

**FINANCIAL AGREEMENT FOR  
LONG TERM TAX EXEMPTION**

by and between

**CITY OF LAMBERTVILLE**

and

**LAMBERTVILLE URBAN RENEWAL, LLC**

**THIS FINANCIAL AGREEMENT**, is made as of the \_\_\_\_ day of December, 2021 ("Effective Date"), by and between the **CITY OF LAMBERTVILLE**, with offices at 18 York Street, Lambertville, New Jersey 08530 (the "City") and **LAMBERTVILLE URBAN RENEWAL, LLC**, with an address at 2 Hennessey Boulevard, Atlantic Highlands, New Jersey 07716 (hereinafter referred to as the "**Redeveloper**"), and together with the City, the "**Parties**").

**W I T N E S S E T H:**

**WHEREAS**, on July 23, 2020, by Resolution No. 95-2020, the Governing Body (the "**Governing Body**") of the City, pursuant to and in accordance with the requirements of the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1, et seq.* (the "**Redevelopment Law**"), designated the properties identified on the tax map of the City as Block 1003, Lot 3, as a Non-Condensation Area In Need Of Redevelopment (the "**Redevelopment Area**"); and

**WHEREAS**, on December 17, 2020, the Governing Body adopted Ordinance 18-2020 enacting a redevelopment plan for the Redevelopment Area entitled the *Police Station Tract Redevelopment Plan* (the "**Redevelopment Plan**"); and

**WHEREAS**, the Redeveloper is the contract purchaser of the Redevelopment Area, identified as Block 1003, Lot 3 on the official tax map of the City, and described by those certain metes and bounds attached hereto as **Exhibit A** (hereinafter, the "**Property**"); and

**WHEREAS**, the Redeveloper is the contract purchaser of the Property; and

**WHEREAS**, in order to implement the development, financing, construction, operation and management of the Project as defined below, the City entered into a redevelopment agreement with the Redeveloper dated December \_\_, 2021 (the "**Redevelopment Agreement**"), which Redevelopment Agreement specifies the rights and responsibilities of the City and Redeveloper with respect to certain aspects of the Project (as hereinafter defined); and

**WHEREAS**, the Redevelopment Agreement sets forth the terms and conditions by which the Redeveloper will redevelop the Property with a four (4) story residential building containing twenty-seven (27) residential units, five (5) of which shall be affordable housing units as well as certain other on-site improvements, including forty-six (46) parking spaces (collectively, together with any improvements and any other actions described in the Redevelopment Agreement related to such development, the "**Project**," as more fully described in **Exhibit B** hereto); and

**WHEREAS**, the Redeveloper applied to the Governing Body for a long-term tax exemption pursuant to the Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1, et seq.* (the "**Long Term Tax Exemption Law**"), which application is annexed hereto as **Exhibit C** (the "**Application**"); and

**WHEREAS**, pursuant to and in accordance with the provisions of the Redevelopment Law and the Long Term Tax Exemption Law, the City is authorized to provide for a tax exemption within a redevelopment area and for payments in lieu of taxes ("**PILOTS**") in accordance with

certain applicable provisions of the Long Term Tax Exemption Law; and

**WHEREAS**, pursuant to Ordinance \_\_\_\_\_, adopted by the Governing Body on December \_\_, 2021 (the “**Ordinance**”), the Governing Body approved the Application and authorized the execution of a financial agreement setting forth the terms of the long-term tax exemption (the “**Financial Agreement**”); and

**WHEREAS**, pursuant to this Financial Agreement, the City and the Redeveloper desire to set forth in detail their mutual rights and obligations with respect to the tax exemption; and

**WHEREAS**, the Governing Body has reviewed the Application and has made the following findings:

A. **Benefits of Project v. Costs.**

i. The development and construction of the Project as set forth in the Redevelopment Agreement and Redevelopment Plan will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the City.

ii. It is anticipated that the development of the Project will create approximately 80-100 construction jobs over the duration of the construction of the Project, as well as 1-2 full-time permanent jobs in connection with the Project.

iii. In 2021, the Property, which was municipally owned and therefore tax exempt, generated \$0 in total real estate taxes to all government units. Pursuant to this Financial Agreement, the Project is projected to generate municipal revenue of approximately \$64,886.00 in the first year and approximately \$4,532,457.00 over the term of this Agreement. The City has determined that the benefits to the City accruing as a result of the Project, including the revitalization of the Redevelopment Area, and the generation of jobs as described above, will substantially outweigh any costs to the City resulting from the long term tax exemption granted herein.

B. **Importance of Long Term Tax Exemption.**

The Governing Body’s approval of the Long Term Tax Exemption set forth herein is essential to the success of this Project because:

i. The relative stability and predictability of the Annual Service Charge (as defined herein) associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project.

ii. The relative stability and predictability of the Annual Service Charge will allow the Redeveloper to offer competitive market rents while providing a high level of maintenance for the Project.

