Borough of Middlesex

Mayor and Council Regular Meeting

~ Agenda ~

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Middlesex,, NJ

Linda Chismar
732 356-7400 x238
www.middlesexboro-nj.gov

Tuesday, June 9, 2020 **7:00 PM** **Remote Telephone Meeting**

1. **MAYOR'S STATEMENT:** Under the provisions of N.J.S.A. 10:4-6 et seq., notice of the time and place of this meeting was given by way of an annual meeting notice to the Star Ledger, Courier News and Home News, and posted at Borough Hall.
2. **SALUTE TO FLAG**
3. **ROLL CALL**

Attendee Name	Present	Absent	Late	Arrived
Mayor John Madden	☐	☐	☐	
Council President Jack Mikolajczyk	☐	☐	☐	
Councilman Jeremiah Carnes	☐	☐	☐	
Councilman Jason Carr	☐	☐	☐	
Councilman James Eodice	☐	☐	☐	
Councilwoman Amy Flood	☐	☐	☐	
Councilman Douglas Rex	☐	☐	☐	
Administrator Marcia Karrow	☐	☐	☐	
Borough Attorney Christopher Corsini	☐	☐	☐	

4. **PRESENTATIONS**
5. **APPOINTMENTS**
6. **PROCLAMATIONS**
7. **ORDINANCE(S) FOR INTRODUCTION**

    1. **Ordinance 2000-20** AN ORDINANCE AMENDING THE CODE OF THE BOROUGH OF MIDDLESEX, COUNTY OF MIDDLESEX, NEW JERSEY, CHAPTER 158, CERTIFICATES, RESALE/LEASED

    2. **Ordinance 2001-20** ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF MIDDLESEX, COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, AMENDING THE LINCOLN BOULEVARD REDEVELOPMENT PLAN, SPECIFICALLY AS TO THE TRANSITIONAL ZONE SUB-AREA A

8. **ORDINANCE(S) FOR PUBLIC HEARING AND FINAL ADOPTION**

    1. **Ordinance 1997-20** BOND ORDINANCE OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY AUTHORIZING THE ISSUANCE OF REDEVELOPMENT AREA BONDS OR NOTES OF THE BOROUGH TO FINANCE THE COST OF CERTAIN INFRASTRUCTURE IMPROVEMENTS RELATING RG MIDDLESEX URBAN RENEWAL LLC

2. **Ordinance 1998-20** ORDINANCE OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY APPROVING THE APPLICATION OF AND THE EXECUTION OF A FINANCIAL AGREEMENT WITH RG MIDDLESEX URBAN RENEWAL LLC IN CONNECTION WITH THE UNDERTAKING OF A REDEVELOPMENT PROJECT BY RG MIDDLESEX URBAN RENEWAL LLC

3. **Ordinance 1999-20** CALENDAR YEAR 2020 ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK (N.J.S.A. 40A: 4-45.14)

9. ADOPTION OF MINUTES

1. Approval of the May 26, 2020 Regular Meeting Minutes

10. MAYOR'S REPORT

11. COUNCIL MEMBER REPORTS

1. Council President Mikolajczyk
2. Councilman Carnes
3. Councilman Carr
4. Councilman Eodice
5. Councilwoman Flood
6. Councilman Rex

12. ADMINISTRATOR'S REPORT

13. PRIVILEGE OF THE FLOOR

During the conduct of the meeting, unless a Public Hearing is held or the Regular Order of Business is waived, the audience does not participate. A Public Portion is held at the end of the meeting. Individuals commenting from the audience will be provided an opportunity to address the Council but will not be permitted to speak again until everyone has had an opportunity to speak. If a group is represented by an attorney, the attorney will be given an opportunity to speak on behalf of all of the members of the group. The Council, pursuant to the Open Public Meeting Act, will not publicly discuss personnel matters and may choose not to respond to comments made by members of the public during this portion of the meeting; however, the Council will give all comments appropriate consideration and will refer all individual complaints to the Mayor or appropriate Borough representative for resolution.

14. NEW BUSINESS/CONSENT AGENDA/RESOLUTIONS: Matters listed within the Consent Agenda have been referred to members of the Borough Council for reading and study, are considered to be routine and will be enacted by one motion of the Council. If separate discussion is desired, the item may be removed from the Consent Agenda by Council action. The Resolutions listed below were submitted to the Borough Council for review and will be adopted by one motion.

1. **Resolution 142-2020** Governing Body Certification of Compliance with the United States Equal Employment Opportunity Commission's "Enforcement Guidance on the Consideration of Arrest and Conviction Records in Employment Decisions Under Title VII of the Civil Rights Act of 1964"

2. **Resolution 143-2020** Reimbursing Ms. Kristine Gary $10.30 for a Duplicate Charge for her Pet License

3. **Resolution 144-2020** Approval to Advance Patrolman Richard Szymczak to Patrolman Class "A" Effective June 11, 2020 at an Annual Salary of $114,364

4. **Resolution 145-2020** Approving the Reimbursement of $9.00 to Dollar Tree Store No. 4004 for Overpayment of their 2020/2021 Board of Health License

5. **Resolution 146-2020** The Borough Engineer Approves of the Release of the Performance Bond in the Amount of $9,903.60 and the Cash Bond in the Amount of $1,100.40 for Richie's Tire Service, Block 287, Lot 51

