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ORDINANCE OF THE TOWNSHIP OF BLOOMFIELD, COUNTY OF ESSEX, NEW JERSEY APPROVING THE APPLICATION AND FINANCIAL AGREEMENT FOR TAX EXEMPTION OF BLOOMFIELD BELLEVILLE ASSOCIATES URBAN RENEWAL, L.L.C. FOR THE CONSTRUCTION OF A RESIDENTIAL PROJECT LOCATED IN THE OAKES POND REDEVELOPMENT AREA

WHEREAS, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"), the Township of Bloomfield (the "Township") designated the properties identified on the Township's tax maps as Block 544, Lots 40 and 61 (the "Redevelopment Area") as an "area in need of redevelopment" and adopted a redevelopment plan, entitled the "Redevelopment Plan for: 221-225 Belleville Avenue (Block 544, Lots 40 and 61) - Oakes Pond Redevelopment Plan Area" (as the same may be amended and supplemented, the "Redevelopment Plan"), for the Redevelopment Area and for certain adjacent, Township-owned parcels which the Township designated as an area in need of rehabilitation pursuant to the Redevelopment Law; and

WHEREAS, the Township and the Redeveloper entered into a Redevelopment Agreement (the "Redevelopment Agreement") in order to implement the development, design, financing and construction of the Project (defined below); and

WHEREAS, in accordance with the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., as amended and supplemented (the "Long Term Tax Exemption Law"), the Redeveloper formed Bloomfield Belleville Associates Urban Renewal, L.L.C. (the "Entity"), for the purpose of undertaking the redevelopment of the Project Site pursuant to the Redevelopment Plan; and

WHEREAS, the Redevelopment Agreement provides for, among other things, the redevelopment of the Property including approximately 348 residential units (the "Residential Component"), along with certain common improvements that will be accessible to the Township upon completion (the "Common Improvement" and, together with the Residential Component, the "Project"); and

APPROVED AS TO FORM AND PROCEDURE
ON BASIS OF FACTS SET FORTH

Barbara J. Stone
Director of Law
Township Attorney

WHEREAS, the Entity submitted to the Mayor of the Township (the "Mayor") an application for tax exemption which is on file with the Township Clerk (the "Application") requesting an exemption of the land and improvements constituting the Residential Component, pursuant to the Long Term Tax Exemption Law; and

WHEREAS, the Entity also submitted to the Mayor a form of financial agreement (the "Financial Agreement", a copy of which, as revised, is attached hereto as *Exhibit A*) establishing the rights, responsibilities and obligations of the Entity; and

WHEREAS, the Mayor submitted the Application and Financial Agreement to the Township Council with his recommendation for approval, a copy of which recommendation is on file with the Township Clerk; and

WHEREAS, the Township Council has determined that the Project represents an undertaking permitted by the Long Term Tax Exemption Law, and has further determined that the Project constitutes improvements made for the purposes of clearance, re-planning, development, or redevelopment of an area in need of redevelopment within the Township, as authorized by the Redevelopment Law and the Long Term Tax Exemption Law.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Township of Bloomfield, New Jersey as follows:

Section 1. The Application of Bloomfield Belleville Associates Urban Renewal, L.L.C. for the development, maintenance and operation of a residential housing project and public amenities and Financial Agreement recommended by the Mayor are hereby approved.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement substantially in the form attached hereto as *Exhibit A*, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 3. The Clerk of the Township is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Township upon such document.

Section 4. The executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Township Clerk. Further, the Clerk of the Township shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Township and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the Long Term Tax Exemption Law.

Section 5. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 6. All ordinances and resolutions or parts thereof inconsistent with this Ordinance are hereby rescinded.

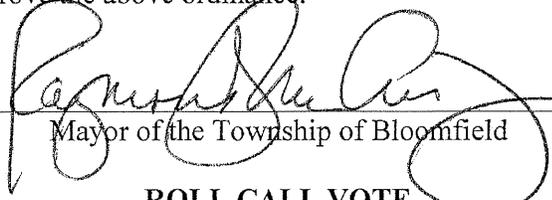
Section 7. This ordinance shall take effect in accordance with applicable law.

* * *

I hereby certify that the above ordinance was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on *May 2, 2011*


 Municipal Clerk of the Township of Bloomfield

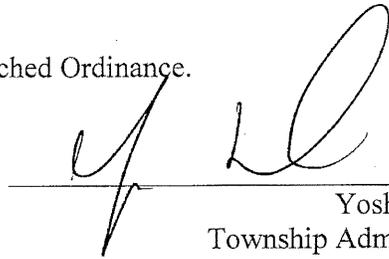
I hereby approve the above ordinance.


 Mayor of the Township of Bloomfield

ROLL CALL VOTE

MAYOR & COUNCIL	Y	N	ABSTAIN	ABSENT	Y	N	ABSTAIN	ABSENT
MALY	✓				✓			
JOANOW		✓				✓		
RUANE	✓				✓			
VENEZIA	✓				✓			
DUNIGAN	✓				✓			
HAMILTON	✓				✓			
McCARTHY	✓				✓			

I hereby approve / disapprove of the passage of the attached Ordinance.



Yoshi Manale
Township Administrator

If the Township Administrator disapproves of the attached Ordinance the reasons are as follows:

I hereby approve / disapprove of the passage of the attached Ordinance.

 4/15/11

Glenn Domenick
Director

If the Department Head disapproves of the attached Ordinance the reasons are as follows:

EXHIBIT A

Form of Financial Agreement

Record and return to:

**Kevin P. McManimon, Esq.
McManimon & Scotland, L.L.C.
1037 Raymond Boulevard
Suite 400
Newark, New Jersey 07102**

FINANCIAL AGREEMENT

BY AND BETWEEN

THE TOWNSHIP OF BLOOMFIELD

AND

BLOOMFIELD BELLEVILLE ASSOCIATES URBAN RENEWAL, L.L.C.

DATED AS OF MARCH [], 2011

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter the “**Agreement**”), made this [] day of March, 2011, by and between Bloomfield Belleville Associates Urban Renewal, L.L.C., an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, N.J.S.A. 40A:20-1 et seq., as amended and supplemented (the “**Long Term Tax Exemption Law**”), with offices at 820 Morris Turnpike, Short Hills, New Jersey 07078 (the “**Entity**”) and the **TOWNSHIP OF BLOOMFIELD**, a municipal corporation in the County of Essex and the State of New Jersey (the “**Township**”, and together with the Entity, the “**Parties**” or “**Party**”).