**NOW, THEREFORE**, in consideration of the above recitals and the mutual promises, covenants and undertakings contained herein, and for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Seller and the Purchaser, the Parties hereby agree as follows:

## **ARTICLE I**

### **GENERAL PROVISIONS**

**Section 1.01 Governing Law.** This Financial Agreement shall be governed by the provisions of (a) the Long Term Tax Exemption Law, the Act and such other statutes as may be the sources of relevant authority, and (b) the Ordinance. It is expressly understood and agreed that the City 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 meaning assigned to such term in the preambles hereof:

**Agreement/Financial Agreement**  
**Application**  
**City**  
**Governing Body**  
**Long Term Tax Exemption Law**  
**Ordinance**  
**Parties**  
**PILOTs**  
**Project**  
**Property**  
**Redeveloper**  
**Redevelopment Agreement**  
**Redevelopment Area**  
**Redevelopment Law**  
**Redevelopment Plan**

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

**Administrative Fee:** As defined in Section 4.10.

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

**Allowable Profit Rate:** The greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) to the annual interest percentage rate payable on the Redeveloper'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 twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) per annum to the interest rate per annum that the City determines to be the prevailing rate of mortgage financing on comparable improvements in the county. The provisions of *N.J.S.A. 40A:20-3(b)* are incorporated herein by reference.

**Annual Gross Revenue:** The Annual Gross Revenue shall be calculated as set forth within *N.J.S.A. 40A:20-3(a)*. Annual gross ordinary income received by the Redeveloper and derived from or generated by the Project, specifically excluding, without limitation, extraordinary items, condemnation awards, insurance proceeds, gains from sales, transfers, or assumption of the Project or any part thereof, proceeds of any financing or refinancing, proceeds from any disposition of a partner or a partner's interest in the Redeveloper or any successor Redeveloper.

**Annual Service Charge:** The amount the Redeveloper has agreed to pay the City pursuant to Article IV herein with respect to the Land and Improvements, which: (a) Redeveloper has agreed to pay in part for municipal services supplied to the Project, (b) is in lieu of any taxes on the Improvements pursuant to *N.J.S.A. 40A:20-12*, (c) shall be paid on the Annual Service Charge Payment Dates, and (d) shall be prorated in the year in which this Agreement begins and the year in which this Agreement terminates.

**Annual Service Charge Payment Dates:** February 1, May 1, August 1 and November 1 of each year commencing after the date that a Certificate of Occupancy is issued for the Project and ending on the Termination Date.

**Annual Service Charge Start Date:** shall mean, with respect to the Project, the earlier of Substantial Completion or the date that the Project or any portion thereof, as applicable, receives a Certificate of Occupancy, and shall be the date upon which the Annual Service Charge begins to accrue.

**Applicable Law:** All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable to the Project including, but not limited to, the Act, the Long Term Tax Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages

**Application** – shall mean collectively, the applications, as supplemented, filed by the Redeveloper pursuant to *N.J.S.A. 40A:20-8* with the Mayor of the City for a long-term tax exemption for the Project, attached hereto as **Exhibit C**.

**Auditor's Report** – shall mean 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:20-3(c)*. The

contents of the Auditor's Report shall have been prepared in conformity with Generally Accepted Auditing Standards. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

**Certificate of Occupancy:** shall mean a temporary or permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, as issued by the City authorizing occupancy of a building, in whole or in part, pursuant to *N.J.S.A. 52:27D-133*.

**Chief Financial Officer:** The City's chief financial officer.

**Completion, Complete or Completed** – shall mean, with respect to the Project, (a) all work related to the Project in its entirety or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with the Redevelopment Agreement and in compliance with Applicable Laws so that (i) the Project in its entirety may, in all respects, be used and operated under the applicable provisions of the Redevelopment Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed; (b) all permits, licenses and approvals that are required can be issued for the Project in its entirety or such other work or action to which such term is applied are in full force and effect; and (c) such “completion” has been evidenced by a written notice provided by the Redeveloper with respect to the Project, which determination is reasonably acceptable to the City.

**County** – shall mean the County of Hunterdon.

**County Share** – shall mean the first five percent (5%) of the Annual Service Charge received by the City, which shall be payable to the County in accordance with the provisions of *N.J.S.A. 40A:20-12*.

**Default:** A breach or the failure to perform any obligation imposed by the terms of this Agreement, or under Applicable Law.

**Disclosure Statement** – shall be as defined in Section 6.02(b).

**Exhibit(s)** – shall mean any exhibit attached hereto, which shall be deemed to be a part of this Financial Agreement, as if set forth in full in the text hereof.

**Improvements** – shall mean any building, structure or fixtures which are permanently affixed to the Land as part of the Project and become incorporated therein, which improvements are recognized and exempted from taxation under this Agreement.

**In Rem Tax Foreclosure** – shall mean a summary proceeding by which the City may enforce the lien for taxes due and owing by a tax sale. Said foreclosure is governed by *N.J.S.A. 54:5-1 et seq.*

**Land** – shall mean the real property, but not the Improvements, known as Block 1003, Lot 3, all as set forth on the tax maps of the City, and more particularly described by the metes and

bounds description set forth as **Exhibit A** to this Agreement and to be exempt hereunder.

**Land Taxes** – shall mean the amount of taxes assessed on the value of the Land upon which the Project is located.

**Land Tax Payments** – shall mean payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector.

**Material Conditions** – shall be as defined in Section 4.05 herein.

**Minimum Annual Service Charge** – shall be the amount of the total taxes levied against the Property in the last full tax year in which the Property was subject to taxation.

**Net Profit** – shall mean the Gross Revenue of the Redeveloper pertaining to the Project less all operating and non-operating expenses of the Redeveloper, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A. 40A:20-3(c)*. Without limiting the foregoing, included in expenses shall be payments of principal and interest made by the Redeveloper in an amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the exemption granted pursuant to this Agreement as well as all other expenses permitted under the provisions of *N.J.S.A. 40A:20-3(c)*.