6. **Resolution 147-2020** Providing Local Enforcement Guidelines for Executive Order No. 150 (Murphy) and SR-2020-10 (NJ ABC) Concerning Outdoor Dining and Special Liquor Licenses

7. **Resolution 148-2020** Referring the 2020 Revised Lincoln Boulevard Redevelopment Plan (TRANSITIONAL ZONE SUB-AREA A) to the Joint Land Use Board Pursuant to N.J.S.A. 40A:12A-7(E)

15. NON-CONSENT AGENDA/RESOLUTIONS: Matters listed within the Non-Consent Agenda will be individually addressed and acted upon accordingly. Council reserves the right to refer an item to Committee for further review and discussion. The Resolutions listed below were submitted to the Borough Council for review and will be adopted individually by motion.

1. **Resolution 149-2020** Pay All Claims

16. AGENDA WORKSHOP ITEM

17. PRIVILEGE OF THE FLOOR ON AGENDA WORKSHOP ITEMS

During the conduct of the meeting, unless a Public Hearing is held or the Regular Order of Business is waived, the audience does not participate. A Public Portion is held at the end of the meeting. Individuals commenting from the audience will be provided an opportunity to address the Council but will not be permitted to speak again until everyone has had an opportunity to speak. If a group is represented by an attorney, the attorney will be given an opportunity to speak on behalf of all of the members of the group. The Council, pursuant to the Open Public Meeting Act, will not publicly discuss personnel matters and may choose not to respond to comments made by members of the public during this portion of the meeting; however, the Council will give all comments appropriate consideration and will refer all individual complaints to the Mayor or appropriate Borough representative for resolution.

18. EXECUTIVE SESSION

19. ADJOURNMENT

1. The Next Regular Meeting will be June 23, 2020

ORDINANCE #2000-20

AN ORDINANCE AMENDING THE CODE OF THE BOROUGH OF MIDDLESEX, COUNTY OF MIDDLESEX, NEW JERSEY, CHAPTER 158, CERTIFICATES, RESALE/LEASED

WHEREAS, pursuant to N.J.S.A. 40:48-1, the governing body of a municipality may make, amend, repeal, and enforce ordinances to manage regulate and control the finances and property of the municipality; and

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the Borough of Middlesex, County of Middlesex, State of New Jersey as follows:

SECTION ONE. The Code of the Borough of Middlesex, Middlesex County, New Jersey is hereby amended to the following:

Article I Resale or Leased Certificates for Residential Uses

158-2 Fee.

The fee for a residential Resale/Leased Certificate shall be $100 $150 in the event that only one inspection is required of the designated official inspector(s) but in the event that the inspector is required to make more than one inspection of the premises before issuing a Resale/Leased Certificate, there shall be an additional charge of $50 per each inspection of the premises made by the official inspector after the initial inspection.

SECTION TWO. All ordinances or parts of ordinances in conflict or inconsistent with any part of this Ordinance are hereby repealed to the extent that they are in such conflict or inconsistent.

SECTION THREE. This Ordinance may be renumbered for codification purposes.

SECTION FOUR. In the event that any section, part or provision of this Ordinance shall be held to be unenforceable or invalid by any court, such holding shall not affect the validity of this Ordinance as a whole, or any part thereof, other than the part so held unenforceable or invalid.

SECTION FIVE. This Ordinance shall take effect 20 days after passage and publication as provided by law.

I Hereby Certify that the above Ordinance was introduced by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

INTRODUCED: June 9, 2020

DATE OF PUBLICATION:
OF INTRODUCTION June 12, 2020

ORDINANCE #2001-20

ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF MIDDLESEX, COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, AMENDING THE LINCOLN BOULEVARD REDEVELOPMENT PLAN, SPECIFICALLY AS TO THE TRANSITIONAL ZONE SUB-AREA A

WHEREAS, the Borough of Middlesex (the "Borough"), a public body corporate and politic of the State of New Jersey, is authorized pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"), to determine whether certain parcels of land within the Borough constitute an area in need of rehabilitation and/or an area in need of redevelopment; and

WHEREAS, on July 25, 2006, pursuant to Resolution 179-06, the Borough Council of the Borough (the "Borough Council") designated certain property (the "Property") as an Area in Need of Rehabilitation in accordance with the Redevelopment Law and directed that a redevelopment plan be prepared; and

WHEREAS, on September 18, 2007, in accordance with all applicable provisions of the Redevelopment Law, the Borough Council duly adopted the Lincoln Boulevard Redevelopment Plan (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan was subsequently amended on August 9, 2011, pursuant to Ordinance No. 1798-11; and

WHEREAS, on December 17, 2013, pursuant to Resolution 324-13, the Borough Council directed the Planning Board to further study the Property in order to determine whether it qualified as a non-condemnation area in need of redevelopment ("Non-Condemnation Redevelopment Area") and, after multiple public hearings, the Planning Board recommended that the Property be designated as a Non-Condemnation Redevelopment Area and the Borough Council accepted the Planning Board's recommendation and, on June 12, 2014, adopted Resolution 158-14, designating the Property, as set forth in the Redevelopment Plan, as a Non-Condemnation Redevelopment Area, pursuant to the Redevelopment Law; and

