



Township Council
 1 Municipal Plaza
 Bloomfield, NJ 07003

Louise M. Palagano
 Municipal Clerk

<http://www.bloomfieldtwpnj.com>

Meeting: 12/15/14 07:30 PM

2014 RESOLUTION APPROVAL

RESOLUTION OF THE TOWNSHIP OF BLOOMFIELD, IN THE COUNTY OF ESSEX DESIGNATING REDEVELOPER AND AUTHORIZING EXECUTION OF REDEVELOPMENT AGREEMENT

WHEREAS, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.*, as amended and supplemented (hereinafter referred to as the “Redevelopment Law”), and after investigation and recommendation by the Bloomfield Township Planning Board, the Bloomfield Township Council designated certain parcels of real property in the Township as an “area in need of redevelopment”, and denominated the area as the “Bloomfield Station Redevelopment Area” (the “Redevelopment Area”), and

WHEREAS, on October 15, 2003, the Township Council adopted Ordinance No. 03-34, which enacted the Bloomfield Station Redevelopment Plan (the “Redevelopment Plan”) to govern the redevelopment of the Redevelopment Area, pursuant to the Redevelopment Law; and

WHEREAS, the Redevelopment Plan has since been amended from time to time; and

WHEREAS, among the parcels in the Redevelopment Area are 128 Washington Street, 118-126 Washington Street, 112-116 Washington Street and 110 Washington Street, which are designated on the tax maps of the Township of Bloomfield as Block 220, Lots 26, 27, 30 and 35, respectively (the “Project Premises”); and

WHEREAS, the Project Premises are situated in a section of the Redevelopment Area which was designated as Parcel 4 by the Redevelopment Plan;

WHEREAS, 110 Washington Street Associates, a New Jersey General Partnership (the “Redeveloper”), is the owner or the contract purchaser of the Project Premises; and

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

Brian J. Scoria
 of Law Township Attorney

WHEREAS, the Redeveloper filed an application with the Township of Bloomfield Planning Board to develop the Project Premises; and

WHEREAS, the Redeveloper's application for development of 151 residential units in two, five story buildings with parking on the ground floor was based on the requirements of the Redevelopment Plan for Parcel 4 (the "Project"); and

WHEREAS, at a hearing held on May 22, 2007, the Planning Board granted Redeveloper preliminary and final site plan approval, variances for front yard setback and maximum lot coverage violations and encroachment of the access drive into a required 25 foot wide greenway and for a waiver of Residential Site Improvement Standards ("RSIS") parking requirements; and

WHEREAS, the Planning Board memorialized its May 22, 2007 decision by resolution adopted on September 11, 2007; and

WHEREAS, among the conditions of approval was the requirement that the Redeveloper enter into a Redevelopment Agreement with the Township; and

WHEREAS, Redeveloper intends to seek amended site plan approval which shall entail, *inter alia*, an increase in the number of units to 170; and

WHEREAS, the Township and the Redeveloper desire to enter into a Redevelopment Agreement (the "Redevelopment Agreement") for the purpose of setting forth in greater detail their respective undertakings, rights and obligations in connection with the development and construction of the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Council of the Township of Bloomfield, County of Essex, New Jersey as follows:

Section 1. The above recitals are incorporated herein by reference.

Section 2. The Redeveloper is hereby designated as redeveloper of the Project Premises.

Section 3. The Mayor of the Township is hereby authorized to execute the Redevelopment Agreement substantially in the form on file with the Township Clerk, subject to such additions, modifications and deletions deemed necessary and appropriate in consultation with special redevelopment counsel.

Section 4. This resolution shall take effect immediately.

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I hereby certify that the above resolution was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on December 15, 2014.

Louise Polyzano

 Municipal Clerk of the Township of Bloomfield

M. Uja

 Mayor of the Township of Bloomfield

✓ Vote Record – Resolution						
		Yes/Aye	No/Nay	Abstain	Absent	
<input type="checkbox"/> Adopt						
<input type="checkbox"/> Deny						
<input type="checkbox"/> Withdrawn						
<input type="checkbox"/> Table						
<input type="checkbox"/> Not Discussed						
<input type="checkbox"/> First Reading						
<input type="checkbox"/> Table with no Vote						
<input type="checkbox"/> Approve						
<input type="checkbox"/> Veto by Mayor						
<input type="checkbox"/> Discussion						
<input type="checkbox"/> Defeated						
<input type="checkbox"/> Discussion No Vote						
	Elias N. Chalet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Nicholas Joanow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Carlos Bernard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Wartyna Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Joseph Lopez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Carlos Pomares	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Michael J. Venezia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE TOWNSHIP OF BLOOMFIELD, NEW JERSEY.

AND

110 WASHINGTON STREET ASSOCIATES,
A NEW JERSEY GENERAL PARTNERSHIP

DATED: December , 2014

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (“the Agreement”), is made this _____ day of December, 2014, by and between the TOWNSHIP OF BLOOMFIELD, a municipal corporation of the State of New Jersey (“Township”) and 110 WASHINGTON STREET ASSOCIATES, a General Partnership organized under the laws of the State of New Jersey (“Redeveloper”).

WITNESSETH:

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.*, as amended and supplemented (hereinafter referred to as the “Redevelopment Law”), provides a process for municipalities to participate in the redevelopment and improvement of parcel(s) of property designated as an “area in need of redevelopment”; and

WHEREAS, pursuant to the Redevelopment Law and after investigation and recommendation by the Township Planning Board, the Township Council designated certain parcels of real property in the Township as an “area in need of redevelopment”, and denominated the area as the “Bloomfield Station Redevelopment Area” (the “Redevelopment Area”), and

WHEREAS, on October 15, 2003, the Township Council adopted Ordinance No. 03-34, which enacted the Bloomfield Station Redevelopment Plan (the “Redevelopment Plan”) to govern the redevelopment of the Redevelopment Area, pursuant to the Redevelopment Law; and

WHEREAS, the Redevelopment Plan has since been amended from time to time; and

WHEREAS, among the parcels in the Redevelopment Area are 128 Washington Street, 118-126 Washington Street, 112-116 Washington Street and 110 Washington Street, which are designated on the tax maps of the Township of Bloomfield as Block 220, Lots 26, 27, 30 and 35, respectively (the “Project Premises”); and

WHEREAS, the Project Premises are situated in a section of the Redevelopment Area which was designated as Parcel 4 by the Redevelopment Plan;

WHEREAS, the Redeveloper is the owner or the contract purchaser of the Project Premises; and

WHEREAS, the Redeveloper filed an application with the Township of Bloomfield Planning Board to develop the Project Premises; and

WHEREAS, the application for development of 151 residential units in two, five story buildings with parking on the ground floor was based on the requirements of the Redevelopment Plan for Parcel 4 (the "Project"); and

WHEREAS, at a hearing held on May 22, 2007, the Planning Board granted Redeveloper preliminary and final site plan approval, variances for front yard setback and maximum lot coverage violations and encroachment of the access drive into a required 25 foot wide greenway and for a waiver of Residential Site Improvement Standards ("RSIS") parking requirements; and

WHEREAS, the Planning Board memorialized its May 22, 2007 decision by resolution adopted on September 11, 2007; and

WHEREAS, among the conditions of approval was the requirement that the Redeveloper enter into a Redevelopment Agreement; and

WHEREAS, Redeveloper intends to seek amended site plan approval which shall entail, *inter alia*, an increase in the number of units to 170; and

WHEREAS, the Redeveloper acknowledges and agrees that the proposed development will comply with all Planning Board resolutions and this Agreement; and

WHEREAS, the Township and the Redeveloper desire to enter into this Agreement for the purpose of setting forth in greater detail their respective undertakings, rights and obligations in connection with the development and construction of the Project.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Township and the Redeveloper, the parties hereto each binding itself, its successors and assigns, as provided for herein, and for the benefit of the parties hereto and the general public, and, further to implement the purposes of the Redevelopment Law and the Redevelopment Plan, the Township and the Redeveloper hereby agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

SECTION 1.1 Definitions. Except as expressly provided herein to the contrary, all capitalized terms used in this Redevelopment Agreement and its Exhibits shall have the following meanings:

“Affiliate” means with respect to any Person, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, the term “Control” is defined below.)

“Agreement” means this Redevelopment Agreement.

“Applicable Law” shall mean any statute, law, constitution, charter, ordinance, resolution, judgment, order, decree, rule, regulation, directive, interpretation, standard or similarly binding authority which, in any case, shall be enacted, adopted, promulgated, issued or enforced by any

Governmental Authority, and/or court of competent jurisdiction that relates to or affects the Parties or either of them, the Redevelopment Project, the Project Premises, the performance by the Parties, or their respective rights under this Redevelopment Agreement.