**State** – shall mean the State of New Jersey.

**Substantial Completion** – shall mean the date the work related to the Project, or any portion thereof, is sufficiently complete in accordance with the Redevelopment Plan and the Redevelopment Agreement so that the Project, or any portion thereof, may be occupied or utilized for the use for which it is intended. The issuance of a temporary Certificate of Occupancy shall be conclusive proof that the Project, or any portion thereof, has reached Substantial Completion.

**Tax Assessor** – shall mean the City tax assessor.

**Tax Collector** – shall mean the City 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.

**Term** – shall be as defined in Section 3.01 of this Agreement.

**Termination** – shall mean the expiration of the term of this Agreement in accordance with Section 3.01 hereof which by operation of the terms of this Financial Agreement shall cause the relinquishment of the Tax Exemption applicable to any Improvement.

**Total Project Cost** – shall have the meaning applied to such term in, and shall be construed in accordance with, the Exemption Law, specifically *N.J.S.A. 40A:20-3(h)*.

**Section 1.03 Interpretation and Construction.** In this Financial Agreement, unless the

context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Financial Agreement, refer to this Financial Agreement, and the term “hereafter” means after, and the term “heretofore” means before the date of delivery of this Financial 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 Financial 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 Financial Agreement, nor shall they affect its meaning, construction or effect.

(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, in writing and within a reasonable time, which shall not be less than fifteen (15) days nor more than thirty (30) days, unless applicable law dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the parties hereto.

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

## **ARTICLE II**

### **BASIS OF AGREEMENT**

**Section 2.01** Covenant of Tax Exemption. The City hereby grants its approval for a tax exemption for the Land and Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Long Term Tax Exemption Law. Pursuant to the Ordinance, the Land and Improvements to be constructed and maintained by the Redeveloper shall be exempt from taxation as provided for herein.

**Section 2.02** Representations of Redeveloper. Approval is granted to the Redeveloper, the Certificate of Formation for which is included in the Application as Exhibit 2. The Redeveloper represents that its Certificate of Formation, (i) contains all the requisite provisions of

law, (ii) has been reviewed and approved by the Commissioner of the State Department of Community Affairs, and (iii) has been filed with, as appropriate, the State Department of Treasury, all in accordance with *N.J.S.A.* 40A:20-5.

**Section 2.03 Construction of the Project.** The Redeveloper represents that it will construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan, as may be amended from time to time, and Applicable Law, the use of which is more specifically described in the Application. The Redeveloper further represents that the estimated cost of construction of the Project is as provided in its certification, a copy of which is included in the Application as Exhibit 11.

**Section 2.04 Construction Schedule.** The Redeveloper agrees to diligently undertake to commence construction and complete the Project in accordance with the construction schedule set forth in the Redevelopment Agreement (therein referred to as the *Project Schedule*), as such schedule may be amended from time to time in accordance with the terms of the Redevelopment Agreement.

**Section 2.05 Ownership, Management and Control.**

(a) The Redeveloper hereby represents that Mazin A. Kalian and MAK, LLC are its sole members, and the Redeveloper is managed by Mazin A. Kalian, its Managing Member.

(b) The Redeveloper hereby represents that it is under contract to be the fee title owner of the Property.

**Section 2.06 Financial Plan.** The Redeveloper represents that the Improvements shall be financed in accordance with the Financial Plan attached to the Application as Exhibits 11 and 13 of the Application. The Plan sets forth estimated Total Project Cost, amortization rate on 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 Statement of Rental Schedules.** The Redeveloper represents that its good faith projections of the initial rental schedules are set forth in Exhibit 13 of the Application.

### **ARTICLE III** **DURATION OF AGREEMENT**

**Section 3.01 Term.** It is understood and agreed by the Parties that this Agreement, including the obligation to pay the Annual Service Charge required under Article IV hereof and the Tax Exemption granted and referred to in Section 2.01 hereof, shall, with respect to the Project or any portion thereof, remain in full force and effect for thirty (30) years from the Annual Service Charge Start Date, but in no event longer than thirty-five (35) years from the date of execution hereof. Upon Termination, the Tax Exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the City. Upon Termination, all restrictions and limitations upon the Redeveloper shall terminate upon the Redeveloper's rendering and the City's acceptance of its final accounting,

pursuant to *N.J.S.A. 40A:20-13*.

**Section 3.02 Date of Termination.** Upon any Termination of the Tax Exemption described in Section 2.01 hereof, the date of such Termination shall, for the purposes of the Redeveloper's reporting obligations hereunder, be deemed to coincide with the end of the fiscal year of the Redeveloper.

**Section 3.03 Right of Termination.** The Redeveloper shall have the right to terminate this Agreement at any time after that date which is one (1) year from the date hereof. Additionally, the Redeveloper shall have the right to terminate this Agreement for the Project prior to construction.