WHEREAS, the Redevelopment Plan was subsequently amended on December 27, 2016, pursuant to Ordinance 1903-16; on December 12, 2017, pursuant to Ordinance No. 1929-17; on March 12, 2019, pursuant to Ordinance No. 1955-19; and on January 28, 2020, pursuant to Ordinance No. 1989-20; and

WHEREAS, at the direction of the Borough Council, the Borough Redevelopment Planner, was asked to prepare certain further amendments to the Redevelopment Plan, which included permitting warehouse and distribution facility uses within certain portions of the Non-Condemnation Redevelopment Area, establishing standards for the development of such uses as well as additional changes to clarify standards and to clarify desired building practices; and

WHEREAS, the Borough Redevelopment Planner prepared revisions to the Redevelopment Plan, specifically as to the Transitional Zone Sub-Area A (Block 318, Lots 1A [partial], 4A [partial], 21, 38A, 43, 44, 45, 48 and Block 319, Lots 24, 26, 28, 45, and 47) of the

Non-Condemnation Redevelopment Area, as well as clarifying language and said revisions have been prepared and incorporated into a proposed amended Redevelopment Plan, with a revision date of April 1, 2020 (the "2020 Revised Redevelopment Plan"), a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7(e), the Borough Council has referred the 2020 Revised Redevelopment Plan to the Joint Land Use Board for its review and recommendations; and

WHEREAS, the Joint Land Use Board, by Resolution adopted [**insert date**], found that the 2020 Revised Redevelopment Plan is not inconsistent with the Master Plan of the Borough.

NOW, THEREFORE BE IT ORDAINED, by the Borough Council of the Borough of Middlesex, County of Middlesex, State of New Jersey, that:

1. The aforementioned recitals are incorporated herein as if fully set forth at length.

2. The 2020 Revised Redevelopment Plan, attached hereto as **Exhibit A**, is hereby adopted pursuant to the terms of N.J.S.A. 40A:12A-7.

3. The Zoning District Map included in the Zoning Ordinance of the Borough is hereby amended to specifically identify Transitional Zone Sub-Area A, as described in the aforesaid 2020 Revised Redevelopment Plan.

4. To the extent that any provisions of any prior ordinance, including, but not limited to, Ordinance Nos. 1955-19 and 1989-20, are inconsistent with the provisions of the 2020 Revised Redevelopment Plan, said provisions are hereby repealed, replaced and superseded by the applicable provisions of the 2020 Revised Redevelopment Plan.

5. Upon adoption of this Ordinance, the 2020 Revised Redevelopment Plan shall be deemed adopted and the 2020 Revised Redevelopment Plan shall identify the date of adoption of this Ordinance amending same.

6. Should any section, paragraph, sentence, or clause of this Ordinance be declared unconstitutional or invalid for any reason, the remaining portions of this Ordinance shall not be affected thereby and shall remain in full force and effect and, to this end, the provisions of this Ordinance are hereby declared severable.

7. A copy of this Ordinance and the 2020 Revised Redevelopment Plan shall be available for public inspection at the Office of the Borough Clerk during regular business hours.

8. This Ordinance shall take effect twenty (20) days after final passage, adoption and publication as mandated by law.

I Hereby Certify that the above Ordinance was introduced by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

INTRODUCED: June 9, 2020

DATE OF PUBLICATION:
OF INTRODUCTION June 12, 2020

ORDINANCE #1997-20

BOND ORDINANCE OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY AUTHORIZING THE ISSUANCE OF REDEVELOPMENT AREA BONDS OR NOTES OF THE BOROUGH TO FINANCE THE COST OF CERTAIN INFRASTRUCTURE IMPROVEMENTS RELATING RG MIDDLESEX URBAN RENEWAL LLC

WHEREAS, the New Jersey Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1 *et seq.* (the "**Redevelopment Law**") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Redevelopment Law confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Redevelopment Law, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Borough of Middlesex, in the County of Middlesex, New Jersey (the "**Borough**") has elected to exercise these redevelopment entity powers directly, as permitted by Section 4 of the Redevelopment Law; and

WHEREAS, on May 28, 2019, the Borough adopted Resolution No. 135-2019 designating an area of property located at 65 Baekeland Avenue (the former Union Carbide Corporation facility) and shown as Block 353, Lots 1.01 and 1.02 on the Borough of Middlesex Tax Map, as an area in need of redevelopment pursuant to the Redevelopment Law (the "**Redevelopment Area**"); and

WHEREAS, on September 10, 2019, the Borough adopted Ordinance No. 1974-19 approving a redevelopment plan for the Redevelopment Area (the "**Redevelopment Plan**"); and

WHEREAS, RG Middlesex Urban Renewal LLC, a New Jersey limited liability company (the "**Redeveloper**"), has proposed to undertake a redevelopment project in accordance with the Redevelopment Plan, consisting of the construction of an approximately 400,000 square foot warehouse/distribution building (the "**Redevelopment Project**") in the Redevelopment Area; and

WHEREAS, the Borough has deemed the Redeveloper to be qualified to own and operate and complete construction of the Redevelopment Project; and

