SUMMARY STATEMENT

ITEM NO.: DRPA-18-057  SUBJECT: Authorization to Relinquish a Restrictive Covenant on Previously Transferred Property

COMMITTEE: Finance

COMMITTEE MEETING DATE: June 6, 2018

BOARD ACTION DATE: June 20, 2018

PROPOSAL: That the Board authorize staff to execute a Termination Agreement to relinquish a Restrictive Covenant in a Deed on Waterfront property previously transferred by the DRPA (Camden Block 80.02, Lot 1) in order to improve the feasibility for future residential development.

Other Party: Camden Town Center LLC (Assignee of Liberty Property Trust)

PURPOSE: The elimination of this Deed restriction will facilitate the sale of certain property by Camden Town Center LLC for future construction of mixed use residential development, condominiums, retail, and other commercial purposes. This Deed restriction, implanted into several Waterfront property Deeds, prevented the transfer of Pennsylvania jobs into New Jersey.

BACKGROUND: Beginning in 2003, in a series of real estate transactions, various parcels of land at the Waterfront were transferred among the DRPA, the NJEDA and the CCRA. Multiple Block/Lots were recently consolidated into Block 80.02, Lot 1 for development and planning purposes. Included in the Deeds of these several independent parcels of land was a covenant which prevented the transferability of the land to any Pennsylvania entity which might move to New Jersey any element of its business operation.
involving 100 or more existing jobs. This Restrictive Covenant was for the exclusive benefit of and enforceable by the DRPA. This Deed restriction remains as a limitation on the use of the property, running with the land to all future owners, until it is removed by its intended beneficiary. The specific Restrictive Covenant is as follows:

“The Property or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth. It is intended and agreed that the Deed Restriction shall be a covenant running with the land exclusively for the benefit and in favor of and enforceable by the Delaware River Port Authority and shall remain in effect and be binding on the Grantee, each successor in interest to the Property only for such period as such party shall have title to the Property.”

Imported into this newly designated Block 80.02, Lot 1 is the above-referenced Covenant. The Camden Master Plan, February 16, 2018 Site Plan is attached as Exhibit A.

There appears to be no current economic or strategic purpose for the continuation of the Pennsylvania employment relocation restrictions. The elimination of this Restrictive Covenant is at no cost to the DRPA.

**SUMMARY:**

- **Amount:** N/A
- **Source of Funds:** N/A
- **Capital Project #:** N/A
- **Operating Budget:** N/A
- **Master Plan Status:** N/A
- **Other Fund Sources:** N/A
- **Duration of Contract:** N/A
- **Other Parties Involved:** Camden Town Center LLC
RESOLUTION

RESOLVED: That the Board authorizes staff to negotiate the execution of a Termination Agreement which removes the Restrictive Covenants under the control of the DRPA contained within the Deed to Camden Waterfront property identified as Block 80.02, Lot 1 in the City of Camden. The Covenant to be removed is as follows:

“The Property or any portion thereof may not be used for the purpose of inducing any company, firm, organization or other entity which is currently operating in the Commonwealth of Pennsylvania from moving any portion of its existing operations to a location on the above stated real estate, when such movements or relocation would entail the removal of one hundred or more existing jobs from the Commonwealth. It is intended and agreed that the Deed Restriction shall be a covenant running with the land exclusively for the benefit and in favor of and enforceable by the Delaware River Port Authority and shall remain in effect and be binding on the Grantee, each successor in interest to the Property only for such period as such party shall have title to the Property.”

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.
<table>
<thead>
<tr>
<th>SUMMARY:</th>
<th>Amount:</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Funds:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Capital Project #:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Operating Budget:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Master Plan Status:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Other Fund Sources:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Duration of Contract:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Other Parties Involved:</td>
<td>Camden Town Center LLC</td>
<td></td>
</tr>
</tbody>
</table>