#### **ARTICLE IV** **ANNUAL SERVICE CHARGE**

**Section 4.01 Annual Service Charge.** In consideration for the tax exemption, the Redeveloper shall make payment to the City of an Annual Service Charge ("ASC") with respect to the Project commencing upon the Annual Service Charge Start Date, which ASC shall be the greater of:

- (1) The Minimum Annual Service Charge; **or**
- (2) For each of the first ten (10) years from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) ten percent (10%) of the Annual Gross Revenue or (B) the Minimum Annual Service Charge, to the extent applicable;
- (3) For each of the years 11 through 30 from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) fifteen percent (15%) of the Annual Gross Revenue, (B) the Minimum Annual Service Charge, or (C) a percentage of the real property taxes otherwise due on the value of the Land and the Improvements to the extent applicable as more fully set forth in Section 4.02, below;

**Section 4.02 Schedule of Staged Adjustments.** The Annual Service Charge shall be reviewed and shall be adjusted in stages over the term of this Agreement in accordance with *N.J.S.A. 40A:20-12(b)* as follows:

(a) Stage One (Years 1-15): For each of the years one (1) through fifteen (15) from the Annual Service Charge Start Date, the Annual Service Charge shall be the amount due pursuant to Section 4.01 of this Agreement;

(b) Stage Two (Years 16-21): For each of the years sixteen (16) through twenty-one (21) from the Annual Service Charge Start Date, the Annual Service Charge shall be the greater of (1) the amount due pursuant to Section 4.01 of this Agreement; or (2) twenty percent (20%) of the amount of the taxes otherwise due on the value of the Land and Improvements;

(c) Stage Three (Years 22-27): For each of the years twenty-two (22) through twenty-seven (27) from the Annual Service Charge Start Date, the Annual Service Charge shall be the greater of (a) the amount due pursuant to Section 4.01 of this Agreement or (b) forty percent (40%) of the amount of the taxes otherwise due on the value of the Land and Improvements;

(d) Stage Four (Years 28-29): For each of the years twenty-eight (28) through twenty-nine (29) from the Annual Service Charge Start Date, the Annual Service Charge shall be the greater of (a) the amount due pursuant to Section 4.01 of this Agreement or (b) sixty percent (60%) of the amount of the taxes otherwise due on the value of the Land and Improvements; and

(e) Stage Five (Year 30): For year thirty (30) from the Annual Service Charge Start Date, the Annual Service Charge shall be the greater of (a) the amount due pursuant to Section 4.01 of this Agreement or (b) eighty percent (80%) of the amount of the taxes otherwise due on the value of the Land and Improvements.

**Section 4.03 Consent of Redeveloper to Annual Service Charge.** The Redeveloper hereby consents and agrees to the amount of Annual Service Charge and to the liens established in this Financial Agreement, and the Redeveloper shall not contest the validity or amount of any such lien. Subject to the terms of this Agreement, the Redeveloper'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 status of Redeveloper as an "urban renewal entity" qualified under and as defined in the Long Term Tax Exemption Law. The Redeveloper's remedies shall be limited to those specifically set forth herein and otherwise provided by law.

**Section 4.04 Commencement of Annual Service Charge.** The Redeveloper shall be responsible for payment of the Annual Service Charge commencing on the Annual Service Charge Start Date of the Project, with the actual payment of the Annual Service Charge in accordance with Section 4.04(a).

**Section 4.04(a) Payment of the Annual Service Charge.** The Annual Service Charge shall be due and payable in equal quarterly installments on each November 1, February 1, May 1 and August 1 after the Annual Service Charge Start Date. The Annual Service Charge shall be prorated in the year in which the Annual Service Charge Start Date begins and the year in which this Financial Agreement terminates, such that the Redeveloper shall pay the amount of the prorated Annual Service Charge on the quarterly payment date immediately following Commencement of the Annual Service Charge. In the event that the Redeveloper fails to timely pay any installment, the amount past due shall bear interest at the rate permitted under applicable New Jersey law then being assessed by the City against all other delinquent taxpayers in the case of unpaid taxes or tax liens on land until paid.

**Section 4.05 Material Conditions.** It is expressly agreed and understood that all payments of the Land Taxes, Annual Service Charges and any interest payments, penalties or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid

or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

**Section 4.06 No Reduction in Payment of the Annual Service Charge.** The Parties agree that neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Sections 4.01, 4.02 and 4.04 hereof shall be reduced below the Minimum Annual Service Charge or amended or otherwise modified through any tax appeal on the Improvements or any other legal proceeding regarding the Project during the term of this Agreement, unless the Parties both agree that a tax appeal is required to correct either the future land or future exempt improvement assessment due to errors in the assessments or due to changed circumstances or market conditions.

**Section 4.07 Service Charges as Municipal Lien.** In accordance with the provisions of the Long Term Tax Exemption Law, upon recordation of this Financial Agreement and the Ordinance, any amount due and owing hereunder, including the Annual Service Charge shall be and constitute a continuous municipal lien on the Project.

**Section 4.08 Security for Payment of Annual Service Charges.** In order to secure the full and timely payment of the Annual Service Charges, the City reserves the right to prosecute an In Rem Tax Foreclosure action against the Property, as more fully set forth in this Agreement.

**Section 4.09 Land Taxes.**

(a) In the event the exemption of the Land authorized under *N.J.S.A. 40A:20-12* 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 provide that Land Taxes are assessed on the Property.