WITNESSETH:

WHEREAS, the Entity is the owner (or the contract purchaser) of the property identified on the Tax Maps of the Township as Block 544, Lots 40 and 61 (the “**Property**”), which is more particularly described by the metes and bounds description as set forth in *Exhibit A* of the application submitted by the Entity for tax exemption (the “**Application**”); and

WHEREAS, the Property is located within the Oakes Pond Redevelopment Area (the “**Redevelopment Area**”), which has been designated as an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “**Local Redevelopment and Housing Law**”); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, on August 10, 2009, the Township Council of the Township (the “**Township Council**”) duly adopted an ordinance approving a Redevelopment Plan (and as same may be further amended from time to time, the “**Redevelopment Plan**”) for the Redevelopment Area and for adjacent Township-owned parcels located in an area that the Township designated as an area in need rehabilitation pursuant to the Redevelopment Law; and

WHEREAS, on February 22, 2011, the Township Council passed a resolution conditionally designating Bloomfield Belleville Associates, LLC (the “**Redeveloper**”) as the redeveloper of the Property; and

WHEREAS, on March 10, 2011, the Township and the Redeveloper entered into a Redevelopment Agreement (the “**Redevelopment Agreement**”) in order to implement the development, design, financing and construction of the Project (defined below); and

WHEREAS, in accordance with the Long Term Tax Exemption Law, the Redeveloper formed the Entity, a wholly-owned subsidiary, for the purpose of undertaking the development of the Property pursuant to the Redevelopment Plan; and

WHEREAS, the Redevelopment Agreement provides for, among other things, a project including the construction of approximately 348 residential units (as further described in Section 2.01 (the “**Project**”)); and

WHEREAS, the Entity has submitted the Application to the Township for the approval of an exemption for the Project pursuant to the Long Term Tax Exemption Law, which application is attached hereto as *Exhibit B*; and

WHEREAS, the Entity also submitted this Agreement to the Mayor, a copy of which is on file with the Township Clerk; and

WHEREAS, the Mayor has submitted the Application and Agreement to the Township Council with his recommendation of approval (the “**Mayor’s Recommendation**”), a copy of which is on file with the Township Clerk; and

WHEREAS, on _____, 2011, the Township Council finally adopted an ordinance entitled, “Ordinance of the Township of Bloomfield, County of Essex, New Jersey Approving the Application and Financial Agreement for Tax Exemption of Bloomfield Belleville Associates Urban Renewal, LLC for the Construction of a Residential Project Located in the Oakes Pond Redevelopment Area,” a copy of which is attached hereto as *Exhibit C* (the “**Ordinance**”); and

WHEREAS, in order to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the exemption from taxation, by the Township, of the Project and with respect to payment, by the Entity, of the Annual Service Charges (defined herein), in lieu of real property taxes in connection with the Project, the Parties desire to enter into this Agreement; and

WHEREAS, the Township made the following findings with respect to the Project:

A. Relative Benefits of the Project: The Project will accelerate the remediation and development of deteriorated and unused, abandoned structures formerly utilized for light industrial purposes while providing new residential housing units and public improvements. Further, the Project will renew and revitalize the Redevelopment Area because it allows for the redevelopment of a site currently characterized by vacant and/or partially occupied buildings into a productive use that will temporarily generate jobs and permanently increase tax ratables within the Redevelopment Area.

B. Assessment of the Importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants: Without the exemption, the Entity would not be able to finance and construct the Project in a manner that will allow it to establish rents that are consistent with the current market. As a result, without the tax exemption probable occupants of the Project would not choose to reside in the Project. The exemption permits the Entity to charge rents that are consistent with the market for new multi-family rental units in the Bloomfield area and thus influence the locational decisions of the probable occupants of the Project.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually covenanted and agreed as follows:

ARTICLE I

GENERAL PROVISIONS

SECTION 1.01 Governing Law. This Agreement shall be governed by the provisions of (A) the Long Term Tax Exemption Law, the Local Redevelopment and Housing Law, (B) the Ordinance, and (C) all other Applicable Laws. It is expressly understood and agreed that the Township expressly relies upon the facts, data, and representations contained in the Application in granting this tax exemption.

SECTION 1.02 General Definitions. The following terms shall have the meanings assigned to such term in the preambles hereof:

<u>Agreement</u>	<u>Project</u>
<u>Application</u>	<u>Property</u>
<u>Entity</u>	<u>Redeveloper</u>
<u>Local Redevelopment and Housing Law</u>	<u>Redevelopment Agreement</u>
<u>Long Term Tax Exemption Law</u>	<u>Redevelopment Area</u>
<u>Mayor's Recommendation</u>	<u>Redevelopment Plan</u>
<u>Ordinance</u>	<u>Township</u>
<u>Party/Parties</u>	<u>Township Council</u>

Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Agreement shall mean:

Administrative Fee – The annual fee paid to the Township by the Entity, as set forth in Section 4.06.

Allowable Net Profit - The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to the provisions of N.J.S.A. 40A:20-3b.

Allowable Profit Rate - The greater of (A) twelve percent (12%) or (B) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of (X) twelve percent (12%) or (Y) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) to the interest rate per annum that the Township determines to be the prevailing rate of mortgage financing on comparable improvements in the county. The provisions of N.J.S.A. 40A:20-3b are incorporated herein by reference.

Annual Gross Revenue – Pursuant to N.J.S.A. 40A:20-3a, the annual gross revenue shall be the sum of the rental charges generated from residential units of the Project and all application fees, pet fees, parking fees, floor or view premiums, health club fees and any other charges that

qualify as “income” under the Internal Revenue Code of 1986 that may be collected from tenants of the Project.

Annual Service Charge - The amount the Entity has agreed to pay the Township, or its designee, pursuant to Article IV for municipal services supplied to the Project, which sum is in lieu of any taxes on the Land and Improvements, which amount shall be pro rated in the year in which the Annual Service Charge begins and the year in which the Annual Service Charge terminates.

Annual Service Charge Start Date – The Annual Service Charge Start Date shall be the date on which the Township issues a Certificate of Occupancy for the Project or the date of Substantial Completion (whichever is earlier).

Applicable Law – All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Local Redevelopment and Housing Law and the Long Term Tax Exemption Law.

Auditor's Report - A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit as provided in N.J.S.A. 40A:20-3c. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State (defined below).

Certificate of Occupancy - A temporary (if temporary or conditional for the limited reasons of grading, seeding, landscaping and/or surface pavement course) or permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code issued by the Township authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

County – The County of Essex.

Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for a project for a period equal to the term of the tax exemption granted by this Agreement.

Default - A breach or the failure of either Party to perform any obligation imposed upon such Party by the terms of this Agreement, or under Applicable Law, beyond any applicable grace or cure periods after written notice of such failure.

Default Notice – As defined in Section 14.02.

Fiscal Plan – Attached as *Exhibit D*.

Improvements - Any building, structure or fixture permanently affixed to the Land and to be constructed and exempt under this Agreement.

In Rem Tax Foreclosure - A summary proceeding by which the Township may enforce the lien for taxes due and owing by a tax sale in accordance with the provisions of the Tax Sale Law (defined below).

Land – The real property, but not the Improvements, known as Block 544, Lots 40 and 61 on the tax maps of the Township, and more particularly described by the metes and bounds description set forth in *Exhibit A* of this Agreement.

Land Taxes - The amount of taxes assessed on the value of the land portion of the Property, in the event it is determined that land is not exempt, exclusive of the value of any Improvements related thereto, in accordance with Applicable Laws.

Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods, if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

Material Conditions – As defined in Section 4.07.

Minimum Annual Service Charge – As defined in Section 4.03.

Net Profit – The Annual Gross Revenue of the Entity pertaining to the Property, less all operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles and the provisions of N.J.S.A. 40A:20-3(c), which includes, but is not limited to, the Debt Service and an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the abatement granted pursuant to this Agreement as well as all other expenses permitted under the provisions of N.J.S.A. 40A:20-3(c).

Notice of Termination – As defined in Section 14.04.

State – The State of New Jersey.

Substantial Completion – The determination by the Township construction official that the Project, in whole or in part, is ready for the use intended, which shall mean the date on which the Project receives, or is eligible to receive, any Certificate of Occupancy for any portion of the Project.

Tax Assessor – The Township tax assessor.

Tax Collector – The Township tax collector.

Tax Sale Law – N.J.S.A. 54:5-1 et seq., as the same may be amended or supplemented from time to time.

Termination – Expiration of the term of this Agreement in accordance with Section 3.01 or any action or omission which by operation of the terms of this Agreement shall cause the Entity to relinquish the tax exemption granted pursuant to this Agreement.

Total Project Cost – The total cost of construction and/or rehabilitation of the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are as defined in N.J.S.A. 40A:20-3h. There shall be included in Total Project Cost the actual costs incurred to construct the Improvements which are specifically described in the Application.

SECTION 1.03 Interpretation and Construction In this Agreement, unless the context otherwise requires:

A. The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before the date of delivery of this Agreement.

B. Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

C. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

D. Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect. All references to Articles, Sections or Exhibits in this Agreement shall, unless indicated otherwise, refer to the Articles Sections or Exhibits in this Agreement.

E. Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or Party hereunder shall not be unreasonably withheld, conditioned, or delayed.

F. All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be less than ten (10) days nor more than twenty (20) days, unless the context dictates otherwise.

G. All exhibits referred to in this Agreement and attached hereto are incorporated herein and made part hereof.

{End of Article I}

ARTICLE II

APPROVAL

SECTION 2.01 Approval of Tax Exemption

The Township has granted and does hereby grant its approval for a tax exemption for the urban renewal Project, including the Land, to be developed and maintained in accordance with the provisions of the Long Term Tax Exemption Law on the Property.

The Project will contain approximately 348 residential units and shall otherwise be as set forth in the Redevelopment Agreement.

SECTION 2.02 Approval of the Entity

Approval is granted to the Entity based on its representation that its Certificate of Formation attached to the Application as *Exhibit F* contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the Department of Community Affairs, and has been filed with, as appropriate, the Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

SECTION 2.03 Improvements to be Constructed

The Entity represents that it will construct or cause the Project to be constructed in accordance with the Redevelopment Agreement and the Redevelopment Plan, which is described in the Application attached hereto as *Exhibit B*. It is understood by the parties hereto that the Redeveloper shall have no affordable housing obligation whatsoever in connection with the Redevelopment Project. As set forth herein, the Township, in its sole discretion, may dedicate a portion of the Annual Service Charge to fund affordable housing throughout the Township.

SECTION 2.04 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule as set forth in the Application, as same may be modified. Notwithstanding the above or anything set forth in the Redevelopment Agreement to the contrary, the Entity shall commence construction in accordance with the terms of the Redevelopment Agreement) and diligently prosecute such construction to completion as set forth in the Redevelopment Agreement. In the event the Entity does not commence construction in accordance with the Redevelopment Agreement, this Agreement shall be terminated.

SECTION 2.05 Ownership, Management and Control

The Entity represents that it is the owner of, or contract purchaser of, the property identified on the Tax Maps of the Township as Block 544, Lot 40 and Lot 61. The Entity expressly covenants, warrants and represents that upon completion, the Project, including all

Land and Improvements, shall be used, managed and operated for the purposes set forth in the Application and the Redevelopment Agreement, in accordance with the Redevelopment Plan and all Applicable Laws.

SECTION 2.06 Fiscal Plan

The Entity represents that the Improvements shall be financed in accordance with the representations set forth in the Application and Fiscal Plan attached thereto. The Application and Fiscal Plan set forth the estimated Total Project Cost, amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

SECTION 2.07 Township Findings

The Township made the following findings with respect to the Project:

A. Relative Benefits of the Project: The Project will accelerate the remediation and development of deteriorated and unused, abandoned structures formerly utilized for light industrial purposes while providing new residential housing units and public improvements. Further, the Project will renew and revitalize the Redevelopment Area because it allows for the redevelopment of a site currently characterized by vacant and/or partially occupied buildings into a productive use that will temporarily generate jobs and permanently increase tax ratables within the Redevelopment Area.

B. Assessment of the Importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants: Without the exemption, the Entity would not be able to finance and construct the Project in a manner that will allow it to establish rents that are consistent with the current market. As a result, without the tax exemption probable occupants of the Project would not choose to reside in the Project. The exemption permits the Entity to charge rents that are consistent with the market for new multi-family rental units in the Bloomfield area and thus influence the locational decisions of the probable occupants of the Project.

{End of Article II}

ARTICLE III

DURATION OF AGREEMENT

SECTION 3.01 Term

This Agreement shall become effective upon its execution and delivery by the Parties. So long as there is compliance with the Applicable Law and this Agreement, it is understood and agreed by the Parties that this Agreement, including the obligation to pay Annual Service Charges under Article IV and the tax exemption granted and referred to in Section 2.01, shall remain in effect until the earlier of (A) thirty-five (35) years from the date of execution of this Agreement or (B) thirty (30) years from the Annual Service Charge Start Date for the Project. The tax exemption shall apply only so long as the Entity and the Project remain subject to the provisions of the Long Term Tax Exemption Law and shall continue in force only while the Project is owned or leased and operated and managed by a corporation, association or other entity formed and operating under the Long Term Tax Exemption Law. Upon Termination, the tax exemption for the Project shall expire and the Land and Improvements shall thereafter be assessed and taxed according to the general laws applicable to other non exempt property in the Township. Upon Termination all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the Township's acceptance of its final accounting, pursuant to N.J.S.A. 40A:20-13. Notwithstanding the above, if the Entity fails to commence construction in accordance with the Redevelopment Agreement, this Agreement shall terminate.

SECTION 3.02 Date of Termination

Upon any Termination of the tax exemption, as described in Section 3.01, the date of such Termination shall be deemed to be the last day of the fiscal year of the Entity.

SECTION 3.03 Voluntary Termination by Entity

The Entity may at any time after the expiration of one year from the completion of the Project notify the Township that as of a certain date designated in the notice, it relinquishes its status under the Long Term Tax Exemption Law and that the Entity has obtained the consent of the Commissioner of the Department of Community Affairs. Upon Termination of the Agreement, all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the Township's acceptance of its final accounting, pursuant to N.J.S.A. 40A:20-13.