“Certificate of Completion” means a written certificate issued by the Township in accordance with Section 2.17 of this Agreement.

“Certification of Non-Default” shall have the meaning set forth in Section 2.15 hereof.

“Certificate of Occupancy” shall mean the certificate authorized by N.J.S.A. 52:27D-133 indicating that the relevant construction has been completed in accordance with the construction permit, the State of New Jersey Uniform Construction Code and any other ordinance or regulation implementing the State of New Jersey Uniform Construction Code.

“Commence Construction” (or “Commencement of Construction”) means the initial undertaking by Redeveloper of any demolition or the construction of any Project Improvements, including any and all site preparation or utility improvements.

“Control” (including the correlative meanings of the terms “controlled by” and “under common control with”), shall mean the power to direct the management policies of another Person, through the ownership of at least fifty-one (51%) percent of the voting interests.

“Declaration of Covenants and Restrictions” or “Declaration” is defined in Section 5.2 hereof.

“Disclosure Statement” means the document identifying the holders of all ownership interests in Redeveloper equal to or in excess of ten percent (10%) submitted to the Planning Board pursuant to N.J.S.A. 40:55D-48.1.

“Effective Date” means the date this Agreement is last executed by the authorized representative of the Township, and which date shall be written on the first page of this Agreement.

“Environmental Laws” means any present or future applicable federal, state or local law, rule, regulation, order, ordinance or other requirement dealing with or related to environmental protection and/or human health and safety, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. ' 9601, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. ' 6901, *et seq.*; the Industrial Site Recovery Act, N.J.S.A. 13:1K-6, *et seq.*; the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 *et seq.*; the Underground Storage of Hazardous Substances Act, N.J.S.A. 58:10A-21, *et seq.*; the Water Pollution Control Act, N.J.S.A. 38:10A-1, *et seq.*; and the Solid Waste Management Act, N.J.S.A. 13:1E-1, *et seq.*; and such laws, ordinances, rules, regulations, court orders, judgments and common law which govern (a) the existence, cleanup and/or remedy of contamination on the Property; (b) the protection of the environment from spilled, deposited or otherwise emplaced contamination; (c) the control of hazardous substances or hazardous wastes; or (d) the use, generation, transport, treatment, removal, storage, discharge or recovery of hazardous substances or hazardous wastes, including building materials.

“Force Majeure” shall apply to all time limitations and other obligations and shall mean any acts of God, fire, volcano, earthquake, hurricane, blizzard, infectious disease, technological disaster, catastrophe, large scale infestation of any type, tremors, flood, explosion, release of nuclear radiation, release of biotoxic or of biochemical agent(s), the elements, war, blockade, riots, mob violence or civil disturbance, any act or acts of terrorism or terroristic threat, an

inability to procure goods or services or a general shortage of labor, equipment, facilities, energy, materials or supplies in the open market, failure of transportation, strikes, walkouts, actions of labor unions, governmentally imposed moratoriums, Court orders, laws, rules, regulations or other orders of governmental or public agencies, bodies and authorities or any other similar cause not within the reasonable control of the Redeveloper including legal inability to comply resulting from a change of law with municipal laws regulating land use and construction, any legal requirements under any applicable environmental laws, as well as all known and unknown federal Environmental Protection Agency (EPA) and State of New Jersey Department of Environmental Protection (NJDEP) clearances, approvals or permits typical of the development process, and any unreasonable delays in the Redeveloper's receipt of any necessary Governmental Approvals.

“Foreclosure” means that event in which a Holder forecloses its mortgage secured by the Project Premises, or any part thereof, or takes title to the Project Premises, or any part thereof, by deed-in-lieu of foreclosure or similar transaction.

“Governmental Application(s)” shall mean any and all submissions, supporting documents, reports or other proofs transmitted to any state, federal or local governmental office, agency, authority, department, officer or agent for the purpose of obtaining authorization or approval of any aspect of the Project.

“Governmental Approval(s)” means all necessary reviews, consents, opinions, permits or other approvals of any kind legally required by any federal, state or local Governmental Body or quasi-governmental entity having jurisdiction over any aspect of the development or construction of the Project. A Governmental Approval shall be deemed to have been secured only upon the

lapsing of any applicable appeal period or the resolution in favor of the Redeveloper of any appeal.

“Governmental Authority” means any federal, state, county legislative or executive office or local agency, department, commission, authority, court, or tribunal and any successor thereto, exercising executive, legislative, judicial, advisory or administrative functions of or pertaining to government, including, without limitation, the Township, the County of Essex, the State of New Jersey or the United States of America.

“Governing Body” means the Mayor and Council of the Township of Bloomfield.

“Holder” shall mean the mortgagee or its affiliate to any of the Project Premises.

“Infrastructure Improvements” shall mean any improvement or utility necessitated, associated with, desired or required by the implementation of the Project, which is located on or off the Project Premises, including but not limited to traffic improvements, electric power transmission lines, sewer transmission conduits or pipes, water lines or pipes, stormwater systems, telephone transmission lines, television cable lines and other similar improvements.

“Legal Requirements” means all laws, statutes, codes, ordinances, orders, regulations, resolutions and requirements of any Governmental Body, now or hereafter in effect, and, in each case, as amended from time to time.

“Permitted Transfers” is defined in Section 6.1 hereof.

“Person” means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability entity, urban renewal entity, trust, unincorporated association, institution, public or Governmental Body, or any other entity.

“Plans” shall mean the engineering and architectural plans, and any supporting documentation, including, without limitation, stormwater management studies, submitted to the Planning Board as part of the Redeveloper’s application for preliminary and final site plan approval, as modified during the hearing before the Planning Board and by the memorializing resolution, and any plans and resolution which form the basis of an amended sited plan approval.

“Project” shall mean the redevelopment of the Project Premises consisting of (i) demolition; (ii) site preparation; (iii) obtaining all applicable Governmental Approvals for all Project Improvements; (iv) the construction of all Project Improvements; and (v) the completion of all Project Improvements.

“Project Improvements” shall mean the buildings, Infrastructure Improvements and other improvements comprising the Project as more particularly described in the Plans and shall also include all other structures constructed on or installed upon the Project Premises in accordance with the Plans, including all facilities and amenities shown in such Plans and identified in the Resolution adopted by the Planning Board. As used in this Agreement, the term Project Improvements shall also include all facilities, amenities, on and off street parking, landscaping, fencing and other enhancements required to be made to the Project Premises and to the main thoroughfare streets which are existing or shall be constructed and thereafter dedicated to the Township as well as internal roadways and access points which shall remain vested in the Redeveloper or its successor in interest. All Project Improvements constructed shall be in compliance with Planning Board approval.

“Project Premises” mean 128 Washington Street, 118-126 Washington Street, 112-116 Washington Street and 110 Washington Street, which are designated on the tax maps of the Township of Bloomfield as Block 220, Lots 26, 27, 30 and 35, respectively.

“Redeveloper” shall mean 110 Washington Street Associates, a New Jersey General Partnership, and any permitted assignee or transferee obtaining such interest in the Project Premises, Project Improvements and this Agreement in accordance with the provisions of this Agreement.

“Redeveloper Covenants” is defined in Section 5.1 hereof.

“Redevelopment Agreement” (or “Agreement”) means this Redevelopment Agreement entered into by and between the Township and Redeveloper along with any written amendments, modifications, interpretations, supplements, and exhibits hereto.

“Redevelopment Area” means those parcels of real property located within the Bloomfield Station Redevelopment Area as so designated by the Governing Body as “an area in need of redevelopment” pursuant to the Local Redevelopment and Housing Law, including the resolution adopted by the Mayor and Council reaffirming the redevelopment designation on the basis of a “Supplemental Study” of the Redevelopment Area.

“Redevelopment Law” means the State of New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.*, and any amendments thereto.

“Redevelopment Plan” means the Redevelopment Plan for the Bloomfield Station Redevelopment Area duly adopted by the Township Council on October 15, 2003, pursuant to Ordinance No. 03-34, along with any duly adopted amendments thereto.

“Resolutions” shall mean the memorializing resolution adopted by the Planning Board on September 11, 2007, following the granting of preliminary and final site plan approval and other relief authorizing the development of the Project Premises, and any resolution adopted by the Planning Board memorializing an approval of Redeveloper’s application for amended site plan approval.

“Subcontractor” means a person or organization having a direct or indirect contract with Redeveloper to perform or supply any of the Work, and includes sub-subcontractors.