(b) In the event the exemption of the Land authorized under *N.J.S.A. 40A:20-12* is invalidated as described in Section 4.09(a), all Land Taxes, shall be separately assessed for the Property, and shall be computed according to the general laws applicable to all other tax ratables and 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 or approvals related thereto. The payment for Land Taxes shall be applied as a credit against the Annual Service Charge for the subsequent year. The Redeveloper's failure in any tax year to make any Land Tax Payments when due and owing shall render the Redeveloper ineligible for any land tax credits against the Annual Service Charge during that period, subject to a right to cure any such delinquency prior to the end of the applicable tax year. If applicable, the Redeveloper will be required to make payment of both the Annual Service Charge and the Land Tax Payments. The Redeveloper will be 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, where delinquency extends beyond the cure period. The Redeveloper'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 City 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 Redeveloper.

**Section 4.10 Administrative Fee.** In addition to the Annual Service Charge, the Redeveloper shall pay to the City an annual fee of two percent (2%) of the projected Annual Service Charge upon the Annual Service Charge Start Date and each anniversary thereafter prior to the Termination Date (the “Administrative Fee”).

In the event the Redeveloper fails to pay the Administrative Fee when due and owing, the amount paid shall bear interest at the rate permitted under applicable New Jersey Law then being assessed by the City against all other delinquent taxpayers in the case of unpaid taxes or tax liens in the City until paid.

## **ARTICLE V**

### **CERTIFICATE OF OCCUPANCY**

**Section 5.01 Certificate of Occupancy.** It is understood and agreed that it shall be the obligation of the Redeveloper to obtain all Certificates of Occupancy for the Project constructed, in a timely manner after the Redeveloper has satisfied all requirements to secure such Certificate of Occupancy.

**Section 5.02 Filing of Certificate of Occupancy.** It shall be the responsibility of the Redeveloper to forthwith file with both the Tax Assessor and the Tax Collector a copy of the Certificate of Occupancy. Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the City, including, if appropriate, retroactive billing with interest to collect any charges hereunder to be due.

## **ARTICLE VI**

### **ANNUAL AUDITS**

**Section 6.01 Accounting System.** The Redeveloper agrees to calculate its “Net Profit” pursuant to *N.J.S.A. 40A:20-3(c)*. As stated in *N.J.S.A. 40A:20-3(c)*, this calculation shall be made in accordance with generally accepted accounting principles.

**Section 6.02 Periodic Reports.**

(a) **Auditor’s Report.** Within ninety (90) days after the close of each fiscal or calendar year (depending on the Redeveloper’s accounting basis) that this Agreement shall continue in effect, the Redeveloper shall submit to the Governing Body, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, and the Division of Local Government Services in the State Department of Community Affairs, its Auditor’s Report for the preceding fiscal or calendar year. The report shall clearly identify and calculate the Net Profit for the Redeveloper during the previous year. The Redeveloper assumes all costs associated with preparation of the periodic reports.

(b) Disclosure Statement: On each anniversary date of the execution of this Agreement, if there has been a change in ownership or interest in the Project from the prior year's filing, the Redeveloper shall submit to the Governing Body, the Tax Collector and the City Clerk, 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 City may reasonably request from time to time (the "**Disclosure Statement**").

**Section 6.03** Inspection. The Redeveloper shall, upon request, permit the inspection of its property, equipment, buildings and other facilities of the Project and also permit, upon request, examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the City, and State Division of Local Government Services in the Department of Community Affairs pursuant to *N.J.S.A. 40A:20-9(e)*, at no cost or expense to the Redeveloper. Such inspection shall be made upon seven (7) business days' written notice during the Redeveloper's regular business hours, in the presence of an officer or agent designated by the Redeveloper. Any inspection of the Redeveloper's books, contracts, records, documents and papers shall be conducted at Redeveloper's offices, and may be permitted to occur not more than one time per calendar year, nor shall any audit be conducted with respect to any given fiscal year more than once. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

## **ARTICLE VII**

### **LIMITATION ON PROFITS AND RESERVES**

**Section 7.01** Limitation on Profits and Reserves. During the period of tax exemption as provided herein, the Redeveloper shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A. 40A:20-15*. Pursuant to *N.J.S.A. 40A:20-3(c)*, this calculation is completed in accordance with generally accepted accounting principles.

The Redeveloper 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 Redeveloper for the last full fiscal 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*. In no event shall any portion of the excess Net Profits be retained or contributed to such reserve if the amount of the reserve as of the end of such fiscal year equals or exceeds ten percent (10%) of the preceding year's Annual Gross Revenues. The reserve is to be noncumulative.

**Section 7.02** Payment of Dividend and Excess Profit Charge. In the event the Net Profits of the Redeveloper shall exceed the Allowable Net Profits for the period, taken as one accounting period, commencing on the Annual Service Charge Start Date and terminating at the end of the last full fiscal year, then the Redeveloper, within one hundred (120) days after the end of that fiscal year, shall pay such excess Net Profits to the City as an additional service charge; provided, however, that the Redeveloper may maintain a reserve as determined pursuant to aforementioned Section 7.01. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A. 40A:20-3(b)* and (c) and *40A:20-15*.

**Section 7.03 Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale.** The Termination Date of this Agreement, or the date of sale or transfer of the Improvements, shall be considered to be the close of the fiscal year of the Redeveloper. Within ninety (90) days after such date, the Redeveloper shall pay to the City the amount of the reserve, if any, maintained by it pursuant to Section 7.01 and the excess Net Profits, if any.