{End of Article III}

ARTICLE IV

ANNUAL SERVICE CHARGE

SECTION 4.01 Annual Service Charge Consent

The Entity hereby consents and agrees to the amount of Annual Service Charge and to the liens established in this Agreement, and the Entity shall not contest the validity or amount of any such lien. Notwithstanding anything herein to the contrary, the Entity's obligation to pay the Annual Service Charge shall be absolute and unconditional and shall not be subject to any defense, set-off, recoupment or counterclaim under any circumstances, including without limitation any loss of the status of the Entity as an urban renewal entity qualified under and as defined in the Long Term Tax Exemption Law, or any violation by the Township of any provisions of this Agreement. The Entity's remedies shall be limited to those specifically set forth herein and otherwise provided by Applicable Law.

SECTION 4.02 Payment of Annual Service Charge

A. In consideration of the tax exemption, the Entity shall make payment of the Annual Service Charge to be calculated from the Annual Service Charge Start Date consistent with Section 4.02B.

B. Payment of the Annual Service Charge shall be made to the Township on a quarterly basis on February 1, May 1, August 1 and November 1 immediately following the Annual Service Charge Start Date and thereafter on February 1, May 1, August 1 and November 1 as applicable all in accordance with the Township's tax collection schedule, subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. The Annual Service Charge will be prorated in the year in which the Annual Service Charge Start Date commences and the date the exemption terminates. The obligation to pay the Annual Service Charge shall continue until the expiration of the term hereof or Termination of the Agreement.

C. In the event that the Entity fails to timely pay the Annual Service Charge or any installment thereof, the amount past due shall bear the highest rate of interest permitted under applicable New Jersey law and then being assessed by the Township against other delinquent taxpayers in the case of unpaid taxes or tax liens on the land until paid.

D. In accordance with the Long Term Tax Exemption Law, specifically N.J.S.A. 40A:20-12, in the event of any change in the tax-exemption status as provided herein during any tax year, including but not limited to any termination of such tax exemption as provided for herein, the procedure for the apportionment of any taxes and/or Annual Service Charge, as the case may be, shall be the same as in the case of other changes in tax exemption status to any other property located within the Township during the tax year, in accordance with Applicable Law.

SECTION 4.03 Annual Service Charge Amount

Pursuant to N.J.S.A. 40A:20-12, the Annual Service Charge shall be an amount equal to 10.50% of the Annual Gross Revenue generated by the Project. The first year of the Annual Service Charge shall be billed based on the Entity's estimated Gross Revenue, as set forth in the Fiscal Plan attached as *Exhibit C* to the Application, or the Minimum Annual Service Charge, whichever is greater.

Pursuant to N.J.S.A. 40A:20-12b(2)(e), notwithstanding any provisions of this Agreement to the contrary, the Annual Service Charge shall never be less than the amount of the total taxes levied against the Property in the last full tax year in which the Property was subject to taxation (see "**Minimum Annual Service Charge**").

Notwithstanding the provisions of the Long Term Tax Exemption Law or any provision of this Agreement to the contrary, the Annual Service Charge shall never be reduced below the Minimum Annual Service Charge through any tax appeal on the Land and/or Improvements or any other legal proceeding regarding the Project during the period that this Agreement is in force and effect.

SECTION 4.04 Reformation of Annual Service Charge Computation

In the event the exemption of the Land is invalidated by a Court of competent jurisdiction, the Parties agree that this Agreement shall remain valid and in full force and effect, and shall be reformed to cure the invalid provision so that the Annual Service Charge shall be recomputed pursuant to the alternative calculation set forth in the Fiscal Plan attached as *Exhibit C* to the Application.

If the exemption of the Land authorized under N.J.S.A. 40A:20-12 is invalidated, the Entity shall be obligated to make payment of Land Taxes according to the general laws applicable to all other tax ratables. Land Taxes shall be separately assessed for the Property, and shall be assessed only on the Land without regard to any improvements or increase in value to the Land because of the Improvements. The payment for Land Taxes shall be applied as a credit against the Annual Service Charge for the subsequent year. In any year that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any land tax credits against the Annual Service Charge. The Entity is required to make payment of both the Annual Service Charge and the Land Tax Payments. The Entity is required to pay the full Land Tax Payments in any given year and no credits will be applied against the Annual Service Charge for partial payment of the Land Taxes. The Entity's failure to make the requisite Annual Service Charge payment and/or the requisite Land Tax Payment in a timely manner shall constitute a violation and breach of this Agreement. The Township shall, among its other remedies, have the right to proceed against the Property pursuant to the Tax Sale Law and/or may declare a Default under this Agreement upon sixty (60) days written notice to the Entity.

In the year of the reformation of the Agreement and each year thereafter, the Annual Service Charge shall be increased by the amount determined by multiplying the Annual Service Charge of the previous year by the percentage that the total tax levy of the municipality for that

year has increased over the tax levy of the municipality for the previous year. For purposes of this section "total tax levy" means the total amount of property tax levied for municipal school and county purposes, as shown in the Table of Aggregates prepared pursuant to R.S. 54:4-52. In the event of a municipal wide revaluation the increase, if any, shall be based on the percentage of the increase of the land taxes in the tax year preceding a revaluation over the land taxes in the year of the revaluation.

In the event of the reformation of the Agreement, the Entity shall be obligated to pay the Annual Service Charge established in Section 4.03 or the Annual Service Charge established in this Section 4.04, whichever is greater.

SECTION 4.05 Schedule of Stage Adjustments

Pursuant to N.J.S.A. 40A:20-12b(2), the Annual Service Charge shall be adjusted as follows:

A. Stage One. Commencing on the Annual Service Charge Start Date through the sixth year of the Agreement, the Annual Service Charge shall be the amount established in accordance with Sections 4.03 or 4.04, as applicable.

B. Stage Two. From the seventh year through the twelfth year of the Agreement, the Annual Service Charge shall be the amount established in accordance with Sections 4.03 or 4.04, as applicable, or 20% of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

C. Stage Three. From the thirteenth year through the eighteenth year of the Agreement, the Annual Service Charge shall be the amount established in accordance with Sections 4.03 or 4.04, as applicable, or 40% of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

D. Stage Four. From the nineteenth year through the twenty-fourth year of the Agreement, the Annual Service Charge shall be the amount established in accordance with Sections 4.03 or 4.04, as applicable, or 60% of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

E. Fifth Stage. From the twenty-fifth year through the thirtieth year of the Agreement, the Annual Service Charge shall be the amount established in accordance with Sections 4.03 or 4.04, as applicable, or 80% of the amount of the taxes otherwise due on the Land and Improvements, whichever is greater.

SECTION 4.06 Administrative Fee

The Entity shall pay annually an administrative fee to the Township in addition to the Annual Service Charge. The Administrative Fee shall be computed as two percent (2%) of the Annual Service Charge required pursuant to Sections 4.03, 4.04 or 4.05, as applicable. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge. In the event the Entity fails to pay the Administrative Fee

when due and owing, the amount unpaid shall bear interest at the rate of eight percent (8%) compounded annually.