WHEREAS, the Redevelopment Project will require, among other items, the construction of certain infrastructure improvements, relocations and improvements in and around the Redevelopment Area, including without limitation, such items as water and sewer infrastructure, road improvements, sidewalks, driveway improvements, turn lanes and drainage facilities, and including (i) improvements to River Road required by Middlesex County, and (ii) improvements required by the planning board of the Borough as a condition to Preliminary/Final Site Plan Approval of the Redevelopment Project, including improvements to Baekeland Avenue (collectively, the "**Infrastructure Improvements**"); and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Redevelopment Project; and

WHEREAS, in order to defray certain eligible costs of the Redevelopment Project, specifically the Infrastructure Improvements, thereby making the Redevelopment Project viable, the Borough agreed to issue general obligation bonds in one or more series in an aggregate principal amount not to exceed $750,000 (the "**RABs**" or "**Bonds**") pursuant to the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 *et seq.*, (the "**RAB Law**", as further defined herein) and/or the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the **"Local Bond Law"**), as applicable; and

WHEREAS, the Redeveloper has represented to the Borough that financial assistance is necessary in order for the Redevelopment Project to be undertaken in its intended scope; and

WHEREAS, the Borough desires to authorize the issuance of Bonds in an amount not to exceed $750,000 to fund the Infrastructure Improvements; and

WHEREAS, the Borough will use the proceeds of the Bonds to finance the Infrastructure Improvements described in Section 3 of this bond ordinance.

NOW THEREFORE BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The improvements and purposes described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the Borough as general and local improvements, as described in more detail herein. For the improvements and purposes described in Section 3, there is hereby appropriated the sum of $750,000. Pursuant to Section 37 of the Redevelopment Law (N.J.S.A. 40A:12A-37c(2)), no down payment is required, notwithstanding the requirements of Section 11 of the Local Bond Law, because the improvements and purposes set forth in Section 3 constitute a "redevelopment project" under the Redevelopment Law.

Section 2 In order to finance the cost of the several improvements and purposes described in Section 3, negotiable bonds are hereby authorized to be issued pursuant to the Local Bond Law and the Redevelopment Law in a principal amount not to exceed $750,000. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law and the Redevelopment Law.

Section 3. (a) The several improvements hereby authorized and the several purposes for which the bonds are to be issued, include the construction of the Infrastructure Improvements, constituting a portion of the Redevelopment Project, which constitutes a "redevelopment project" under the Redevelopment Law, including all work and materials necessary therefor and incidental thereto.

(b) The estimated maximum amount of bonds or notes to be issued for the improvements and purposes is as stated in Section 2 hereof.

(c) The estimated costs of the improvements and purposes are equal to the amount of the appropriations herein made therefor.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no note shall mature later than one year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with notes issued pursuant to this ordinance, and the chief financial officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law and the Redevelopment Law. The chief financial officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The chief financial officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

Section 5. The Borough hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Borough is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section 6. Notice is hereby given to RG Middlesex Urban Renewal LLC, with its principal place of business at 92 Headquarters Plaza, North Tower, 9th Floor, Morristown, New Jersey 07960, the owners of Block 353, Lots 1.01 and 1.02, the parcels of real estate benefitted by the improvements described in Section 3(a) hereof, and its/their successors and assigns, that the Borough intends to make and to levy special assessments against all such lots and parcels of real estate in an aggregate amount not to exceed $750,000.00 (plus such amounts as are necessary to finance the aforesaid amount). Such special assessment shall be made and levied in the manner provided by law and, pursuant to Section 3 of the RAB Law (N.J.S.A. 40A:12A-66c), such owner of the properties so benefitted shall accept such specific amount as the benefit conferred on such properties in lieu of the amount being determined by the procedures otherwise applicable to determining the actual benefit conferred on such properties.

Section 7. The owner of the land upon which an assessment for the local improvements shall have been made will pay such assessment in accordance with the terms and provisions of the agreement(s) referred to in Section 13 hereof. In case any such installment shall remain unpaid for thirty (30) days after the time it shall become due and payable, the whole assessment or the balance thereof shall not become and be immediately due and payable, shall draw interest at the rate imposed upon the arrearage of taxes in the Borough and shall be collected in the same manner as provided by law for other past-due assessments. Such assessment shall remain a lien upon the land described herein until the assessment, with all installments and accrued interest thereon, shall be paid and satisfied. Notwithstanding anything herein to the contrary, the Borough shall have the right to waive default as may be permitted by law.

Section 8. The following additional matters are hereby determined, declared, recited and stated:

(a) The purposes described in Section 3 of this bond ordinance are not current expenses. They are all improvements and purposes that the Borough lawfully may undertake as general and local improvements, and a portion of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) Pursuant to N.J.S.A. 40A:12A-37(c), the obligations authorized herein shall mature in annual installments commencing not more than two (2) and ending not more than forty (40) years from the date of issuance.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by $750,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount of not exceeding $750,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements.

(e) The number of annual installments of bonds within which the special assessments are to be levied on the lots and parcels of real estate benefitted by the improvements is not to exceed 30.

(f) The maximum interest rate on the bonds shall be 9% without further authorization of the Borough Council, which authorization may be by resolution.