**Section 7.04 Prohibition Against Use of Master Leases or Related Techniques.** The Redeveloper agrees that the intent of this Financial Agreement is to account for all revenue arising from the Project as if it accrues to the benefit of the Redeveloper. The Redeveloper shall therefore have no right to enter into any lease, contract or other agreement the effect of which is to interpose another person, corporation, or other Redeveloper between the Redeveloper and the end users of the Project for the purpose of reducing the amount of revenue accounted for as benefiting the Redeveloper. To the extent that the City, in its commercially reasonable discretion, determines that such an arrangement has been put in place and has reduced the amount of revenue which would otherwise be attributable to the Project and benefitting the Redeveloper, the City shall have the right to recast the financial statements of the Redeveloper so as to account for the Annual Gross Revenue and Net Profit as would have accrued to the Redeveloper had the arrangement not been in existence, and to require the Redeveloper to make payments of the Annual Service Charge based on such recast financial statements.

## **ARTICLE VIII**

### **ASSIGNMENT AND/OR ASSUMPTION; RIGHT TO DIVIDE OWNERSHIP**

**Section 8.01 Approval to Sale of Project by Redeveloper Formed and Eligible to Operate Under Law.** As permitted by N.J.S.A. 40A:20-10, it is understood and agreed that the City, on written application by the Redeveloper, will consent to a sale of the Project and the transfer of this Agreement (as pertaining to all or a portion of the Project) to another urban renewal entity, provided that (a) if such sale and transfer is to occur prior to Substantial Completion, the transferee urban renewal entity shall have demonstrated to the reasonable satisfaction of the City that it possesses the experience and capitalization necessary to complete and/or operate the Project or relevant portion thereof, which determination by the City shall not be unreasonably withheld, conditioned or delayed; (b) the transferee urban renewal entity does not own any other project subject to long term tax exemption at the time of transfer; (c) the transferee urban renewal entity is formed and eligible to operate under the Exemption Law; (d) the Redeveloper is not then in Default of this Agreement or in violation of Applicable Law; (e) the Redeveloper's obligations under this Agreement are fully assumed by the transferee urban renewal entity; and (f) the transferee urban renewal entity abides by all terms and conditions of this Agreement. Notwithstanding the foregoing, a transfer pursuant to this Section 7.01 is also subject to the transfer prohibitions and exemptions specified in Article 11 of the Redevelopment Agreement during the period that same are in effect.

**Section 8.02 Severability.** It is an express condition of the granting of the Tax Exemption that during its duration, the Redeveloper shall not, without the prior consent of the Governing Body by ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Land which is basic to, embraced in, or

underlying the exempted Improvements.

**Section 8.03** Subordination of Fee Title. It is expressly understood and agreed that the Redeveloper has the right to encumber and/or assign the fee title to the Land and/or Improvements for the purpose of financing and/or refinancing the design, development and construction of the Project and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement.

**Section 8.04** Division of Ownership. The Redeveloper shall have the right to create separate legal interests in portions of the Property including the right to create condominium units and/or air rights estates, and to subdivide the Property. In any such case, the calculation of Annual Service Charge shall continue to be calculated pursuant to Section 4.04 hereof and, for purposes of clarity, not pursuant to *N.J.S.A. 40A:20-14*.

## **ARTICLE IX**

### **RESERVATION OF RIGHTS AND REMEDIES**

**Section 9.01.** Reservation of Rights and Remedies. Except as expressly provided herein, nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City or the Redeveloper of any rights and remedies provided by Applicable Law. Unless otherwise expressly stated, nothing herein shall be deemed to limit any right of recovery that the City or the Redeveloper has under law, in equity, or under any provision of this Financial Agreement.

## **ARTICLE X**

### **COMPLIANCE**

**Section 10.01** Statutes and Ordinances. The Redeveloper hereby agrees at all times prior to the Termination Date to remain bound by the provisions of the Application and Applicable Law, including, but not limited to, the Long Term Tax Exemption Law. The Redeveloper's failure to comply with such statutes or ordinances shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate this Agreement, subject to the Default procedure provisions of Article XIII herein.

## **ARTICLE XI**

### **CONSTRUCTION**

**Section 11.01** Construction. This Financial Agreement shall be construed and enforced in accordance with the laws of the State, 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 Redeveloper and the City have combined in their review and approval of same.

## **ARTICLE XII**

### **INDEMNIFICATION**

**Section 12.01 Indemnification.** It is understood and agreed that in the event the City shall be named as party defendant in any action brought against the City or Redeveloper by allegation of any breach, Default or a violation by the Redeveloper of any of the provisions of this Agreement and/or the provisions of Applicable Law, Redeveloper shall indemnify and hold the City 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 Redeveloper and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, including without limitation, *N.J.S.A. 40A:20-1 et seq.*, except for any fraud, intentional misrepresentation, malfeasance, or other misconduct by the City or any of its officers, officials, employees or agents, and Redeveloper shall defend the suit at its own expense. Notwithstanding the foregoing, the City maintains the right to intervene as a party thereto, to which intervention Redeveloper hereby consents, the expense thereof to be borne by Redeveloper. To the extent practical and ethically permissible, the Redeveloper's attorneys shall jointly defend and represent the interest of the City and the Redeveloper as to all claims indemnified in connection with this Agreement.

## **ARTICLE XIII**

### **DEFAULT AND REMEDIES**

**Section 13.01 Default.** Default shall be the failure of any party to conform to the terms of this Agreement, and/or the failure of any party to perform any obligation imposed upon such party by Applicable Law beyond any applicable notice, cure or grace period.