SECTION 4.07 Material Conditions

It is expressly agreed and understood that all payments of Annual Service Charges and any interest payments, penalties or costs of collection due thereon Land Taxes, if applicable, and Administrative Fee are material conditions of this Agreement (the “**Material Conditions**”). If any other term, covenant or condition of this Agreement, as to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

SECTION 4.08 No Reduction in Payment of the Annual Service Charge

Neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Sections 4.02, 4.03, 4.04 or 4.05 shall be reduced, amended or otherwise modified during the Term of this Agreement.

SECTION 4.09 Annual Service Charges as Municipal Lien

In accordance with the provisions of the Long Term Tax Exemption Law, the Annual Service Charge shall be and constitute a continuous municipal lien on the Property and the Improvements.

SECTION 4.10 Security for Payment of Annual Service Charges

In order to secure the full and timely payment of the Annual Service Charges, the Township on its own behalf reserves the right to prosecute an In Rem Tax Foreclosure action against the Property, as more fully set forth in this Agreement.

{End of Article IV}

ARTICLE V

REMEDIES

SECTION 5.01 Dispute Resolution

In the event of a breach of this Agreement by any of the Parties or a dispute arising between the Parties in reference to the terms and provisions as set forth herein, then the Parties shall submit the dispute to the American Arbitration Association in the State to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of said laws. Costs for said arbitration shall be paid by the non-prevailing Party. The demand for arbitration shall be filed in writing and shall be made within a reasonable time after a dispute or breach occurs. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

SECTION 5.02 Remedies

In the event of a Default on the part of the Entity to pay any installment of the Annual Service Charge required by Article IV above, the Township in addition to its other remedies, reserves the right to proceed against the Project, in the manner provided by Applicable Law, including the Tax Sale Law, and any act supplementary or amendatory thereof. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charges were taxes or municipal liens on land. In either case, however, the Entity does not waive any defense it may have to contest the rights of the Township to proceed in the above-mentioned manner.

{End of Article V}

ARTICLE VI

CERTIFICATE OF OCCUPANCY

SECTION 6.01 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a reasonably timely manner.

SECTION 6.02 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of any Certificate of Occupancy issued for the Project.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph shall not militate against any action or non-action, taken by the Township, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

{End of Article VI}

ARTICLE VII

ANNUAL AUDITS

SECTION 7.01 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles and as otherwise prescribed by Applicable Law.

SECTION 7.02 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis, for the duration of this Agreement, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the Township Clerk, who shall advise those municipal officials required to be advised, and the Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year pursuant to N.J.S.A. 40A:20-3(c). The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year. The Entity assumes all costs associated with preparation of the periodic reports.

B. Total Project Cost Audit: Within ninety (90) days after the Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the Township Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, certified as to actual construction costs by the Entity's architect utilizing the form attached as *Exhibit B* to the Application.

C. Disclosure Statement: On each anniversary date of the execution of this Agreement, the Entity shall submit to the Mayor and Municipal Council, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Township may request from time to time.

SECTION 7.03 Inspection

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, by representatives duly authorized by the Township and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). The Entity shall also permit, upon written request, examination and audit of its books, contracts, records, documents and papers relating to the Project by representatives duly authorized by the Township and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). Such inspection shall be made upon three (3) days' written notice during the Entity's regular business hours, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

SECTION 7.04 Limitation on Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits and dividends pursuant to the provisions of N.J.S.A. 40A:20-15. Pursuant to N.J.S.A. 40A:20-3c, this calculation shall be completed in accordance with generally accepted accounting principles.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Entity for the last full fiscal year preceding the year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve shall be noncumulative.

There is expressly excluded from calculation of Annual Gross Revenue and from Net Profit as set forth in N.J.S.A. 40A:20-3 for the purpose of determining compliance with N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16, any gain realized by the Entity on the sale of any Unit, whether or not taxable under Applicable Law.

SECTION 7.05 Payment of Dividend and Excess Profit Charge

In the event the Net Profits of the Entity in any fiscal year shall exceed the Allowable Net Profits for such period, then the Entity, within ninety (90) days after the end of such fiscal year shall pay such excess Net Profits to the Township as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned Section 7.04. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to N.J.S.A. 40A:20-3c and 40A:20-15.

The Parties agree that any excess Net Profit will be retained by the Township as additional Annual Service Charge.

{End of Article VII}

ARTICLE VIII

ASSIGNMENT AND/OR ASSUMPTION

SECTION 8.01 Approval of Sale of Project to Entity Formed and Eligible to Operate Under Applicable Law

The Entity shall not transfer more than ten percent (10%) of the Project, except that the Entity shall be permitted to transfer all or any portion of the Project to another urban renewal entity approved by the Township under the conditions set forth herein. As permitted by N.J.S.A. 40A:20-10a, it is understood and agreed that the Township, on written application by the Entity after completion of the Project, will consent to a sale of the Project and the transfer of this Agreement provided: (i) the transferee entity does not own or lease any other Project subject to long term tax exemption at the time of transfer; (ii) the transferee entity is formed and eligible to operate under the Long Term Tax Exemption Law; (iii) the Entity is not then in Default of this Agreement or the Long Term Tax Exemption Law; (iv) the Entity's obligations under this Agreement are fully assumed by the transferee entity; (v) the transferee entity agrees to abide by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to N.J.S.A. 40A:20-8, and any other terms and conditions of the Township in regard to the Project; and (vi) the principal owners of the transferee entity possess the same business reputation, financial qualifications and credit worthiness as the Entity and are otherwise reputable. The Township may charge an administrative fee of fifteen thousand dollars (\$15,000) for processing any such application for transfer by the Entity.

SECTION 8.02 Severability

It is an express condition of the granting of this tax exemption that during its duration, the Entity shall not, without the prior consent of the Municipal Council by ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Lands which are basic to, embraced in, or underlying the exempt Improvements.

SECTION 8.03 Subordination of Fee Title

It is expressly understood and agreed that the Entity has the right, subordinate to the lien of the Annual Service Charges, and to the rights of the Township hereunder to encumber and/or assign the lease to the Land and/or Improvements, and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement.

{End of Article VIII}

ARTICLE IX

WAIVER

SECTION 9.01 Waiver

Nothing contained in this Agreement or otherwise shall constitute a waiver or relinquishment by the Township or the Entity of any rights and remedies provided by the Applicable Law except for the express waiver herein of certain rights of acceleration and certain rights to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery that the Township or the Entity has under law, in equity, or under any provision of this Agreement.