“Survey” means the standard process by which a qualified land surveyor (licensed to perform such services within the State of New Jersey) selected by the Redeveloper performs measurements of a parcel or parcels of real property in order to ascertain the size and natural features of the property and improvements thereon.

“Tolling Event” is defined in Section 2.19 hereof.

“Transfer” means any transaction by which a Transferee obtains an interest in the Project Premises, the Project Improvements constructed thereupon or in this Agreement by means of methods which include, but are not limited to, conveyance, transfer, lease, encumbrance, acquisition or assignment through sale, merger, consolidation, reorganization, foreclosure or otherwise, including the appointment of a trustee in bankruptcy or assignee for the benefit of creditors.

“Transferee” means any party to whom an interest in the Project Premises or any portion thereof, the Project Improvements constructed thereupon or rights in or under this Agreement is conveyed, transferred, leased, encumbered, acquired or assigned, by sale, merger, consolidation,

reorganization, assignment, foreclosure or otherwise, including a trustee in bankruptcy or assignee for the benefit of creditors.

“Township” means the Township of Bloomfield, Count of Essex, State of New Jersey, which is a municipal corporation organized under the laws of the State of New Jersey.

“Planning Board” means the Planning Board of the Township of Bloomfield.

ARTICLE II

REDEVELOPER’S RESPONSIBILITIES

SECTION 2.1. Redeveloper’s Costs. Redeveloper shall be responsible for all demolition costs, all costs associated with clearing the Project Premises and all costs incurred in implementing the Project. Redeveloper shall also be responsible for the payment of the Township’s professional and legal fees.

SECTION 2.2. Professional Services Fees. With respect to any legal fees incurred by the Township in connection with this Agreement, Redeveloper agrees that payment of such fees shall be taken from the escrow account established by Redeveloper in conjunction with the filing of its application for amended site plan approval. Such fees shall be billed at the municipal rate charged to the Township. These fees shall be in addition to fees and costs charged to the escrow account pursuant to the Municipal Land Use Law.

SECTION 2.3. Project Financing. Redeveloper represents that it will use commercially reasonable efforts to obtain financing for the Project should it determine that such third party financing is fiscally advisable. Redeveloper shall advise the Township of its election to seek such third party financing when such a determination is made. This Agreement is subject to the Redeveloper’s representation that it has or shall obtain sufficient equity capital to perform and

complete the Project or, alternatively, that it has or will have secured sufficient financing from a financial institution to complete the project as the need for such equity capital or financing is required. Redeveloper shall obtain and provide the Township with written proof of conventional financing and/or sufficient equity capital necessary to fund the development and construction of the Project.

SECTION 2.4. Implementation of Project. The Redeveloper is hereby deemed the Redeveloper of the Project Premises. The Redeveloper agrees to construct and install all improvements, including, without limitation, buildings, parking areas, paving, curbs, sidewalks, drainage facilities, water mains, sanitary sewer lines, storm sewers, monuments, street signs, shade trees, fire hydrants, street lighting, underground utilities and grading as may be shown on the Plans, and consistent with the terms and conditions of the Resolution. All work shall be performed in accordance with the terms and conditions of this Agreement, subject to any event(s) of Force Majeure or other Tolling Event, and with the level of skill and care ordinarily exercised by developers of first class residential developments.

Section 2.5. Project Schedule. Prior to the issuance of any permits, the Redeveloper shall provide the Township Engineer with a Project Schedule, which shall provide that all improvements are to be completed within twenty-four (24) months from the Commencement of Construction (the "Completion Date"), unless extended as hereinafter provided. The parties agree and acknowledge that material compliance with the Project Schedule serves the respective interests of both parties. The Redeveloper shall attempt but is not obligated to complete the Project earlier than the time frame set forth herein. If Redeveloper fails to meet the Completion Date or determines that it will be unable to meet the Completion Date, Redeveloper shall

promptly notify the Township stating: (a) the reason for the inability to meet the Completion Date, and (b) Redeveloper's schedule for completing the Project. Upon a showing of good cause that practical considerations, circumstances and/or conditions prevail which make compliance with the Completion Date infeasible or unreasonable, the Redeveloper shall request of the Township an extension of the Completion Date. The Township may grant more than one extension, and each extension shall be for not more than sixty (60) days. The Township's consent to the Redeveloper's request for an extension shall not be unreasonably conditioned, delayed or withheld.

SECTION 2.6. Commence Construction. The Redeveloper shall Commence Construction within ninety (90) days after the Redeveloper's receipt of all necessary Governmental Approvals applicable to the Project. Nothing contained herein shall require the Redeveloper to commence construction of Project Improvements unless and until all necessary Government Approvals are actually secured by Redeveloper.

SECTION 2.7. Governmental Approvals. Redeveloper shall use diligent efforts to secure, or cause to be secured, any and all Governmental Approvals and shall carry out the Project in conformance therewith. Redeveloper shall have the right to appeal a denial or unfavorable ruling as to any Governmental Approval. It is acknowledged by the parties that, as set forth in Section 2.8 hereof, Redeveloper has obtained preliminary and final site plan approval and other relief from the Planning Board for the Project and the time for any appeal has expired without any such appeal having been filed. It is further acknowledged that Redeveloper intends to apply to the Planning Board for amended site plan approval, which, *inter alia*, will seek an increase in the number of units from 151 to 170, and that should such application for amended site plan approval

be granted, Redeveloper shall construct the Project in accordance with such amended approval. Planning Board approval of Redeveloper's amended site plan application, and any other necessary governmental approvals related thereto, shall be deemed Governmental Approvals which Redeveloper must secure prior to the Commencement of Construction. The Township shall fully cooperate with the Redeveloper in obtaining all necessary Governmental Approvals.

SECTION 2.8. Site Plan Approval.

(a) The parties acknowledge that at a hearing held on May 22, 2007, the Planning Board granted Redeveloper preliminary and final site plan approval, variances for front yard setback and maximum lot coverage violations and for encroachment of the access drive into a required 25 foot wide greenway and for a waiver of Residential Site Improvement Standards ("RSIS") parking requirements authorizing the construction of a 151 residential units in two, five story buildings, with ground floor parking. The Planning Board memorialized its May 22, 2007 decision by resolution adopted on September 11, 2007.

(b) Redeveloper intends to file an application with the Planning Board to amend the approvals granted by the Planning Board reflected in the Resolution. The amended plan will increase the number of units from 151 to 170. Redeveloper agrees to construct the Project in accordance with amended site plan approval and the original and amended Resolutions.

SECTION 2.9. Infrastructure Improvements. Redeveloper shall design and construct or cause to be constructed the Infrastructure Improvements, in a good and workmanlike manner and in accordance with all applicable Legal Requirements. Redeveloper shall provide a Maintenance Bond in a form generally acceptable to Governmental Bodies in the State of New Jersey guaranteeing that the Infrastructure Improvements when completed will remain in compliance

with the accepted condition for a period of two (2) years following the date of acceptance. All contractor warranties for the Infrastructure Improvements shall be assigned to Township.

SECTION 2.10. Condition of Site. Upon the Commencement of Construction, Redeveloper shall, to the extent practicable, keep the Project Premises free from any substantial accumulation of debris or waste materials and shall maintain in good condition ingress and egress to the site.

SECTION 2.11. Neighborhood Impacts. Redeveloper and the Township acknowledge that the construction of the Project may have certain impacts on the neighborhoods in the vicinity of the Project. Although it is anticipated that the Project will provide many positive effects on the community, it is also recognized that the Project may result in some temporary inconveniences during the time that construction takes place and potentially for a short time thereafter. As such, the Redeveloper shall make reasonable efforts to minimize any temporary inconveniences that arise, provided that such minimization efforts are within the authority and ability of the Redeveloper.

SECTION 2.12. Traffic Management During Construction. Redeveloper and Township agree that the direction, flow and amount of traffic in and around the Project Premises is an issue to be addressed during the construction of the Project, as well as after its completion. Redeveloper shall exert reasonable efforts to minimize the traffic effects of the Project upon the surrounding neighborhoods. The traffic management responsibility of the Redeveloper during construction shall, at a minimum, consist of maintenance of traffic with a minimum of one lane open on Washington Street at all times for emergency vehicles. Where necessary, steel plates shall be employed to provide for the maintenance of traffic, as directed by the Township Engineer.