Section 9. The Borough hereby declares the intent of the Borough to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

Section 10. Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 11. The chief financial officer of the Borough is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Borough and to execute such disclosure document on behalf of the Borough. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Borough and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Borough fails to comply with its undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 12. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 13. The Mayor and Clerk are each hereby authorized to execute and attest one or more special assessment agreements evidencing the construction of the improvements more fully described in Section 3(a) above, which agreements may include provisions for establishing certain reserves by the Borough to secure debt service for the bonds. The special assessment agreement(s) shall be in a form substantially similar to the special assessment agreement attached as Exhibit E to the Redevelopment Agreement, such special assessment agreement(s) being hereby approved in full with such additions, deletions and modifications as are necessary to effectuate its/their purpose.

Section 14. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

I Hereby Certify that the above Ordinance was introduced by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

INTRODUCED: May 26, 2020

DATE OF PUBLICATION:
OF INTRODUCTION May 29, 2020

ORDINANCE #1998-20

ORDINANCE OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY APPROVING THE APPLICATION OF AND THE EXECUTION OF A FINANCIAL AGREEMENT WITH RG MIDDLESEX URBAN RENEWAL LLC IN CONNECTION WITH THE UNDERTAKING OF A REDEVELOPMENT PROJECT BY RG MIDDLESEX URBAN RENEWAL LLC

WHEREAS, the New Jersey Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1 *et seq.* (the "**Act**") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Act confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Act, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Borough of Middlesex, in the County of Middlesex, New Jersey (the "**Borough**") has elected to exercise these redevelopment entity powers directly, as permitted by Section 4 of the Act; and

WHEREAS, on May 28, 2019, the Borough adopted Resolution No. 135-2019 designating an area of property located at 65 Baekeland Avenue (the former Union Carbide Corporation facility) and shown as Block 353, Lots 1.01 and 1.02 on the Borough of Middlesex Tax Map, as an area in need of redevelopment pursuant to the Redevelopment Law (the "**Redevelopment Area**"); and

WHEREAS, on September 10, 2019, the Borough adopted Ordinance No. 1974-19 approving a redevelopment plan for the Redevelopment Area (the "**Redevelopment Plan**"); and

WHEREAS, RG Middlesex Urban Renewal LLC, a New Jersey limited liability company (the "**Redeveloper**"), has proposed to undertake a redevelopment project in accordance with the Redevelopment Plan, consisting of the construction of an approximately 400,000 square foot warehouse/distribution building (the "**Redevelopment Project**") in the Redevelopment Area; and

WHEREAS, the Borough has deemed the Redeveloper to be qualified to own and operate and complete construction of the Redevelopment Project; and

WHEREAS, the Redevelopment Project will require, among other items, the construction of certain infrastructure improvements, relocations and improvements in and around the Redevelopment Area, including without limitation, such items as water and sewer infrastructure, road improvements, sidewalks, driveway improvements, turn lanes and drainage facilities, and including (i) improvements to River Road required by Middlesex County, and (ii) improvements required by the planning board of the Borough as a condition to Preliminary/Final Site Plan Approval of the Redevelopment Project, including improvements to Baekeland Avenue (collectively, the "**Infrastructure Improvements**"); and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to feasibly pay for all of the costs associated with the development and construction of the Redevelopment Project; and

WHEREAS, in order to defray certain eligible costs of the Redevelopment Project, specifically the Infrastructure Improvements, thereby making the Redevelopment Project viable, the Borough agreed to issue general obligation bonds in one or more series in an aggregate principal amount not to exceed $750,000 (the "**Bonds**") pursuant to the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 *et seq.*, (the "**RAB Law**") and/or the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the **"Local Bond Law"**), as applicable; and

WHEREAS, the Redeveloper has represented to the Borough that financial assistance is necessary in order for the Redevelopment Project to be undertaken in its intended scope; and

WHEREAS, the Borough has conceptually agreed to provide such financial assistance subject to certain terms and conditions acceptable to the Mayor and Borough Council; and

WHEREAS, the Borough and the Redeveloper will enter into a redevelopment agreement setting forth, among other things, the obligations of the Redeveloper with respect to the Redevelopment Project and the conditions upon which, in addition to the conditions set forth in the Financial Agreement (as hereinafter defined), the Borough will issue the Bonds; and

WHEREAS, the Borough will adopt an ordinance (the "**Bond Ordinance**") to authorize the issuance of the Bonds in an amount not to exceed $750,000 to fund the Infrastructure Improvements; and

WHEREAS, the Borough will use the proceeds of the Bonds to finance the Infrastructure Improvements (the "**Financing Project**"); and

WHEREAS, the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.* (the "**Long Term Tax Exemption Law**") and the RAB Law authorize the Borough to accept, in lieu of real property taxes, an annual service charge paid by the Redeveloper and each subsequent owner of the Redevelopment Project (the "**Owner**") to the Borough; and

WHEREAS, the Owner shall make payment of an annual service charge (the "**Annual Service Charge**") to the Borough, which the Borough may use to pay, among other things, debt service on the Bonds and other Borough costs; and

WHEREAS, in connection with the Redevelopment Project, the Redeveloper filed an application (the "**Application**"), with the Mayor of the Borough for approval of a long term tax exemption for the Redevelopment Project; and

WHEREAS, in order to satisfy the requirements of the Long Term Tax Exemption Law and to set forth the terms and conditions under which the Borough and the Redeveloper shall carry out their respective obligations with respect to (a) the payment of the Annual Service Charge by the Owner, in lieu of real property taxes on the Redevelopment Project improvements, and (b) the issuance of the Bonds by the Borough to finance the Financing Project, the Borough and the Redeveloper have determined to execute a financial agreement (the "**Financial Agreement**"), substantially in the form of which is attached hereto as Exhibit A; and