{End of Article IX}

ARTICLE X

NOTICE

SECTION 10.01 Notice

Any notice required hereunder to be sent by any Party to another Party shall be sent to all other Parties hereto simultaneously by certified or registered mail, return receipt requested or by commercial overnight delivery service with package tracking capabilities and for which proof of delivery is available, as follows:

A. When sent to the Entity it shall be addressed as follows:

Tony DiGiovanni
Bloomfield Belleville Associates Urban Renewal, L.L.C.
820 Morris Turnpike
Short Hills, New Jersey 07078

with a copy to:

Ralph J. Salerno, Esq.
Genova, Burns & Giantomasi
494 Broad Street
Newark, New Jersey, 07102

B. When sent to the Township, it shall be addressed as follows:

Township Clerk
Township of Bloomfield
Municipal Building
1 Municipal Plaza
Bloomfield, New Jersey 07003

with a copy to

Joseph P. Baumann, Jr. Esq.
McManimon & Scotland, L.L.C.
1037 Raymond Boulevard
Suite 400
Newark, New Jersey 07102

The notice to the Township shall identify the subject with the tax account numbers of the tax parcels comprising the Property.

{End of Article X}

ARTICLE XI

COMPLIANCE

SECTION 11.01 Statutes and Ordinances

The Entity hereby agrees at all times prior to the expiration or Termination of this Agreement to remain bound by the provisions of Applicable Law. The Entity's failure to comply with such Applicable Law shall constitute a violation and breach of this Agreement.

{End of Article XI}

ARTICLE XII

CONSTRUCTION

SECTION 12.01 Construction

This Agreement shall be construed and enforced in accordance with Applicable Law, and without regard to or aid or any presumption or other rule requiring construction against the Party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Township have combined in their review and approval of same.

{End of Article XII}

ARTICLE XIII

INDEMNIFICATION

SECTION 13.01 Indemnification

It is understood and agreed that in the event the Township shall be named as a party defendant in any action brought against the Township or in the Entity by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of the Long Term Tax Exemption Law or any other Applicable Law, the Entity shall indemnify and hold the Township harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement, the provisions of the Long Term Tax Exemption Law and/or any other Applicable Law except for any misconduct by the Township or any of its officers, officials, employees or agents, and the Entity shall defend the suit at its own expense. However, the Township maintains the right, in its sole discretion, to intervene as a party thereto, to which intervention the Entity hereby consents, the expense thereof to be borne by the Entity up to seventy-five thousand dollars (\$75,000).

{End of Article XIII}

ARTICLE XIV

DEFAULT

SECTION 14.01 Default

Default shall be failure of the Entity to conform to the terms of this Agreement and failure of the Entity to perform any obligation imposed upon the Entity by statute, ordinance or lawful regulation beyond any applicable notice, cure or grace period.

SECTION 14.02 Cure Upon Default

(a) Should a Party be in Default of any obligation under this Agreement (except for the obligation of the Entity to make Annual Service Charge payments), the non-defaulting Party shall notify the defaulting Party and any mortgagee, if applicable, of the Entity in writing of said Default (the “**Default Notice**”). Said Default Notice shall set forth with particularity the basis of said Default. Except as otherwise limited by law, the defaulting Party shall have sixty (60) days to cure any Default (other than a Default in payment of any installment of the Annual Service Charge which default must be cured within ten (10) days from the date of its receipt of the Default Notice). In the event of any uncured Default by the Entity, the Township shall have the right to proceed against the Property pursuant to Applicable Law. Upon any Default in payment of any installment of the Annual Service Charge, the Township shall have the right to proceed to In Rem Tax Foreclosure consistent with the provisions and procedures of the Tax Sale Law. Notwithstanding anything herein to the contrary, except in connection with the Entity’s obligation to make Annual Service Charge payments for which no extension shall be permitted, the Entity shall be entitled to a reasonable extension period in order to comply with any obligations hereunder.

(b) In the event that the Redevelopment Agreement is terminated by the Township as a result of an Event of Default (as defined in the Redevelopment Agreement) by Redeveloper and the Redeveloper’s designation as redeveloper of the Project Site is thereby terminated, this Agreement shall automatically terminate without further action of the Township. Notwithstanding the provisions of this Section 14.02 and the provisions of Section 8.01, if the Township designates a replacement redeveloper pursuant to Section 12.5 of the Redevelopment Agreement, and such replacement redeveloper shall complete the Project, then the Township may permit the assignment of this Agreement to such replacement redeveloper.

SECTION 14.03 Remedies Upon Default Cumulative; No Waiver

Subject to the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to the Township, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the Township of any of its remedies or actions against the Entity because of the Entity's failure to pay Land Taxes, the Annual Service Charge, and/or the Administrative Fee and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, Annual Service Charges, Administrative Fee or other charges, or for breach of covenant or the resort to any other remedy

herein provided for the recovery of Land Taxes, Annual Service Charges, Administrative Fee or other charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

SECTION 14.04 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 14.02, the Township may terminate this Agreement upon thirty (30) days written notice to the Entity (the “**Notice of Termination**”).

SECTION 14.05 Final Accounting

Within ninety (90) days after the date of Termination, the Entity shall provide a final accounting and pay to the Township the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any excess Net Profits. For purposes of rendering a final accounting the Termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

SECTION 14.06 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the Land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Township.

{End of Article XIV}

ARTICLE XV

MISCELLANEOUS

SECTION 15.01 Conflict

The Parties agree that in the event of a conflict between the Application and this Agreement, the language in this Agreement shall govern and prevail.

SECTION 15.02 Oral Representations

There have been no oral representations made by either of the Parties hereto which are not contained in this Agreement. This Agreement, the Ordinance and the Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties hereto and delivered to each of them.

SECTION 15.03 Entire Document

All conditions in the Ordinance are incorporated in this Agreement and made a part hereof.

SECTION 15.04 Good Faith

In their dealings with each other, the Parties agree that they shall act in good faith.

SECTION 15.05 Recording

This entire Agreement, or a Memorandum of Agreement relating to the Agreement, will be filed and recorded with the County Clerk by the Entity at the Entity's expense.

SECTION 15.06 Municipal Services

The Entity shall make payments for municipal services, including water and sewer charges and any services that create a lien on a parity with or superior to the lien for Land Taxes (but only if the land is determined not to be exempt pursuant to the Long Term Tax Exemption Law) and Annual Service Charges, as required by law. Nothing herein is intended to release Entity from its obligation to make such payments.

SECTION 15.07 Annual Service Charge Paid to County and School District

Pursuant to N.J.S.A. 40A:20-12, the Township shall remit five percent (5%) of the Annual Service Charge to the County.

SECTION 15.08 Financing Matters

The financial information required by the final paragraph of N.J.S.A. 40A:20-9 is set forth in the Application.

SECTION 15.09 Counterparts

This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15.10 Amendments

This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Parties hereto.

SECTION 15.11 Certification

The Township Clerk shall certify to the Tax Assessor, pursuant to N.J.S.A. 40A:20-12, that a financial agreement with an urban renewal entity, i.e., the Entity, for the development of the Redevelopment Area, has been entered into and is in effect as required by the Long Term Tax Exemption Law. Delivery by the Township Clerk to the Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon certification as required hereunder, the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the clerk until the expiration of the entitlement to exemption by the terms of this Agreement or until the Tax Assessor has been duly notified by the Clerk that the exemption has been terminated.

SECTION 15.12 Application Fee

The Township and Entity agree that the Entity paid to the Township \$15,000 as a fee for processing the Application.