Under no circumstances will a street or roadway be completely closed to traffic, without written permission from the Township Engineer, and the Redeveloper upon receiving permission from the Township Engineer, shall notify the Police Department of such closing. Traffic control devices shall conform to the Manual on Uniform Traffic Control Devices-Latest Edition. Access to driveways shall be maintained at all times. No driveways, except to the Project Premises, shall remain blocked overnight. The Redeveloper shall conduct its operations in such manner as to provide safety for all employees on the Project and the public as well. Redeveloper shall provide suitable bridges, barricades, railings, or other protection about open trenches on excavations and any necessary traffic directors, detour signs, yellow lights and danger signals for any obstruction to traffic. Hazard warning lights shall be transistorized, double face, flash type.

All costs related to traffic management and diversion during construction which are directly related to the Project shall be borne by the Redeveloper. Redeveloper shall also take measures necessary to ensure that the improvements on the perimeter of the Project Site shall not be damaged or disturbed, unless in the sound engineering judgment of the Township's Engineer, such disturbance or damage is unavoidable. In instances where such disturbance or damage is unavoidable, the Redeveloper shall be responsible to restore promptly such disturbed or damaged improvement. The Redeveloper commits to follow all applicable construction laws, regulations and standards in the industry to address these concerns and furthermore commits to having a program in place, prior to the Commencement of Construction, to reasonably address such concerns.

SECTION 2.13. Affirmative Action. The Redeveloper shall provide to the Township evidence of its compliance with Affirmative Action Policies as currently in effect in the

Township, and as same may be amended from time to time. Redeveloper shall require any and all vendors, contractors, subcontractors and/or material-men providing goods and/or services in connection with the Project to provide Redeveloper with evidence of compliance with the Township's Affirmative Action Policies and, upon request by the Township, Redeveloper shall provide copies of said evidence to the Township.

SECTION 2.14. Certification of Non-Default. Upon the written request of either party, but not more frequently than quarterly, the Redeveloper or the Township shall deliver to the requesting party within fifteen (15) days after the request, a written instrument duly executed and acknowledged certifying that it is not aware of any condition, event or act which would constitute a violation of this Agreement and setting forth whether or not the other party is in default of this Agreement and if so, stating the nature of such default. It is acknowledged and agreed to by the Redeveloper and the Township that such certification may be relied upon by any financial institution, lender, mortgage assignee, prospective mortgage assignee or prospective purchaser of the Project Premises or any portion thereof. Failure of either party to provide such written instrument, as provided for herein, shall constitute an Event of Default for purposes of Article X of this Agreement.

SECTION 2.15. Certificates of Occupancy. Upon completion of the construction of the Project in accordance with the Plans, the Resolutions, any other Governmental Approvals and this Agreement, the Redeveloper shall apply for and receive a Certificate of Occupancy from the Township.

SECTION 2.16. Certificate of Completion. The completion of the Project shall be evidenced by a certificate ("Certificate of Completion") issued by the Township in recordable

form (i) accepting the terms of a written certification of a duly authorized officer of Redeveloper (“Written Certification”) stating that: (a) the Project Improvements have been completed and all labor, services, materials and supplies used in connection thereto have been paid for (or, if disputed, bonded for) and (b) Redeveloper has materially performed all of its duties and obligations under this Agreement as to the Project; and (ii) accepting the certification of an architect reasonably acceptable to the Township that the Project has been completed. Prior to issuing the Certificate of Completion, the Township may request the advice of the Township and Planning Board engineers as to the compliance of the Project with the terms of the site plan approval for the Project.

The Certificate of Completion shall constitute a recordable conclusive determination of the satisfaction and termination of the agreements and covenants in this Agreement and in the Redevelopment Plan with respect to the Redeveloper's obligation to construct the Project in accordance with Plans and the date for the Commencement of Construction and the Completion Date. Upon issuance of the Certificate of Completion, the conditions determined to exist at the time the Project Premises was determined to be an area in need of redevelopment shall be deemed to no longer exist and the Project Premises and the improvements thereon shall no longer be subject to eminent domain as a result of those determinations.

The Township shall not unreasonably withhold or delay the delivery of the Certificate of Completion. If the Township determines that the Redeveloper is not entitled to a Certificate of Completion, the Township shall, at the written request of the Redeveloper, within thirty (30) days of receipt thereof, provide the Redeveloper with a written statement of the reasons the Township refused or failed to furnish a Certificate of Completion. If the reason for the refusal is confined to

the immediate availability of specific minor finish items, the Township will issue its Certificate of Completion upon the posting of a bond to the extent not covered by existing bonds (or other reasonably satisfactory security) by the Redeveloper with the Township in an amount representing the fair value of the work not yet completed as determined by the Township.

SECTION 2.17. Project Completion Dates. The parties to this Agreement acknowledge that the timely completion of the Project is an essential element of this Agreement and agree to diligently attempt to comply with the Completion Date contained in the Project Schedule, subject to the occurrence of an event of a Tolling Event. In the event of an event of a Tolling Event, Redeveloper may request an extension of the Completion Date not later than thirty (30) days after the occurrence of the event of a Tolling Event. Said request shall not be unreasonably denied by the Township, and each extension shall be for a reasonable period of time in the reasonable discretion of the Township.

SECTION 2.18. Prohibition Against Suspension, Discontinuance or Termination. The Project Schedule shall control the progress and completion of each phase of the overall Project. Redeveloper will make a good faith effort to diligently adhere to the Completion Date set forth in the Project Schedule, subject only to relief resulting from (i) the occurrence of an event of Force Majeure, (ii) an Event of Default by the Township or act or omission of the Township that has a material and adverse effect on the ability of Redeveloper to adhere to the Project Schedule. The occurrence of any of the foregoing reasons shall hereinafter be referred to as a "Tolling Event".

Redeveloper and the Township shall not willfully suspend or discontinue their respective performances of their obligations under this Agreement or terminate this Agreement (other than in the manner provided for herein) for any reason other than a Tolling Event. Any suspension or

discontinuance of the Redeveloper's performance of its obligations under this Agreement shall only be valid to the extent and for the period of time that such performance is limited or prevented as a direct result of such occurrence.

SECTION 2.19. Restoration of Project Improvements. The Township agrees that Redeveloper shall have the right to restore to its original condition any structure or other Improvement that is damaged or destroyed prior to the issuance of a Certificate of Completion, regardless of any change in the Township's rules, regulations or ordinances. Any such restoration must be consistent with this Agreement and the Plans.

SECTION 2.20. Cooperation. Both parties shall fully cooperate with each other as necessary to accomplish the Project, including the good faith negotiation of any additional agreements that may be required in order to effectuate the goals and objectives of this Agreement, provided, however, that such actions shall not result in a material increase in the parties' respective obligations hereunder or a material decrease in the parties' respective rights hereunder.

SECTION 2.21. Term. This Agreement shall become effective upon the Effective Date, and shall remain in full force and effect from such date until the Project has been implemented and completed, as evidenced by the issuance of a Certificate of Completion for the last structure(s), Improvement(s) or Infrastructure Improvement(s), in accordance with the terms of this Agreement, the Redevelopment Plan and the requirements of the approved Plans and any other Governmental Approvals. Upon issuance of the Certificate of Completion, the conditions determined to exist at the time the Subject Premises was determined to be an area in need of redevelopment shall be deemed to no longer exist and the Project Premises and the improvements thereon shall no longer be subject to eminent domain as a result of those determinations.

SECTION 2.22. Fair Housing Act and Council on Affordable Housing Compliance. The Redeveloper shall not be required to construct or designate any residential units of the Project as affordable pursuant to the New Jersey Fair Housing Act, N.J.S.A. 5:27D-301 et seq. (the “Housing Act”), the New Jersey Council on Affordable Housing (hereafter “COAH”), the Township’s Growth Share Ordinance, and other laws, regulations, ordinances, directives and consequent obligations respecting the same or that body of common law otherwise known as Mount Laurel I and II. Moreover, Redeveloper shall not have any other financial obligation with respect to affordable housing, either on the Project Premises or elsewhere within the Township.

ARTICLE III

MORTGAGE FINANCING AND RIGHTS OF MORTGAGEE

SECTION 3.1. Notice to Township. Prior to the completion of the Project as certified by the Township by the issuance of a Certificate of Occupancy and Certificate of Completion, neither the Redeveloper nor any successor in interest to the Project Premises or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Project whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to same, except for the purpose of obtaining funds in connection with the development and construction of the Project. The Redeveloper shall immediately notify the Township if any lien is placed upon the Project Premises which the Redeveloper believes will materially impair the ability to complete the construction of the Project, and shall advise the Township of the steps the Redeveloper will take to resolve and remove the lien. If the Holder of any mortgage obtained by Redeveloper under this Agreement requires any changes or modifications to the terms of this Agreement, the Township shall cooperate with the

Holder and the Redeveloper in reviewing and approving such proposed change(s) or modification(s); provided however, that the Township's cooperation shall be predicated upon its reasonable determination that the proposal, change or modification does not materially alter any of the rights or obligations of the Redeveloper or the Township under this Agreement.