WHEREAS, the Mayor, together with counsel for the Borough, has reviewed the Application and found that it complies with the provisions of the Long Term Tax Exemption Law; and

WHEREAS, the Mayor submitted the Application and Financial Agreement to the Borough Council with his recommendation for approval, and copies of each are on file with the Borough Clerk; and

WHEREAS, the Borough Council hereby finds that the relevant benefits of Redevelopment Project outweigh the loss, if any, of property tax revenue in granting the long term tax exemption requested in the Application; and

WHEREAS, the Borough Council further finds that the assistance provided to the Redevelopment Project pursuant to the Financial Agreement will be a significant inducement for the Redeveloper to proceed with the Redevelopment Project.

NOW, THEREFORE, BE IT ORDAINED by the Borough Council of the Borough of Middlesex as follows:

Section 1. The Application and form of Financial Agreement are hereby approved.

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

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

Section 4. Executed copies of the Financial Agreement shall be certified by and be filed with the Office of the Borough Clerk. Further, the Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Borough, and County Counsel and the Chief Financial Officer of Middlesex County within 10 days of the execution of the Financial Agreement.

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

Section 6. This ordinance shall take effect in accordance with law.

EXHIBIT A

Financial Agreement

I Hereby Certify that the above Ordinance was introduced by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

INTRODUCED: May 26, 2020

DATE OF PUBLICATION:
OF INTRODUCTION May 29, 2020

Financial Agreement

Between

The Borough of Middlesex

and

RG Middlesex Urban Renewal, LLC

Dated: May _____, 2020

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this _____ day of May, 2020, by and between RG Middlesex Urban Renewal, LLC, an urban renewal entity, along with its successors and/or assigns (including any Transferee (as defined herein)), qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, *N.J.S.A.* 40A:20-1, *et seq*. (the "Long Term Tax Exemption Law"), with offices at 92 Headquarters Plaza North Tower, 9th Floor, Morristown, NJ 07960 (the "Urban Renewal Entity" or "Entity") and the Borough of Middlesex, a municipal corporation in the County of Middlesex and the State of New Jersey, with offices at 1200 Mountain Avenue, Middlesex, New Jersey 08846 (the "Borough", and together with the Urban Renewal Entity, the "Parties").

WITNESSETH:

WHEREAS, the Borough Council ("Borough Council") of the Borough, pursuant to the Local Redevelopment and Housing Law *N.J.S.A.* 40A:21A-1, *et seq.* (the "Act"), adopted a redevelopment plan (the "Redevelopment Plan") for the revitalization and redevelopment of an area of the Borough designated as Block 353, Lots 1.01 and 1.02 on the tax maps of the Borough and consisting of approximately 30.3 acres (the "Redevelopment Area" and also sometimes referred to herein as the "Land" or the "Project Area"); and

WHEREAS, pursuant to Section 4 of the Act (*N.J.S.A.* 40A: l2A-4), the Borough has determined to act as the "Redevelopment Entity" (as such term is defined in the Act at *N.J.S.A.* 40A:12A-3) for the Redevelopment Area and to exercise the powers contained in the Act to facilitate the development and redevelopment of the Redevelopment Area; and

WHEREAS, the Redevelopment Plan provided, among other things, for the construction of industrial warehouse with accessory uses on Land; and

WHEREAS, the Urban Renewal Entity has agreed to implement the Redevelopment Plan and develop, design, finance and construct a project at this time consisting of approximately 400,000 square feet of industrial warehouse space on the Project Area, and the construction of utilities, driveways, parking, loading, street lighting, landscaping and other on- and off-site improvements in accordance with the requirements of the Redevelopment Plan (collectively, the "Project", as more fully defined herein), and in connection therewith, the Urban Renewal Entity has agreed to devote substantial cash assets and borrowed funds to the completion of the Project; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Borough entered into a redevelopment agreement with the Urban Renewal Entity dated _____, 2020, (along with any amendments thereto, the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the Borough and the Urban Renewal Entity with respect to certain aspects of the Project; and

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WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Borough will enter into this Financial Agreement with the Urban Renewal Entity governing payments made to the Borough in lieu of real estate taxes on the Project pursuant to the Long Term Tax Exemption Law; and

WHEREAS, the Project will require certain improvements in and around the Project Area, including without limitation, construction of water and sewer infrastructure, roadway improvements, driveway improvements; turn lanes and drainage facilities (collectively, the "Infrastructure Improvements"); and

WHEREAS, despite the Urban Renewal Entity's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project, including the Infrastructure Improvements; and

WHEREAS, to defray some of the costs of the Infrastructure Improvements, thereby making the Project viable, the Borough (itself or through its designee) has agreed to issue bonds (the "Redevelopment Bonds") pursuant to the Redevelopment Area Bond Financing Law, *N.J.S.A.* 40A:12-64, *et seq.* (the "Bond Financing Law"); and

WHEREAS, the provisions of the Long Term Tax Exemption Law and the Bond Financing Law authorize the Borough to accept, in lieu of real property taxes, an annual service charge paid by the Urban Renewal Entity to the Borough; and