SECTION 15.13 Severability

If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

{End of Article XV}

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

**Bloomfield Belleville Associates Urban Renewal,
L.L.C., a New Jersey limited liability company**

ATTEST:

By: _____

By: Zygmunt Wilf
Title: Member

ATTEST:

THE TOWNSHIP OF BLOOMFIELD

By: _____
Louise M. Palagano
Township Clerk

By: _____
Raymond McCarthy
Mayor

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
) ss.
COUNTY OF ESSEX)

On this ____ day of _____, 2011 before me the subscriber, personally appeared Zygmunt Wilf, who by me duly sworn on his oath, deposed and makes proof to my satisfaction that he is a Member of Bloomfield Belleville Associates Urban Renewal, L.L.C., and thereupon he acknowledged that he executed, signed, sealed and delivered the foregoing instrument as and for his voluntary act and deed and that of the said limited liability company for the uses and purposes thereof.

Notary Public

Commission Expiration: _____

LIST OF EXHIBITS

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

- A. **Property Description**
- B. **Application with Exhibits**
- C. **Ordinance No. 11-13 , finally Adopted on March 7, 2011**
- D. **Fiscal Plan**

EXHIBIT A
PROPERTY DESCRIPTION

EXHIBIT A

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Bloomfield, County of Essex, State of New Jersey:

BEGINNING at a point in the Westerly line of land of New Jersey Highway Authority where said line is intersected by the line dividing lands formerly of Leonora Corporation, now or formerly PPG Industries, Inc., ("PPG"), on the North, and the lands now or formerly of Oakbloom Corporation, on the South, said point being the center line of a road through the premises hereinafter described, and running thence

- (1) North 54 degrees 9 minutes West 198.80 feet; thence
- (2) North 44 degrees 2 minutes 15 seconds West 99.89 feet; thence
- (3) North 30 degrees 16 minutes 35 seconds West, 40.74 feet; thence
- (4) North 58 degrees 33 minutes 10 seconds West 47.08 feet; thence
- (5) South 88 degrees 33 minutes 10 seconds West 5.53 feet; thence
- (6) Along a curve to the left with a radius of 32.87 feet, an arc distance of 24.32 feet; thence
- (7) Along a curve to the left with a radius of 159.31 feet, an arc distance of 26.54 feet; thence
- (8) Along a curve to the left with a radius of 852.29 feet, an arc distance of 25.29 feet; thence
- (9) Along a curve to the left with a radius of 133.06 feet, an arc distance of 26.38 feet; thence
- (10) South 30 degrees 58 minutes 30 seconds West, 26.93 feet; thence
- (11) South 39 degrees 26 minutes West 25 feet; thence
- (12) South 30 degrees 56 minutes 30 seconds West, 74.12 feet; thence
- (13) South 27 degrees 13 minutes 50 seconds West, 35.32 feet; thence

- (14) South 62 degrees 46 minutes 10 seconds East 2.35 feet; thence
- (15) South 27 degrees 13 minutes 50 seconds West 45 feet to the beginning of the 13th course in a Deed from PPC to the Town of Bloomfield; thence
- (16) North 62 degrees 46 minutes 10 seconds West 9.35 feet more or less to the beginning of the 71st course in a Deed from Leonora Corporation to Pittsburgh Plate Glass Company dated January 31, 1963 and recorded February 6, 1963 in Deed Book 3919 Page 565; thence
- (17) Along said 71st course North 26 degrees 39 minutes East 26.00 feet more or less to the point of intersection of the center line of Third River; thence
- (18) Northwesterly along the center line of Third River 460 feet, more or less, to the point of intersection of said center line and the Southerly line of Maple Street as formerly laid out; thence
- (19) Along said Southerly line of Maple Street South 80 degrees 48 minutes 10 seconds East, 46 feet more or less to a point distant 150 feet from the Easterly line of Spring Street as formerly laid out; thence
- (20) North 1 degree 13 minutes West 55.92 feet to a point in the Northerly line of formerly Maple Street; thence
- (21) North 4 degrees 33 minutes 25 seconds West 211.97 feet to an angle point; thence
- (22) South 80 degrees 13 minutes 30 seconds East, 1011.20 feet to the Westerly line of Garden State Parkway; thence
- (23) Along said Westerly line of Garden State Parkway; thence South 32 degrees 46 minutes 30 seconds West, 132.29 feet; thence
- (24) Continuing along the said Westerly side of Garden State Parkway, South 14 degrees 49 minutes 58 seconds West, 115 feet; thence
- (25) On a curve to the right having a radius of 4900 feet an arc distance of 352.68 feet with a chord having a bearing of South 37 degrees 58 minutes 48 seconds West a chord distance of 352.58 feet to the point and place of BEGINNING.

Premises are further described in accordance with a survey by Borrie, McDonald & Watson dated February 26, 2002.

BEGINNING at a point in the Westerly line of land of New Jersey Highway Authority where said line is intersected by the line dividing lands of Bloomtex Associates, a New Jersey Limited Partnership, on the North, and the lands now or formerly of Oakbloom Corporation, on the South, said point being the center line of a road through the premises hereinafter described, and running thence

- (1) North 54 degrees 9 minutes West 198.80 feet; thence
- (2) North 44 degrees 2 minutes 15 seconds West 99.89 feet; thence
- (3) North 30 degrees 16 minutes 35 seconds West, 40.74 feet; thence
- (4) North 58 degrees 33 minutes 10 seconds West 47.08 feet; thence
- (5) South 88 degrees 20 minutes West 5.53 feet; thence
- (6) Along a curve to the left with a radius of 32.87 feet, an arc distance of 24.32 feet; thence
- (7) Along a curve to the left with a radius of 159.31 feet, an arc distance of 26.54 feet; thence
- (8) Along a curve to the left with a radius of 852.29 feet, an arc distance of 25.29 feet; thence
- (9) Along a curve to the left with a radius of 133.06 feet, an arc distance of 26.38 feet; thence
- (10) South 30 degrees 58 minutes 30 seconds West, 26.93 feet; thence
- (11) South 39 degrees 26 minutes West 25 feet; thence
- (12) South 30 degrees 56 minutes 30 seconds West, 74.12 feet; thence
- (13) South 27 degrees 13 minutes 50 seconds West, 35.32 feet; thence
- (14) South 62 degrees 46 minutes 10 seconds East 2.35 feet; thence
- (15) South 27 degrees 13 minutes 50 seconds West 45 feet; thence
- (16) North 62 degrees 46 minutes 10 seconds West 9.35 feet; thence
- (17) North 26 degrees 39 minutes East 26.00 feet more or less to the point of intersection of the center line of Third River; thence

- (18) Northwestery along the center line of Third River 460 feet, more or less, to the point of intersection of said center line and the Southerly line of Maple Street, now vacated; thence
- (19) Along said Southerly line of Maple Street, now vacated, South 80 degrees 48 minutes 10 seconds East, 46 feet more or less to a point distant 150 feet from the Easterly line of Spring Street as formerly laid out; thence
- (20) North 1 degree 13 minutes West 55.92 feet to a point in the Northerly line of formerly Maple Street, now vacated; thence
- (21) North 4 degrees 33 minutes 25 seconds West 211.97 feet to an angle point; thence
- (22) South 80 degrees 13 minutes 30 seconds East, 1011.20 feet to the Westerly line of Garden State Parkway; thence
- (23) Along said Westerly line of Garden State Parkway; thence South 32 degrees 46 minutes 30 seconds West, 132.29 feet; thence
- (24) Continuing along the said Westerly side of Garden State Parkway, South 14 degrees 49 minutes 58 seconds West, 115 feet; thence
- (25) On a curve to the right having a radius of 4900 feet an arc distance of 352.68 feet to the point and place of BEGINNING.