SECTION 3.2. Completion of Project. Notwithstanding any of the provisions of this Agreement, including but not limited to those which are, or are intended to be, covenants running with the land, the Holder of any mortgage (including any such Holder who obtains title to the Project Premises or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other party who thereafter obtains title to the Project Premises or such part from or through such Holder or (b) any purchaser at foreclosure sale other than the holder of the mortgage itself) shall in no way be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such Holder. Except as otherwise provided in Section 3.4 herein, nothing in this Article or any other Article or provision of this Agreement shall be deemed or construed to permit or authorize any such Holder to devote the Project Site or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided or permitted under the Redevelopment Plan and this Agreement.

SECTION 3.3. Notice to Mortgagee. Whenever the Township shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper of its obligations or covenants under this Agreement, the Township shall at the same time forward a

copy of such notice or demand to each Holder at the last known address of such Holder shown in the records of the Township.

SECTION 3.4. Mortgagee's Right to Cure Default and Assume Redeveloper's Obligations. After any breach or default referred to in Section 3.3 above, each Holder shall (insofar as the rights of the Township are concerned) have the right, at its option, but not the obligation, to cure or remedy such breach or default, provided that, if the breach or default is with respect to construction of the Project, nothing contained in this Article or any other Article of this Agreement shall be deemed to permit or authorize such Holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect the Holder's security, including the improvements or construction already begun) without first having been deemed qualified to do so in accordance with the Local Redevelopment and Housing Law, and having expressly assumed the obligation to the Township, by written agreement satisfactory thereto, to complete, in the manner provided in this Agreement the Project on the Project Site or any phase thereof to which the lien or title of the Holder relates. Any Holder who shall properly complete the Project or applicable phase thereof shall be entitled, to receive any and all individual Certificates of Occupancy, the Certificate of Occupancy for the Project, and the Certificate of Completion, as hereinabove set forth herein.

ARTICLE IV

GENERAL REPRESENTATIONS AND WARRANTIES

SECTION 4.1. Representations and Warranties by Redeveloper. Redeveloper hereby represents and warrants the following to the Township for the purpose of inducing the Township

to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the Effective Date of this Agreement:

(a) Redeveloper is a general partnership organized under the laws of the State of New Jersey, is qualified to do business and is in good standing under the laws of the State of New Jersey, and has all requisite power and authority to carry on its business as now and whenever conducted, and to enter into and perform its obligations under this Agreement.

(b) Redeveloper has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which Redeveloper is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder.

(c) This Agreement is duly executed by Redeveloper, and is valid and legally binding upon Redeveloper and enforceable in accordance with its terms. The execution and delivery hereof shall not constitute a default under or violate the terms of any indenture, agreement or other instrument to which Redeveloper is a party.

(d) To the best of the Redeveloper's knowledge, there is no pending or threatened litigation that would prevent Redeveloper from performing its duties and obligations hereunder or have a material adverse effect on the financial condition of Redeveloper. Redeveloper shall notify the Township of any and all litigation that may prevent Redeveloper from performing its duties and obligations hereunder.

(e) To the best of the Redeveloper's knowledge there are no criminal, administrative or other proceedings or investigations pending or threatened against Redeveloper that would have a material and adverse effect on the financial condition of Redeveloper or its members.

(f) To the best of the Redeveloper's knowledge all materials and documentation submitted by Redeveloper and its agents to the Township and its agents were, at the time of such submission, and as of the Effective Date of this Agreement, materially accurate, and Redeveloper shall continue to inform the Township of any material changes in the documentation submitted.

(g) Redeveloper acknowledges the efficacy of the Township's Supplemental Study of the Redevelopment Area, which reaffirmed that the Project Premises satisfied the criteria for an area in need of redevelopment designation as set forth in the Redevelopment Law.

(h) The Disclosure Statement to be submitted to the Planning Board by Redeveloper with its application for amended site plan approval, shall accurately identify by name and home address all Persons holding ownership interests, equitable interests or beneficial interests in the Redeveloper to the extent that such interest exceeds ten percent (10%) and the extent of their respective holdings. Upon any change in the ownership interests of Redeveloper as set forth in the Disclosure Statement or prior to any Permitted Transfer, Redeveloper shall furnish the Township with a revised Disclosure Statement sworn and subscribed to by the Managing Member of the Redeveloper. A revised Disclosure Statement shall comply in all respects with the provisions of N.J.S.A. 40:55D-48.1.

(i) Redeveloper is the owner in fee of Lots 26 and 35 in Block 220 and is party to an executed contract under which it has the right to purchase Lots 27 and 30 in Block 220.

SECTION 4.2. Representations and Warranties by Township. Township hereby represents and warrants the following to Redeveloper for the purpose of inducing Redeveloper to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof:

(a) Township has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which Township is a party, to consummate the transactions contemplated hereby, and to perform their obligations hereunder.

(b) This Agreement is duly executed by Township and is valid and legally binding upon it and enforceable in accordance with its terms on the basis of Legal Requirements presently in effect and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which Township is a party.

(c) Except as disclosed in writing, there is no pending, or to the best of Township's knowledge, threatened litigation that would prevent the Township from performing its duties and obligations hereunder. The Township shall notify the Redeveloper of any and all litigation that may prevent the Township from performing its duties and obligations hereunder.

(d) The Township's original resolution designating the Redevelopment Area and its resolution accepting the findings of the Supplemental Study, the ordinance adopting the Redevelopment Plan and the resolution designating the Redeveloper to serve as developer of the Project Premises were duly adopted by the Governing Body in accordance with the Redevelopment Law and any other Legal Requirements, subject to such rulings as may be issued by a court of competent jurisdiction.

ARTICLE V

REDEVELOPER COVENANTS; DECLARATION OF COVENANTS AND RESTRICTIONS

SECTION 5.1. Redeveloper Covenants. Redeveloper covenants and agrees as follows:

(a) Redeveloper shall carry out the Project in accordance with the provisions of this Agreement, the Plans and all Legal Requirements, including, but not limited to, the Redevelopment Law, all Governmental Approvals and Environmental Laws. Such obligation shall include, but not be limited to, Redeveloper making commercially reasonable efforts to ensure that all consultants, professionals, employees, agents and contractors engaged by Redeveloper or any of Redeveloper's subcontractors shall have the skill and judgment necessary to implement the Project in compliance with the terms and conditions of this Agreement. All activities performed under this Agreement shall be performed in accordance with the level of skill and care necessary so that the Project, upon completion, satisfies the design, materials and quality requirements of all local approvals and this Agreement.

(b) Redeveloper shall undertake with due diligence (i) the financing of the Project, (ii) demolition, (iii) construction and development of the Project, (iv) the commencement and completion of the Project on or prior to the dates set forth in the Project Schedule, (v) the solicitation of tenants and purchasers, as applicable, for the Project Improvements.

(c) In the event Redeveloper wishes to materially change or modify the Project Improvements as set forth in the Plans, the Redeveloper will first obtain the Township's prior written approval and then seek approval for the amended Plans from the Planning Board prior to development of the altered Project Improvements.

(d) Prior to the issuance of a Certificate of Completion for the Project Improvements, Redeveloper shall not use the Project Improvements in a manner that is not consistent with the Redevelopment Plan, the Resolutions and this Agreement.

(e) Prior to the issuance of a Certificate of Completion, Redeveloper shall not use the Project Improvements as collateral for any activity unrelated to this Project.

(f) Redeveloper shall not discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or sex in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project Premises nor shall Redeveloper itself, or any Person claiming under or through Redeveloper, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees on the Project Premises.

(g) Redeveloper shall refrain from restricting the sale, lease, sublease, rental, transfer, use, occupancy, tenure, or enjoyment of the Project Premises (or any part thereof) on the basis of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or sex of any person.

(h) Redeveloper covenants that its undertakings pursuant to this Agreement shall be for the purpose of redevelopment of the Project Premises and not for speculation in land holding.

(i) Prior to the issuance of a Certificate of Completion, Redeveloper shall not, without the prior written consent of the Township: (i) effect or permit any change, directly or indirectly, in the ownership or control of the Redeveloper as set forth in the Disclosure Statement; or (ii) sell, lease, transfer, convey or assign, or agree to sell, lease transfer convey or assign, this

Agreement or any rights herein or in the Project Premises and the Project Improvements.