WHEREAS, pursuant to the terms of this Financial Agreement, the Urban Renewal Entity has agreed to make payment of the Annual Service Charge (as defined herein) to the Borough; and

WHEREAS, pursuant to the terms of this Agreement, and in accordance with the terms of the Bond Financing Law, specifically N.J.S.A. 40A:12A-67(a)**,** the Borough shall issue the Redevelopment Bonds as general obligation bonds; and

WHEREAS, the Urban Renewal Entity filed an Application (as defined herein) with the Borough for approval of a long term tax exemption for the Improvements (as defined herein) to the extent permitted by the Long Term Tax Exemption Law; and

WHEREAS, the Borough has made the following findings with respect to the Project:

1. Relative Benefits of the Project:

   i. The Project will provide additional, state-of-the-art industrial warehouse space and roadway improvements in the Borough, along with the renewal and revitalization of the Redevelopment Area.

2. Assessment of the Importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

   i. The exemption provided herein permits better use of the Land, completion of significant infrastructure improvements, reuse of environmentally contaminated

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property reuse of severely underutilized property which will grow the Borough's tax base, and completion of significant roadway improvements in the Borough; and

WHEREAS, the Borough Council on May ____, 2020, adopted Ordinance **__[#]___**, approving the Application, including the Annual Service Charge, and authorized the execution of this Agreement (as amended, the "Ordinance", attached hereto as Exhibit 2); and

WHEREAS, pursuant to the Bond Financing Law, specifically *N.J.S.A.* 40A:12A-68, the Annual Service Charge shall, upon the recordation of this Financial Agreement and the Ordinance, constitute a municipal lien on the Project Area and the Project within the meaning of the law; and

WHEREAS, in order to satisfy the requirements of the Long Term Tax Exemption Law and to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to (a) the payment of the Annual Service Charge by the Urban Renewal Entity, in lieu of real property taxes, and (b) the issuance of Redevelopment Bonds by the Borough, the Parties have determined to execute this Financial Agreement.

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed 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, the Bond Financing Law and such other statutes as may be the sources of relevant authority, (b) the Ordinance, and (c) all other Applicable Laws. It is expressly understood and agreed that the Borough expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, 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:

Act	Ordinance
Agreement/Financial Agreement	Parties
Bond Financing Law	Project Area
Infrastructure Improvements	Redevelopment Agreement
Land	Redevelopment Area
Long Term Tax Exemption Law	Redevelopment Bonds

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

Redevelopment Entity

Borough

Redevelopment Plan

Urban Renewal Entity

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 16.12 herein.

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

Allowable Profit Rate - The annual percentage rate as set forth in *N.J.S.A.* 40A:20-3(b). The provisions of *N.J.S.A.* 40A:20-3(b) are incorporated herein by reference.

Annual Gross Revenue – The annual gross revenue of the Urban Renewal Entity for space leased either to a sublessee or end user, as defined in *N.J.S.A.* 40A:20-3.

Annual Service Charge – The payment by the Urban Renewal Entity pursuant to Article IV herein, which: (a) the Urban Renewal Entity 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 as defined herein, and (d) shall be pro rated in the year in which this Agreement begins and the year in which this Agreement terminates. The Annual Service Charge for the Project is set forth in Schedule 1, annexed hereto.

Annual Service Charge Payment Dates – With respect to the Project as a whole, February 1, May 1, August 1 and November 1 of each year commencing on the first day of the month following the Annual Service Charge Start Date and ending on the thirtieth (30th) anniversary date thereof.

Annual Service Charge Start Date – The first Annual Service Charge Payment Date occurring after the Borough issues a Certificate of Occupancy for the Project, or portion thereof, as applicable.

Applicable Law – All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Act, the Bond Financing Law, 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 – The application filed by the Urban Renewal Entity pursuant to *N.J.S.A.* 40A:20-8 with the Mayor of the Borough for a long-term tax exemption for the Project, attached hereto as Exhibit 3.

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Auditor's Report – A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit as provided in *N.J.S.A.* 40A:20-3(c)(2). The contents of the Auditor's Report shall be prepared in conformity with generally accepted accounting principles. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

Bondholder – Any person who is the registered owner of any outstanding Redevelopment Bonds.

Certificate of Completion – A certificate or certificates, issued by the Borough authorizing occupancy of a building, in whole or in part, and certifying that the Urban Renewal Entity has performed its duties and obligations under the Redevelopment Agreement and the Redevelopment Plan with respect to the Project.

Certificate of Occupancy – A permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, is issued by the Borough authorizing occupancy of a building, in whole or in part upon Completion (hereinafter defined), of each phase of the Project, pursuant to *N.J.S.A.* 52:27D-133.

Change in Law – The enactment, promulgation, modification or repeal of or with respect to Applicable Law, including without limitation, the Long Term Tax Exemption Law, the Bond Financing Law, the Act or other similar statute with respect to the matters addressed by the terms of this Financial Agreement and/or the transactions contemplated hereby.

Chief Financial Officer – The Borough's chief financial officer.

Completion, Complete or Completed – 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 in order that a Certificate of Completion 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 Urban Renewal Entity with respect to the Project, which determination is reasonably acceptable to the Borough.

County – The County of Middlesex.

County Share – As defined in Section 16.07 herein.

