

RESOLUTION OF THE CITY OF GLOUCESTER CITY
County of Camden, State of New Jersey
#R 163-2019

AUTHORIZING A ONE HUNDRED- AND EIGHTY-DAYS EXCLUSIVE NEGOTIATION AGREEMENT. SUBJECT TO CERTAIN TERMS AND CONDITIONS FOR BLOCK 110, LOTS 1,10, 11, 12, 13, 18 AND 19 ON THE OFFICIAL TAX MAP OF THE CITY OF GLOUCESTER CITY, BY AND BETWEEN THE CITY OF GLOUCESTER CITY, SOUTHPORT RENEWAL, L.L.C., AND WMR ENERGY VENTURES, L.L.C.

WHEREAS, the City of Gloucester City previously authorized a redevelopment study and preliminary investigation by Resolution R114-2004, for the study area identified as Block 110, Lots 1, 2, 2.01, 3, 3.01, 3.02, 4, 5, 6, 7, 7.01, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20; Block 111, Lot 1; Block 116.01, Lots 14, 14.01, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 61, 62, 63, 64, 65, 66, 67; Block 120, Lots 1, 2, 4, 5, 6; Block 120.02, Lots 1, 1.01; Block 120.03, Lot 2, Block 124, Lots 2, 3; Block 126, Lots 1, 2, 3, 4; Block 126.01, Lots 1, 1.01, 2, 3, 4, 5, 5.01, 6, 7; and Block 127, Lots 1, 2 prepared by Remington & Vernick Engineers, Inc., 232 Kings Highway East, Haddonfield, New Jersey 08033 pursuant to the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.) (“LRHL”) formally known as the Southport Redevelopment Area; and

WHEREAS, the City of Gloucester City, is owner of the property known as the Southport Redevelopment Area, and the City desires to redevelop the area and via Resolution dated September 26, 2013, the City entered into a Redevelopment Agreement with Southport Renewal, LLC (Southport) to effectuate that redevelopment; and

WHEREAS, pursuant to said Redevelopment Agreement, Southport is seeking interested parties to assist in the redevelopment of portions of the area; and

WHEREAS, WMR Energy Ventures, L.L.C. (the “developer”) was formed in 2019, with a background in site development for the purpose of construction, in this instance, of the development a natural gas fired power plant generally in the 400-500 MW range for a ready, willing and able power generation entity in the Southport Redevelopment Area through partnerships and joint-ventures with the largest energy generation owners, including renewal energy, in the United States; and

WHEREAS, the subject proposed site consists of approximately 17.5 acres located at 851 Water Street, Gloucester City, Camden County, New Jersey, tentatively identified as Block 110, Lots 1,10, 11, 12, 13, 18 and 19 on the official Tax Map of the City of Gloucester City, New Jersey and is part and parcel of a Master Lease Agreement between Southport Redevelopment, LLC and The City of Gloucester. shall be granted upon the future acquisition thereof; and

WHEREAS, it is the good faith intention of the Developer, subject to negotiations of specific terms and conditions, provide the following: 1. Develop a natural gas fired power plant for a ready, willing and able power generation entity in the Southport Redevelopment Area; 2. Provide Southport Renewal (SR) with the specifications necessary for SR to provide a shovel-ready site for construction of a power plant on the portion of the Southport Redevelopment Area; 3. Coordinate with SR, and provide technical support as needed, so SR can seek to cure any zoning or planning board issues that may be necessary to develop the power plant; 4. Secure applicable permits and PJM interconnection for the development and subsequent operation of the power plant; 5. Apply for PJM interconnection approvals and be responsible for keeping SR and Gloucester City abreast of progress regarding PJM interconnection time tables once established; 6. Work with the various utilities and others involved with infrastructure needed to provide natural gas to the plant and connectivity to the grid; 7. Enter into a Redevelopment Agreement (RDA) with SR and Gloucester City and provide any financial or technical documents related to the project necessary to establish the long- term viability of the project; 8. Pay SR and Gloucester City a development fee to be determined, payable 50% upon start of construction and the balance upon start of commercial operation; 9. Enter into a PILOT and lease arrangement with SR and Gloucester City that is expected to provide funds to GC/SR as outlined in the schedule included as Attachment 2 when project is operational; 10. Where feasible, the power plant will use best environmental practices; including but not limited to, the use of grey water or treated effluent as part of the design and operations of the power plant; 11. Where feasible, Gloucester Point CED will seek to establish agreements with the County of Camden and Gloucester City to provide them with lower cost power; and

WHEREAS, it is the good faith intention of the Southport Renewal and Gloucester City, subject to negotiations of specific terms and conditions, provide: 1. A shovel-ready site consistent with a pre-determined

schedule; 2. Cure any local zoning or planning board issues that may exist in order to site the power plant; 3. Assist Gloucester Point CED with County, State or Federal officials that may be able to assist in the development of the site; 4. Negotiate a PILOT and lease agreement with Gloucester Point CED; and

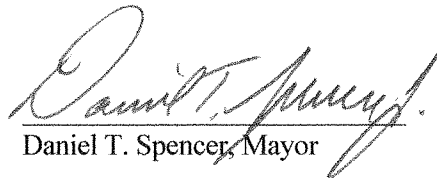
WHEREAS, the City, Southport Renewal and the Developer (each, a “Party” and jointly, the “Parties”) desire to jointly explore the feasibility of the Project and negotiate an agreement or agreements to provide for the Project; and

WHEREAS, the primary purpose of this Agreement is to establish a period during which the Parties shall negotiate the terms of a Redevelopment Agreement; and

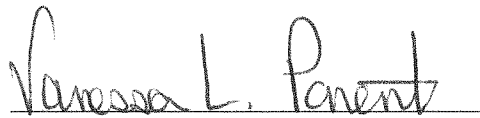
WHEREAS, a Resolution was conditionally adopted on April 18, 2019, approving the Agreement, however, due to significant changes review and approved by Mayor and Common Council, a reaffirmation of the Agreement is required.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of Gloucester, County of Camden and State of New Jersey as follows:

1. The provisions of the **WHEREAS** clauses set forth above are incorporated herein by reference and made a part hereof.
2. The Mayor is hereby authorized to execution of an Exclusive Negotiation Agreement between the City, Southport Renewal and the Developer in a form approved by the City Solicitor for an initial term of one-hundred and eighty (180) days, subject to various terms and conditions. The Agreement shall be on file for inspection in the Office of the City Clerk and shall be attached hereto and made a part hereof.


Daniel T. Spencer, Mayor

Passed by the Mayor and Common Council of the City of Gloucester this 25th day of July, 2019.


Vanessa L. Parent, City Clerk,
Certified Municipal Registrar