Notwithstanding the foregoing, the Township's prior approval shall not be required for those transfers defined as "Permitted Transfers" as defined in Section 6.1 hereof.

SECTION 5.2. Declaration of Covenants and Restrictions. Redeveloper shall execute and record one or more Declaration of Covenants and Restrictions, approved by Township ("Declaration") imposing on the Project Premises the Redeveloper Covenants and Restrictions, and the provisions contained in Section 5.1, hereof, and Section 6.1, hereof, relating to Permitted Transfers, all as may be limited by the rights of a Holder granted hereunder.

SECTION 5.3. Effect and Duration of Redeveloper Covenants. It is intended and agreed, and the Deeds for the Project Premises shall so expressly provide, that the Covenants and Restrictions set forth in Section 5.1, hereof shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the Township, its successors and assigns, and any successor in interest to the Project Premises, against the Redeveloper, its successors and assigns and every successor in interest therein, and any party in possession or occupancy of the Project Premises. It is further intended and agreed that the Covenants and Restrictions set forth in Section 5.1 (a) to (e) and Section 5.1 (h) and (i) shall remain in effect until the issuance of a written Certificate of Completion by the Township for either the Project (at which time such covenants and restrictions shall cease and terminate). The parties also agree that the Covenants and Restrictions provided in Sections 5.1 (f) and (g) shall remain in effect without limitation as to time; provided that such covenants and restrictions shall

be binding on the Redeveloper, each successor in interest to the Project Premises, and each party in possession or occupancy, respectively, only for such period as Redeveloper or such successor or party shall have title to, or an interest in, the Project Premises, the Project Improvements and structures thereon, as the case may be.

SECTION 5.4. Enforcement by Township. In amplification, and not in restriction, of the provisions of this Article V, it is intended and agreed that the Township and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Agreement, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall (and the Declaration shall so state) run in favor of the Township for the entire period during which such agreements and covenants shall be in force and effect. The Township shall have the right, in the event of any material breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant maybe entitled.

ARTICLE VI

PERMITTED TRANSFERS

SECTION 6.1. Permitted Transfers. The parties to this Agreement acknowledge that pursuant to Section 5.1(i) hereof, the Redeveloper has covenanted not to (i) effect or permit any change, directly or indirectly, in the ownership or control of the Redeveloper as set forth in the Disclosure Statement; or (ii) consummate or agree to the sale, lease, transfer, conveyance or

assignment of this Agreement or its interest, in whole or in part, in the Project Premises and the Project Improvements without first having obtained the consent of the Township to such transaction, which consent shall not be unreasonably conditioned, delayed or withheld, or a Certificate of Completion for the Project.

Notwithstanding the restrictions contained herein and in Section 5.1(i), hereof, the following transfers are hereby deemed to be "Permitted Transfers", and shall serve as exceptions to the general prohibitions against alienation set forth in this Agreement and shall not require prior approval by Township:

(a) Using the Project Premises as security for, and only for, the purpose of obtaining the financing necessary to enable Redeveloper to perform its obligations under this Agreement, including obtaining financing for the acquisition of any or all of the Project Premises, to construct the Project Improvements, to operate or maintain the Project Premises or any improvements thereon, and for any other purpose authorized by this Agreement;

(b) A mortgage or mortgages and other liens and encumbrances for the purposes of financing costs associated with the acquisition, development, construction and marketing of the Project;

(c) Utility and other development easements;

(d) Environmental covenants and restrictions imposed by a Governmental Authority as a condition of any permit or approval;

(e) The sale or lease of any portion of the Project Premises or Project Improvements, unless any such transaction is contingent upon the issuance of a Certificate of Completion for the Project and complies with all other statutes, regulations and ordinances governing the transaction;

(f) An assignment or transfer of Redeveloper's interest in this Agreement and the Project Premises to an Affiliate, provided that the Affiliate is under the Control of the current majority owners of Redeveloper and provided that such new entity acknowledges that it is subject to the terms of this Agreement and any approvals granted by the Planning Board; and

(g) A transfer of any interest in the Project Premises to a qualified "Urban Renewal" entity, provided that the Urban Renewal entity is under the Control of the current majority owners of Redeveloper and provided that such entity acknowledges that it is subject to the terms of this Agreement and any approvals granted by the Planning Board; and

(h) Any contract or agreement with respect to any of the foregoing exceptions.

SECTION 6.2. Notice of Permitted Transfers. With respect to any of the Permitted Transfers listed in Section 6.1, hereof, Redeveloper shall provide to the Township written notice at least thirty (30) days prior to such Permitted Transfer, which shall include a description of the nature of such Permitted Transfer, the name(s) and home address(es) of the Transferee and all parties, individuals and/or entities which own ten percent (10%) or more of the Transferee. Redeveloper shall also provide the Township with such documentation as is reasonably requested by the Township which demonstrates that the Transferee has assumed all of the Redeveloper's obligations under this Agreement.

Section 6.3. Transfers Void. Any transfer of Redeveloper's interest in violation of this Agreement shall be an Event of Default and shall be null and void *ab initio*. Such default shall entitle the Township to seek all remedies available under the terms hereof, and those available pursuant to law or equity, including, without limitation, termination of this Agreement. No such sale, transfer, conveyance or assignment, even if approved by the Township in writing, shall be

deemed to relieve Redeveloper from any obligations under this Agreement. The Declaration shall contain a restriction against transfers as set forth in Articles V and VI, shall provide that in the event of any attempted transfer in violation of the restrictions against alienation, the Township shall be entitled to the *ex parte* issuance of injunctive relief restraining such transfer, and the award of legal fees and related expenses of the township in connection with any such legal action, which shall have the same force and effect as a Notice of Lis Pendens.

ARTICLE VII

INSPECTIONS, MAINTENANCE BONDS, INSURANCE AND INDEMNIFICATION

SECTION 7.1. Inspections. All Project Improvements shall be subject to the inspection and approval of the Township Engineer and/or the Township Construction Official, as appropriate. The Township Engineer shall be notified by the Redeveloper at least twenty-four (24) hours prior to the start of construction of any improvement. No underground installation shall be covered until inspected and approved by the Township Engineer. The Township shall inspect any underground installation upon 24 hours notice to the Redeveloper, excluding Saturday, Sundays and Holidays. The Township Construction Official shall prohibit Redeveloper from proceeding on any further work and shall not issue any additional permits of any kind unless compliance with this requirement is strictly adhered to. The Redeveloper shall provide safe access at all times for inspections by Township personnel.

SECTION 7.2. Inspection Fees. In accordance with N.J.S.A. 40:55D-53(h), Redeveloper shall submit to the Township a deposit for inspection fees of two and one-half percent (2.5%) of the cost of improvements as calculated by the Township Engineer. The Township shall be

reimbursed for the actual cost of the inspections, and such costs shall be calculated and assessed pursuant to N.J.S.A. 40:55D-53.2.

SECTION 7.3. Indemnification of Township. Redeveloper shall hold the Township, its officers, agents and servants harmless and indemnify it from any claims arising out of the work provided for in this Agreement, including any alleged damage to adjacent property as well as the defense of any such claims, which the Redeveloper shall insure against.

SECTION 7.4. Maintenance Bond. Redeveloper, upon completion of all improvements, shall deliver to the Township a two (2) year Surety Maintenance Bond in the amount of fifteen percent (15%) of the cost of the improvements, issued by a surety company satisfactory to the Township Attorney. The Maintenance Bond shall cover all improvements constructed by Redeveloper in connection with Plans. The Maintenance Bond shall comply with Article VII of the Township=s Land Development Ordinance.

SECTION 7.5. Issuance of Construction Permits. The Township shall direct the issuance of construction permits only after the Developer has submitted to the Township the following:

- (a) A Project Schedule;
- (b) A Performance Guaranty or irrevocable letter of credit in the amount of one hundred percent (100%) of the total cost of the Improvements; and
- (b) The deposit for inspection fees equal to two and one-half percent (2.5%) of the estimated cost of the Improvements.

SECTION 7.6. Escrow Deposits. The Township shall deposit all escrow monies in a banking institution or savings and loan association in the State of New Jersey insured by an agency of the Federal Government, or in any other fund or depository approved for such deposits

by the State of New Jersey, in an account bearing interest at the minimum rate currently paid by the institution or depository on time or savings deposits. The Township shall notify Developer in writing of the name and address of the institution or depository in which the deposit is made and the amount of the deposit. The Township shall not be required to refund any amount of interest paid on a deposit which does not exceed \$100.00 for the year. If the amount of interest exceeds \$100.00, it shall be refunded to the Developer by the Township when the deposit is repaid or applied to the purposes for which it was deposited, as the case may be; except that the Township may retain for administrative expenses a sum equivalent to no more than 33.3% of that entire amount, which shall be in lieu of all other administrative and custodial expenses.