**Section 13.02 Cure Upon Default.** Should the Redeveloper be in Default, the City shall notify the Redeveloper and any Secured Party in writing of said Default. Said notice shall set forth with particularity the basis of said Default. Except as provided in Section 8.02(b) hereof or otherwise limited by law, the Redeveloper shall have sixty (60) days after it receives Notice to cure any Default (other than a Default in payment of any installment of the Annual Service Charge, which Default must be cured within thirty (30) days after the Redeveloper receives Notice). Curing the Default shall be the sole and exclusive remedy available to the Redeveloper or the Secured Party, as applicable; provided, however, that if, in the reasonable opinion of the City, the Default cannot be cured within the applicable cure period using reasonable diligence, the time to cure may be extended upon written notice for an additional ninety (90) day period of time.

Upon the expiration of the cure period, or any approved extension thereof, and providing that the Default is not cured, the City shall have the right to terminate this Agreement in accordance with Section 13.03 of this Agreement.

### **Section 13.02 Remedies Upon Default.**

(a) In the event the Redeveloper or a Secured Party fails to cure or remedy the Default within the time period provided in Sections 13.02 or 8.02(b), respectively, the City may terminate this Agreement upon thirty (30) days written notice to the Redeveloper and the Secured Party.

(b) Immediately following a termination of this Agreement due to an uncured Default in payment of any installment of the Annual Service Charge the City in its sole discretion shall have the right to immediately exercise the following remedies: (1) terminate this Agreement, at which time: the Improvements on the Land shall be subject to conventional taxation; or (2) exercise any other remedy available to the City in law or equity. The City as a courtesy will give Redeveloper and any Secured Party notice of the intention to exercise its remedies.

(c) No Default hereunder by the Redeveloper shall terminate the tax exemption (except as described herein and after Notice and cure as provided for herein) and its obligation to make Annual Service Charges, which shall continue in effect for the duration of the term hereof and subject to Section 13.03 hereinafter.

(d) All of the remedies provided in this Agreement to the City, and all rights and remedies granted by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Redeveloper because of Redeveloper's failure to pay Land Taxes, the Annual Service Charge and/or any applicable water and sewer charges 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 or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges 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 13.03 Final Accounting.** Within ninety (90) days after the Termination Date, the Redeveloper shall provide a final accounting and pay to the City 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 Date of the Agreement shall be deemed to be the end of the fiscal year for the Redeveloper.

**Section 13.04 Conventional Taxes.** Upon the Termination Date, 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 City.

## **ARTICLE XIV** **DISPUTE RESOLUTION**

**Section 14.01 Arbitration.** In the event of 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 the Long Term Tax Exemption Law. Each Party to this Agreement shall designate an arbitrator, and the two (2) arbitrators shall choose a third arbitrator. The arbitrators designated and acting under this Agreement shall make a determination regarding the issue(s) in controversy in strict conformity with the terms of this Agreement and Applicable Law. Costs for said arbitration shall be borne equally by both Parties. In the event of a Default on the part of the Redeveloper to pay any installment of the Annual Service Charge required by Article IV above, the City, in addition to their other remedies, and subject to Article 13 of this Agreement, reserves the right to proceed against the Land, in the manner provided by 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 Charge were taxes or municipal liens on land. In either case, however, the Redeveloper does not waive any defense it may have to contest the rights of the City to proceed in the above-mentioned manner. Subject to the provisions of Articles XII and XIII, in the event of a Default under or breach of this Agreement by the Redeveloper which is not cured within the applicable grace period, thereby causing a default under a mortgage or similar instrument issued by the Redeveloper to finance construction of the Project (or any refinance thereof), then the provisions of *N.J.S.A. 55:17-1* to *N.J.S.A. 55:17-11* shall apply, solely to protect the interest of the Secured Party or Secured Parties.

Notwithstanding anything herein to the contrary, no arbitrator shall have any power or authority to amend, alter, or modify any part of this Agreement, in any way.

## **ARTICLE XV**

### **NOTICE**

**Section 15.01 Notice.** Formal notices, demands and communications between the City and Redeveloper shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available ("Notice"). In that case such notice is deemed effective upon delivery. 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 notices, demands and communications shall be sent as follows:

**CITY:**

Cynthia Ege, RMC  
City of Lambertville  
18 York Street  
Lambertville, New Jersey 08530  
[cityclerk@lambertvillenj.org](mailto:cityclerk@lambertvillenj.org)

**with copies to:**

William P. Opel  
McManimon, Scotland & Baumann, LLC

75 Livingston Avenue, Suite 200  
Roseland, New Jersey 07068  
[wopel@msbnj.com](mailto:wopel@msbnj.com)

**REDEVELOPER:**

Lambertville Urban Renewal, LLC  
Attn: Mazin Patrick Kalia  
2 Hennessey Boulevard  
Atlantic Highlands, New Jersey 07716  
[mkalian@kalian.com](mailto:mkalian@kalian.com)

**with copies to:**

Kalian Management  
Attn: Debbie Kramer Gregg  
2 Hennessey Boulevard  
Atlantic Highlands, New Jersey 07716  
[dgregg@kalian.com](mailto:dgregg@kalian.com)

**ARTICLE XVI**  
**MISCELLANEOUS**

**Section 16.01 Conflict.** The Parties agree that in the event of a conflict between the Application and this Financial Agreement, the language in this Financial Agreement shall govern and prevail.

