

RESOLUTION

WHEREAS, there was litigation initiated by Prism Green Urban Renewal LLC (“Prism”) concerning the Township’s termination of its redevelopment rights under the existing Redevelopment Plan, in the Superior Court of New Jersey, Law Division: Essex County captioned Prism Green Associates IV, LLC v. Township of West Orange, Robert D. Parisi, John O. Gross, Whoopi Inc., MBS Group Holdings, LLC, Jeremy Harlton, John W. Henry, Docket No. ESX-L-5706-21 (the “Litigation”); and

WHEREAS, in September 2021, the Township and Prism settled the Litigation (the “Settlement”), by which, among other things, the parties would enter an agreement for Prism to sell and convey all of its property in the Township (the “Prism Properties”); and

WHEREAS, on September 15, 2021, the Township Council adopted Ordinance No. 2651-21 authorizing the issuance of a bond to satisfy the monetary obligations of the Settlement; and

WHEREAS, on February 28, 2022, the Township and Prism executed a Settlement Agreement and Purchase and Sale Agreement (“PSA”) for the acquisition of the Prism Properties and resolution of all issues in the Litigation; and

WHEREAS, the Township has acquired the Prism Properties pursuant to the Settlement and the PSA; and

WHEREAS, the PSA provided for an escrow to be held from the purchase price proceeds in the amount of \$951,045 as an estimate for environmental remediation costs (the “Environmental Escrow”); and

WHEREAS, the PSA provided for a dispute resolution mechanism to address disagreements as to the parties’ respective remediation cost estimates, by referring final determination of reasonable remediation costs to an independent licensed site remediation professional (LSRP) (the “Independent LSRP Determination”); and

WHEREAS, the Independent LSRP Determination resulted in an estate of \$617,035, subject to two open issues that could not be fully-determined by the Independent LSRP Determination; and

WHEREAS, the parties brought the matter of the remaining issues to the Court for resolution or further proceedings to finally resolve the disposition of the Environmental Escrow, pursuant to the PSA; and

WHEREAS, the Township and Prism have negotiated a settlement of all remaining issues concerning the disposition of the Environmental Escrow, providing for the final amount of the amount to be maintained by the Township at \$650,000, with no further review and approvals of proposed disbursements required by Prism, as currently provided for under the PSA, with the Township free to utilize the remaining proceeds in the Environmental Escrow in connection with the remediation of the Prism Properties, in exchange for releasing the balance of \$301,045 from the Environmental Escrow to Prism; and

WHEREAS, the Township believes that it is in the best interest to finally settle and resolve all outstanding issues with Prism concerning the Environmental Escrow to avoid the continued costs and efforts associated with litigating the matter further; and

WHEREAS, final settlement is memorialized in the Amendment to Purchase and Sale Agreement and Memorandum of Settlement, in the forms attached hereto.

NOW, BE IT HEREBY RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, that the Mayor be and is hereby authorized to execute the Amendment to Purchase and Sale Agreement and Memorandum of Settlement, attached hereto, and the Municipal Clerk be and is hereby authorized to witness the Mayor's signature and the Mayor is hereby authorized to take all further and necessary steps to effectuate the above agreements approved herein.

Karen J. Carnevale, R.M.C., Municipal Clerk

Bill Rutherford, Council President

Adopted: September 24, 2024