SECTION 7.7. Insurance. (a) The Redeveloper, as well as any subcontractors retained by the Redeveloper to install any and all Project Improvements as described herein, shall maintain insurance as follows:

(i) Prior to the commencement of construction, the Redeveloper shall furnish or shall cause to be furnished, to the Township, duplicate originals of commercial general liability insurance, insuring the Township against losses, costs, liabilities, claims, causes of action and damages for bodily injury and property damage on the Project Premises, on adjoining or adjacent land or caused by construction of the Project Improvements, in the amount of at least Five Million Dollars (\$5,000,000.00) combined single limit coverage. Such insurance shall include blanket contractual liability coverage. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, including, but not limited to, claims of subcontractors, however occasioned, occurring during the policy term, shall be endorsed to add the Township as an additional insured, and to provide that such coverage shall be primary and that

any insurance maintained by the Township shall be excess insurance only. Such coverage shall be endorsed to waive the insurer's rights of subrogation against the Township;

(ii) Builder's Risk Insurance for the benefit of the Redeveloper, during the term of construction, sufficient to protect against loss or damage resulting from fire and lightning, the standard extended coverage perils, vandalism, and malicious mischief. The limits of liability will be equal to one hundred percent (100%) of the replacement cost (to current building code) of the Project Improvements, including items of labor and materials connected therewith, whether in or adjacent to the structure(s) insured, and materials in place or to be used as part of the permanent construction;

(iii) Redeveloper shall also furnish or cause to be furnished to the Township evidence satisfactory to the Township that the Redeveloper and any contractor with whom it has contracted for the construction of the Project Improvements carries workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits, and shall be endorsed with a waiver of subrogation clause for the Township; and

(iv) Until the completion of the Project Improvements and the retirement of the Maintenance Bond, Redeveloper or any tenant in occupancy shall maintain casualty insurance naming the Township as an additional insured in an amount sufficient to cover full replacement cost of the Improvements, with evidence of such insurance provided to the Township.

(b) All insurance policies required by this section shall be obtained from insurance companies licensed in the State of New Jersey and rated at least A++ in Best's Insurance Guide or such lesser rated provider that is proposed by the Redeveloper and is reasonably acceptable to the

Township. All insurance policies required hereunder shall be kept in force until a Certificate of Completion is issued.

(c) All insurance policies required by this Section shall be nonassessable and shall contain language to the effect that (i) the policies are primary and noncontributing with any insurance that may be carried by the Township, (ii) the policies cannot be canceled or materially changed except after thirty (30) days written notice by the insurer to the Township, and (iii) the Township shall not be liable for any premiums or assessments. All such insurance shall have deductibility limits reasonably satisfactory to the Township and shall contain cross liability endorsements.

SECTION 7.8. Submission of "As Built" Survey. Redeveloper shall submit an "as built" survey to the Township Engineer for review and approval at such time as the Engineer shall determine.

SECTION 7.9. Return of Performance Guarantee. The Redeveloper's Performance Guarantee shall not be released until all of the terms of this Agreement are fully complied with by the Redeveloper and accepted by the Township Engineer.

SECTION 7.10. Reduction in Performance Guarantee. The Redeveloper may seek reduction of the Performance Guarantee in accordance with N.J.S.A. 40:55D-53, but such request by Redeveloper shall be made not more frequently than at six-month intervals. It is specifically understood and agreed by Redeveloper that a reduction in the amount of total bonds due hereunder will not constitute an acceptance or approval of any improvements or parts thereof. Upon Redeveloper's completion of all items of improvement delineated herein, which are

inspected and approved by the Township, formal acceptance of said improvements will be acted upon by the Township.

SECTION 7.11. Conformance with Applicable Law. The Redeveloper shall comply with all appropriate Federal and state statutes, rules and regulations, and county and municipal ordinances, in regard to its performance under this Agreement.

ARTICLE VIII

CONSTRUCTION OF IMPROVEMENTS

Section 8.1.1. Site Work. Regarding the improvements to be made by Redeveloper to the Project Premises, Redeveloper shall meet the following conditions:

- (a) Redeveloper shall not remove any top soil from the site unless authorized by the Township Engineer;
- (b) No dumping in the form of a sanitary landfill shall be allowed on the Project Premises. Temporary dumping upon the surface of the land during confined periods of construction at specific locations for inorganic and inert construction debris shall be allowed with prior approval of the Township Engineer, which approval may be withdrawn for health reasons. Prior to withdrawing said approval, the Township Engineer shall notify Redeveloper of the problems and Redeveloper shall have a reasonable time to cure said problems; and
- (c) Should any land be stripped and/or cleared in preparation for construction, and thereafter the construction is not commenced within a reasonable time, with any such delay causing drainage or dust problems, Redeveloper shall cause, at its own expense, the exposed land to be drained, re-graded, stabilized, planted or take such other similar action as may be reasonably necessary to abate the problem.

SECTION 8.2. Conformance with Terms of Approval. The construction of all buildings and all facilities in connection therewith shall be in accordance with the Plans, the Resolutions and this Agreement, and the following conditions shall be met:

- (a) Water system improvements shall be in accordance with Township specifications;
- (b) The Redeveloper shall prepare and obtain all necessary permits from the Township, the Passaic Valley Sewage Commission, the NJDEP, the Hudson/Essex/Passaic Soil Conservation District and all other governmental authorities having jurisdiction thereof in accordance with the procedures and specifications established by each such entity. The Redeveloper shall retain a licensed professional engineer for all applications and related certifications necessary to obtain such permits;
- (c) The Redeveloper's engineer shall provide a certification to the appropriate governmental authorities that the sanitary sewer system was constructed in accordance with the approved plans and specifications and with the permits issued to the Redeveloper.

ARTICLE IX

PAYMENTS IN LIEU OF TAXES

SECTION 9.1. Abatements and Exemptions. The Redeveloper or any one of its related or affiliated entities may request that the Township agree to grant tax abatements or exemptions pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, *et seq.*, or pursuant to the Five Year Exemption and Abatement Law, N.J.S.A. 40A:21-1, *et seq.* and Chapter 520 of the Township Code, as hereafter may be amended from time to time. Nothing herein shall be deemed to commit the Township to granting Redeveloper either a tax exemption or tax abatement. The

decision to grant an exemption or abatement shall be at the Township's discretion, consistent with the rights granted to it by the above referenced statutes and ordinance.

ARTICLE X

DEFAULT

SECTION 10.1. Events of Default. Prior to the completion of the Project and the issuance of a Certificate of Completion, each of the following shall be an "Event of Default":

(a) If the Redeveloper fails to pay any fees required by this Agreement, or fails to stay current in its payment of taxes, water and sewer charges and other municipal assessments, or permits an encumbrance or lien to be placed of the Project Premises which is not permitted by this Agreement, and the payment is not made or the lien or encumbrance removed within thirty (30) days after Redeveloper receives a written demand from the Township to do so; or

(b) Redeveloper consummates or agrees to a transfer of its rights under this Agreement and the Resolutions other than a Permitted Transfer, without first obtaining the Township's written consent, and said violation is not cured within sixty (60) days after Redeveloper's receipt of a written demand from the Township to do so; or

(c) If any guarantee posted by the Redeveloper pursuant to the terms of this Agreement expires prior to the compliance by the Redeveloper with all the terms of this Agreement and the requirements of the Township's Ordinances, or if the Redeveloper fails to provide instruments or binding written documents which obligate Redeveloper, the issuing bank, depository, surety or similar parties to notify the Township at least sixty (60) days prior to the expiration of any guarantee or similar security furnished to the Township pursuant to the terms of this Agreement,

and the required guarantee or instruments are not supplied within thirty (30) days of Redeveloper's receipt of a written demand from the Township to do so; or

(d) The Redeveloper fails to complete the aforementioned work in a satisfactory manner within twenty-four (24) months of the Commencement of Construction, or the Redeveloper abandons or substantially suspends work, unless the suspension is due to a Tolling Event or other permitted delay under this Agreement, and Redeveloper fails to obtain an extension of this Agreement from the Township Council or cure any such violation within ninety (90) days of its receipt of a written demand from the Township to do so; or

(e) If the Redeveloper (i) is dissolved; or (ii) files a voluntary petition in bankruptcy or for reorganization or for an arrangement pursuant to the Bankruptcy Act or any similar law, federal or state, now or hereafter in effect; or (iii) makes an assignment for the benefit of creditors; or (iv) admits in writing its inability to pay its debts as they become due; or (v) suspends payment of its obligations; or (vi) takes any action in furtherance of the foregoing; or (vii) consents to the appointment of a receiver; or (viii) files an answer to an involuntary petition which consents to the adjudication of Redeveloper as bankrupt or its reorganization pursuant to the Bankruptcy Act or any similar law, federal or state, now or hereafter in effect, and the filing is approved by a court of competent jurisdiction and the order approving the same is not vacated or set aside or stayed within ninety (90) days from entry thereof; or (ix) consents to the filing of an involuntary petition or answer thereto; or

(f) If either party commits a material breach of this Agreement other than those set forth elsewhere in this Section 10.1 and fails to cure said breach within sixty (60) days of the breaching party's receipt of a written demand to do so from the other party.