**Section 16.02 Oral Representations.** There have been no oral representations made by either of the Parties which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance of the City authorizing this Agreement, 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 and delivered to each of them.

**Section 16.03 Entire Document.** All conditions in the Ordinance of the Governing Body approving this Agreement are incorporated in this Agreement and made a part hereof. This Agreement, with all attachments and exhibits, the Ordinance and the Application shall constitute the entire agreement between the Parties, shall be incorporated herein by reference thereto and there shall be no modifications thereto other than by a written instrument approved and executed by and delivered to each Party. All prior agreements and understandings, if any, are superseded.

**Section 16.04 Good Faith.** In their dealings with each other, the Parties agree that they shall act in good faith.

**Section 16.05 Municipal Services.** The Redeveloper and/or its successors (including without limitation any owner's or similar association) will be responsible to provide and/or pay for the following services:

(a) Water & Sewer – The Redeveloper shall make payments for water and sewer charges and any services that create a lien on a Property with or superior to the lien for the Land Taxes and Annual Service Charge, as required by law.

(b) Waste and Refuse Disposal – Collection and disposition of all solid waste, refuse and recyclables emanating from the Project, shall be the responsibility of the Redeveloper to have picked up and disposed of by a licensed collector, hauler, at the Redeveloper's cost and expense. The City may establish regulations for the collection and for the storage and recycling of solid waste, discarded or old newspaper and/or other recyclables; compliance therewith shall be by and at the sole expense of the Redeveloper.

**Section 16.06 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 16.07 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 16.08 Amendments.** This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Parties hereto.

**Section 16.09 Certification.** The City Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A. 40A:20-12*, that a Financial Agreement with the Redeveloper, for the development of the Property, has been entered into and is in effect as required by *N.J.S.A. 40A:20-1, et seq.* Delivery by the City Clerk to the Tax Assessor of a certified copy of the Ordinance adopted by the Governing Body approving the tax exemption described herein and this Financial Agreement shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date, 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 Financial Agreement or until the Tax Assessor has been duly notified by the City Clerk that the exemption has been terminated.

Further, upon the adoption of this Financial Agreement, a certified copy of the Ordinance adopted by the Governing Body approving the tax exemption described herein and this Financial Agreement shall forthwith be transmitted to the chief financial officer and counsel for the County, as well as the Director of the Division of Local Government Services, by the City Clerk.

**Section 16.10 Conditions Precedent.**

This Agreement is expressly subject to the satisfaction by the Redeveloper or the City of the following conditions precedent:

(a) Receipt by the Redeveloper of all federal, State, county and municipal approvals required for the construction of the Project.

(b) Enactment by the City of all ordinances and other official action necessary under

*N.J.S.A. 40A:20-1 et seq.* to enter into and effectuate the terms of this Agreement.

**Section 16.11 Recording.**

This entire Agreement will be filed and recorded with the Hunterdon County Clerk by the Redeveloper at the Redeveloper's expense within forty-five (45) days of the execution hereof, and the Redeveloper will provide the City with evidence of such recording.

**Section 16.12 Annual Service Charge Paid to County.**

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

**Section 16.13 Construction.** This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the Party drawing or causing this Agreement to be drawn since counsel for both the Redeveloper and the City have combined in their review and approval of same.

**[SIGNATURES TO APPEAR ON THE FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the Parties have caused this Financial Agreement to be executed as of the day and year first above written.

**ATTEST: CITY OF LAMBERTVILLE**

\_\_\_\_\_  
**Cynthia L. Ege**  
**City Clerk**

**By:** \_\_\_\_\_  
**Mayor**

**STATE OF NEW JERSEY**

**COUNTY OF HUNTERDON**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by the City of Lambertville in the County of Hunterdon, State of New Jersey, by Mayor \_\_\_\_\_, on behalf of the City.

\_\_\_\_\_  
Notary Public

Commission Expiration: \_\_\_\_\_

**ATTEST: LAMBERTVILLE URBAN RENEWAL, LLC**

\_\_\_\_\_  
**By:** \_\_\_\_\_

**STATE OF NEW JERSEY**

**COUNTY OF** \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by \_\_\_\_\_ Urban Renewal, LLC, a New Jersey Limited Liability Company, by its Managing Member, \_\_\_\_\_, Manager, on behalf of the company.

\_\_\_\_\_  
Notary Public

Commission Expiration: \_\_\_\_\_

## **EXHIBITS**

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

- A. Metes and Bounds description of the Land
- B. Project Description
- C. Application with Exhibits
- D. Ordinance
- E. Project Costs
- F. Certificate of Formation for the Redeveloper
- G. Financial Plan for Project
- H. Schedule of Annual Service Charges

**EXHIBIT A**

**METES AND BOUNDS DESCRIPTION OF THE LAND**

**EXHIBIT B**  
**PROJECT DESCRIPTION**

**EXHIBIT C**  
**APPLICATION WITH EXHIBITS**

**EXHIBIT D**  
**ORDINANCE**

**EXHIBIT E**  
**ESTIMATED PROJECT COSTS**

**EXHIBIT F**

**CERTIFICATE OF FORMATION  
AND CERTIFICATE OF AUTHORITY  
OF THE REDEVELOPER**

**EXHIBIT G**  
**FINANCIAL PLAN FOR THE PROJECT**

Source of funds:

**EXHIBIT H**  
**SCHEDULE OF ANNUAL SERVICE CHARGES**

See section 4.01 of this Financial Agreement.