NOTE FOR INFORMATION ONLY: Being Lot 61, Block 544, Tax Map of the Township of Bloomfield, County of Essex.

FIDELITY NATIONAL TITLE INSURANCE COMPANY

TITLE INSURANCE COMMITMENT

File Number: AT-26893 .165

SCHEDULE C
LEGAL DESCRIPTION

All that tract or parcel of land and premises, situated, lying and being in the Township of Bloomfield, County of Essex, State of New Jersey, and being more particularly described as follows:

TRACT I

BEGINNING at a point in the proposed westerly right of way line of Route 4 Parkway, Section 12, as the same is shown on New Jersey State Highway Department General Property Parcel Map dated July 1948, where said right of way line is intersected by the division line between lands now or formerly belonging to Leonora Corporation on the North and lands now or formerly belonging to Cora B. Wilson on the South; thence

- (1) along the aforementioned right of way line, North 41 degrees 58 minutes East, 190 feet; thence
- (2) still along said right of way line, South 50 degrees 2 minutes East, 20 feet; thence
- (3) still along said right of way line and along an arc curving to the left with a radius of 4900 feet an arc distance of 230.24 feet; the chord of said arc bearing North 41 degrees 24 minutes 9 seconds East; thence
- (4) North 54 degrees 9 minutes West, 50.03 feet; thence
- (5) South 31 degrees 00 minutes 40 seconds West, 51.79 feet; thence
- (6) North 58 degrees 59 minutes 20 seconds West, 89.03 feet; thence
- (7) North 31 degrees 00 minutes 40 seconds East, 49.34 feet; thence
- (8) North 54 degrees 9 minutes West, 59.42 feet to a point; thence
- (9) North 44 degrees 2 minutes 15 seconds West, 99.89 feet; thence
- (10) North 30 degrees 16 minutes 35 seconds West, 40.74 feet; thence
- (11) North 58 degrees 33 minutes 10 seconds West, 47.08 feet; thence
- (12) South 88 degrees 20 minutes West, 5.53 feet to a point of curve; thence
- (13) along an arc curving to the left with a radius of 32.87 feet an arc distance of 24.32 feet to a point of compound curvature; thence

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- (14) along an arc curving to the left with a radius of 159.31 feet an arc distance of 26.54 feet to a point of compound curvature; thence
- (15) along an arc curving to the left with a radius of 852.29 feet an arc distance of 25.29 feet to a point of compound curvature; thence
- (16) along an arc curving to the left with a radius of 133.06 feet an arc distance of 26.38 feet to a point of tangency; thence
- (17) South 30 degrees 58 minutes 30 seconds West, 26.93 feet; thence
- (18) South 39 degrees 26 minutes West, 25 feet; thence
- (19) South 30 degrees 56 minutes 30 seconds West, 74.12 feet; thence
- (20) South 27 degrees 13 minutes 50 seconds West, 35.32 feet; thence
- (21) South 62 degrees 46 minutes 10 seconds East, 2.35 feet; thence
- (22) South 27 degrees 13 minutes 50 seconds West, 45 feet; thence
- (23) North 62 degrees 46 minutes 10 seconds West, 2.35 feet; thence
- (24) along the center of a road and along an irregular curve to the left, the chord of said curve bearing South 19 degrees 00 minutes 40 seconds West, 23.85 feet; thence
- (25) still along the center of said road and along an irregular curve to the left, the chord of said curve bearing South 9 degrees 25 minutes 40 seconds West, 26.48 feet; thence
- (26) still along the center of said road and along an irregular curve to the left, the chord of said curve bearing South 00 degrees 7 minutes 30 seconds West, 27.40 feet; thence
- (27) still along the center of said road and along an irregular curve to the left, the chord of said curve bearing South 20 degrees 54 minutes 30 seconds East, 27.84 feet; thence
- (28) still along the center of said road and along an irregular curve to the left the chord of said curve bearing, South 35 degrees 49 minutes 50 seconds East, 26.97 feet; thence
- (29) still along the center of said road, South 40 degrees 59 minutes 40 seconds East, 25 feet; thence
- (30) still along the center of said road and along an irregular curve to the right, the chord of said curve bearing South 39 degrees 45 minutes East, 24 feet; thence
- (31) still along the center of said road and along an irregular curve to the right, the chord of said curve bearing South 28 degrees 55 minutes 20 seconds East, 23.41 feet to a point; thence

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- (32) still along the center of said road and along an irregular curve to the right, the chord of said curve bearing South 19 degrees 13 minutes 30 seconds East, 22.89 feet; thence
- (33) still along the center of said road an arc curving to the right with a radius of 38.54 feet an arc distance of 21.86 feet to a point of tangency; thence
- (34) South 13 degrees 15 minutes West, 55.11 feet; thence
- (35) South 78 degrees 2 minutes East and running along the most southerly line of lands of Leonora Corporation 132.15 feet to the point and place of BEGINNING.

TRACT II

BEGINNING at a point in the northerly side line of Belleville Avenue therein distant 44 feet from the easterly side line of the private way leading to the line of Thomas Oakes & Co., which private way is popularly known as Oakes' Lane, said point being also distant 44 feet from the easterly side line of a 4 foot strip now or formerly of Thomas Oakes & Co. which 4 foot strip lies immediately east of said Oakes' Lane; thence

- (1) North 16 degrees 45 minutes East, 160 feet to the southerly side line of the premises now or formerly owned by Thomas Oakes; thence
- (2) North 73 degrees 15 minutes West, along said Oakes line 40 feet; thence
- (3) South 16 degrees 45 minutes West, 160 feet to the northerly side line of Belleville Avenue; thence
- (4) along the aforesaid northerly side line of Belleville Avenue, South 73 degrees 15 minutes East, 40 feet to the point or place of BEGINNING.

NOTE: Being Lot(s) 40, Block 544, Tax Map of the Township of Bloomfield, County of Essex.

NOTE: Lot and Block shown for informational purposes only.

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EXHIBIT B
EXEMPTION APPLICATION WITH EXHIBITS

ON FILE IN TOWNSHIP CLERK'S OFFICE

EXHIBIT C
ORDINANCE ADOPTED ON MARCH 7, 2011

**EXHIBIT D
FISCAL PLAN**

ON FILE IN TOWNSHIP CLERK'S OFFICE