SECTION 10.2. Remedies in the Event of Default. (a) Upon the occurrence of any Event of Default by the Redeveloper, and subject to the rights of any Holder as set forth in Article III, hereof, the Township shall have the right to the following:

(i) Termination of this Agreement, in whole or in part, upon expiration of the applicable cure period with respect to the relevant phase of the overall Project or to otherwise dedesignate the Redeveloper.

(ii) The withholding of the issuance of any Certificate(s) of Occupancy and/or Certificate of Completion as to the overall Project until the Event of Default has been cured.

(iii) To declare and direct the appropriate Township official to enforce the forfeiture of the performance guarantees if such Event of Default is with respect to an obligation for which such performance guarantee was furnished.

(iv) To issue a stop work order requiring all work on the Project to cease.

(v) All other remedies stated elsewhere in this Agreement and at law or in equity.

(b) In the event the Township fails to cure an Event of Default on the part of the Township, the Redeveloper shall be entitled to terminate this Agreement or any portion thereof and pursue all remedies available to it in law or in equity.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. Extensions of Time. Any time extensions requested under the terms of this Agreement must be obtained from the Township Council, and prior to any extensions, all

bonds and insurance certificates must be updated and approved by the Township Attorney. In addition, all taxes, charges and fees must be current with the Township.

SECTION 11.2. Incorporation of Resolutions. The Redeveloper hereby recognizes and acknowledges that this Agreement incorporates by reference all conditions placed upon the Plans by the Township Planning Board in its Resolutions, including, without limitation, the granting to the Township of an easement for access to Tony's Brook.

SECTION 11.3. Advice of Counsel. The Redeveloper has entered into this Agreement based upon the advice of independent counsel.

SECTION 11.4. Amendments. Neither this Agreement nor any provision hereof shall be amended, waived or modified, or deemed amended, waived or modified except by an Agreement in writing, identifying each particular provision amended, waived or modified, or deemed amended, or modified, and duly subscribed and acknowledged by both parties with the same formality as this Agreement except as expressly provided herein. No oral representation shall constitute an amendment, waiver or modification even if substantially and detrimentally relied upon. Any waiver by either party of any provision of this Agreement or any right or option hereunder shall not prevent or stop such party from thereafter enforcing such provision, right or option, and the failure of either party to insist in any one or more instances upon the strict Performance of any of the terms or provisions of this Agreement by the other party shall not be construed as a waiver or relinquishment for the future of any such term or provision, but the same shall continue in full force and effect.

SECTION 11.5. Notices. Formal notices, demands and communications between the Township and Redeveloper as required under this Agreement shall be delivered by registered or

certified mail, postage prepaid, return receipt requested, overnight mail, electronically or facsimile and shall be deemed delivered upon receipt. Any notice delivered electronically or by facsimile shall be immediately followed by service sent by a commercial overnight delivery service with package tracking capability and for which proof of delivery is available. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by written notice. Copies of all formal notices, demands and communications shall be sent as follows:

If to Redeveloper:

110 Washington Street Associates, a New Jersey General Partnership

With a copy to:

Calvin O. Trevenen, Esq.
Ashenfelter, Slous, McDonough & Trevenen, LLP
363 Bloomfield Avenue, Suite 2C
Montclair, NJ 07042

If to the Township:

Hon. Michael J. Venezia, Mayor and
Ted Ehrenburg, Township Administrator
Township of Bloomfield Municipal Building
Municipal Plaza
Bloomfield, New Jersey 07003

With a copy to:

Brian J. Aloia, Esq.
Department of Law
Township of Bloomfield Municipal Building
Municipal Plaza
Bloomfield, New Jersey 07003

The parties agree that each will notify the other of any changes of address and/or telephone number within at least five (5) days of such event.

SECTION 11.6. Non-Liability of Officials and Employees of Township. No member, official or employee of Township shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by Township, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Agreement.

SECTION 11.7. Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of Redeveloper shall be personally liable to the Township, or any successor in interest, in the event of any default or breach by Redeveloper or for any amount which may become due to the Township, or its successor, on any obligation under the terms of this Agreement.

SECTION 11.8. Provisions Not Merged With Deeds. To the extent that the provisions of this Agreement are intended to bind Redeveloper's assigns and successors, its provisions shall not be merged by reason of any deeds transferring title to any portion of the Redevelopment Area from Redeveloper or any successor in interest, and any such deeds shall not be deemed to affect or impair the provisions and covenants of this Agreement.

SECTION 11.9. No Financial Consideration For Redevelopment Agreement. Except as set forth in Section 2.2, hereof, Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration in connection with obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has

not paid or incurred any obligation to pay any officer or official of the Township, any money or other consideration for or in connection with this Agreement.

SECTION 11.10. Severability. In case any provision of this Agreement should be held by a court of competent jurisdiction to be contrary to or invalid under the laws of the State of New Jersey or other applicable jurisdiction, such illegality or invalidity shall not affect in any way any other provision hereof, all of which shall continue, nevertheless, in full force and effect, unless a court of competent jurisdiction holds (a) that such provisions are not severable from all other provisions of this Agreement or (b) that the invalidity of the affected provisions materially alters the substance of this Agreement.

SECTION 11.11. Modification of Agreement. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing, duly authorized, and signed by the parties hereto.

SECTION 11.12. Execution of Counterpart. This Agreement may be executed in one or more counterparts. This Agreement shall become binding on the parties and such counterparts shall constitute one and the same instrument, upon the Effective Date as defined within this Agreement.

SECTION 11.13. Drafting Ambiguities; Interpretation. In interpreting any provision of this Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that counsel for one of the parties drafted this Agreement, each party acknowledging that it and its counsel have had an opportunity to review this Agreement and have contributed to the final form of same.

SECTION 11.14. Waivers and Amendments in Writing. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of Township and Redeveloper and all amendments hereto must be in writing and signed by the appropriate authorities of Township and Redeveloper. The waiver by either party of a default or of a breach of any provision of this Agreement by the other party shall not operate or be construed to operate as a waiver of any subsequent default or breach.

SECTION 11.15. Conflict of Interest. No member, official or employee of Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law.

SECTION 11.16. Withholding of Approvals. All approvals, consents and acceptances required to be given or made by any person or party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

SECTION 11.17. Recitals Incorporated; Definitions Incorporated. The Recitals to this Agreement and the Definitions contained within this Agreement are hereby incorporated by reference into this Agreement, as if set forth at length.

SECTION 11.18. Governing Law. This Agreement shall be governed by and construed in accordance with the applicable laws of the State of New Jersey.

SECTION 11.19. Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the parties, their heirs, executors, administrators and assigns and may be recorded in the Office of the Essex County Clerk.

SECTION 11.20. Entire Document. This Agreement and all documents executed simultaneously herewith contain the entire Agreement of the parties. Except as otherwise

provided herein, each of the respective rights and obligations of the parties hereunder shall be deemed independent and may be enforced independently, irrespective of any of the other rights and obligations set forth herein.

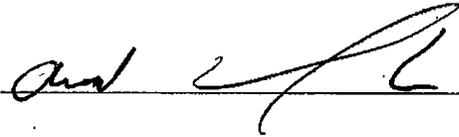
IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed and sealed the day and year first above written.

ATTESTED:

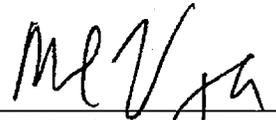


Louise M. Palagano, Clerk

110 WASHINGTON STREET ASSOCIATES,
A New Jersey General Partnership

By: 

TOWNSHIP OF BLOOMFIELD

By: 

Michael J. Venezia, Mayor