and any other document necessary to transfer good and marketable title to the City.
- h. The property being free of any leasehold interests, and that the property be vacant and free of any rights held by tenants.
- h. The sale being a strictly as is sale, subject only to the contingencies stated herein.
- i. The City obtaining a bulk sales clearance from the State of New Jersey if applicable.
- j. The City may assign its rights under the Purchase Agreement to the Industrial Commission of the City of Vineland.

4. The Proposed Terms are not binding upon, and do not create or constitute any legally binding obligations between, Buyer and Seller. Neither Buyer nor Sellers will have any liability to any other party to this letter of intent based upon, arising from, or relating to the Proposed Terms. No prior or subsequent course of conduct or dealing between the parties, oral communications, or other actions not reduced to writing executed by all parties will serve to modify this paragraph or in any way cause the Proposed Terms to become legally binding and enforceable.


5. Please indicate your intent to sell the property subject to the above proposed terms and conditions to the City of Vineland by signing and returning a copy of this letter to the undersigned. Following receipt, the proposed purchase will be placed on the next City Council agenda for initial reading and on the agenda for the next City Council meeting thereafter for a second reading and proposed final approval. The proposed purchase will also be expeditiously presented to the Industrial Commission of the City of Vineland. The Sellers hereby consent, subject to the rights of any tenants, to the entry onto the property by the City and its contractors to perform its environmental due diligence upon the execution and delivery of this non-binding letter of intent. This consent may be revoked by Sellers at any time upon 7 days written notice. Our environmental due diligence will commence promptly, subject to the rights of any tenant, upon execution and delivery of this non-binding letter of intent.

PURCHASER:  
City Of Vineland

By: 

Sandy Forosisky, Director of  
Economic Development

SELLER:  
LJR Enterprises, LLC

By:   
Louis Sepers, Sole Member