Debt Service – The amount required to make annual payments of principal and interest or the equivalent thereof on any of the Redevelopment Bonds.

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

Exhibit(s) – 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.

Financial Plan – The financial plan for the development of the Project, as attached hereto as Exhibit 6.

Improvements – Any building, structure or fixture permanently affixed to the Land as part of the Project, recognized and exempted from taxation under this Agreement, but not the Land.

In Rem Tax Foreclosure – A summary proceeding by which the Borough 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*.

Issuer – Either (a) the Borough, with respect to issuance of the Redevelopment Bonds and/or Redevelopment Bond Anticipation Notes and/or (b) the conduit governmental bond issuing agency that issues the Redevelopment Bonds, to the extent that the Borough does not issue such Redevelopment Bonds under Applicable Law, such conduit issuer to be determined by the Borough in its sole discretion.

Land – The real property, but not the Improvements, known as Block 353, Lots 1.01 and 1.02, on the tax maps of the Borough, and more particularly described by the metes and bounds description set forth as Exhibit 1 of this Agreement.

Land Taxes – The amount of taxes assessed on the value of Land, on which the Project is located.

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

Material Conditions – The conditions set forth in Section 4.05 herein.

Net Profit – The annual Gross Revenue of the Urban Renewal Entity pertaining to the Project less all operating and non-operating expenses of the Urban Renewal Entity, 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 Urban Renewal Entity in an amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the abatement granted pursuant to this Agreement as well as all other expenses permitted under the provisions of *N.J.S.A.* 40A:20-3(c).

Project – As defined in the recitals, and further described as the RG Middlesex Warehouse Project, including the Infrastructure Improvements.

Redevelopment Bonds – One or more series of taxable or tax-exempt general obligation bonds authorized by the Borough and issued by the Issuer pursuant to the Act and the Bond

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Financing Law, the proceeds of which shall be applied toward payment of the costs relating to the design, permitting, development and construction of the Infrastructure Improvements, costs of issuance of the Redevelopment Bonds and capitalized interest on the Redevelopment Bonds including without limitation the replacement of the Redevelopment Bond Anticipation Notes, if issued.

Redevelopment Bond Anticipation Notes – The short-term debt obligations to be issued by the Borough pursuant to *N.J.S.A.* 40A:2-8 in anticipation of the issuance of the Redevelopment Bonds for the purpose of providing short-term or temporary financing for payment of (a) all of the Infrastructure Improvements costs, (b) capitalized interest payable on the Redevelopment Bond Anticipation Notes, and (c) the costs incurred by the Borough in connection with the authorization, execution and delivery of the Redevelopment Bond Anticipation Notes.

State – The State of New Jersey.

Substantial Completion – The date the work related to the Project, or phase thereof, is sufficiently complete in accordance with the Redevelopment Plan and the Redevelopment Agreement so that the Urban Renewal Entity can occupy or utilize the Project, or portion thereof, for the use for which it is intended. This date shall be confirmed by a certificate of Substantial Completion signed by the Urban Renewal Entity.

Tax Assessor – The Borough tax assessor.

Tax Collector – The Borough 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 – As defined in Section 3.01 of this Agreement.

Termination – The expiration of the Term of this Agreement in accordance with Section 3.01 hereof or any action or omission, including Default, which by operation of the terms of this Financial Agreement shall cause the Urban Renewal Entity to relinquish its tax exemption.

Total Project Cost – The total cost of construction of the Project through the date a Certificate of Occupancy is issued for the entire Project, which categories of cost are as defined in *N.J.S.A.* 40A:20-3(h). There shall be included in Total Project Cost the actual costs incurred to construct and/or rehabilitate the Improvements which are specifically described and estimated in Exhibit 7 hereto.

Transferee – As defined in Section 9.01 herein.

Transferee Agreement – As defined in Section 9.01 herein.

Section 1.03 Interpretation and Construction - In this Financial Agreement, unless the context otherwise requires:

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(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 execution and 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, within a reasonable time, which shall not be more than twenty (20) days, unless the context dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the parties hereto, after adoption of the Ordinance.

(h) 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 Grant of Tax Exemption - The Borough hereby grants its approval for a tax exemption for the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of Applicable Law, which Improvements shall be constructed and/or renovated on the Land in the Redevelopment Area.

Section 2.02 Representations of Urban Renewal Entity - The Urban Renewal Entity represents that its Certificate of Formation as attached hereto as Exhibit 4 contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the State Department of Community Affairs, and has been filed with, as appropriate, the State Department of Treasury, all in accordance with *N.J.S.A.* 40A:20-5.

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Section 2.03 Improvements to be Constructed - The Urban Renewal Entity represents that it will construct the Project in accordance with the Redevelopment Plan, the final site plan approvals ("Final Site Plan Approvals") and Applicable Law, the use of which is more specifically described in the Application.

Section 2.04 Construction Schedule - The Urban Renewal Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule attached hereto as Exhibit 5.

Section 2.05 Ownership, Management and Control - The Urban Renewal Entity represents that on or before the commencement of construction of the Project as set forth herein, it will be the owner of the Land upon which the Project is to be constructed and which is the subject of this Agreement.

Section 2.06 Financial Plan - The Urban Renewal Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Financial 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.

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 remain in full force and effect for the earlier of (i) thirty-five (35) years from the date of execution hereof, or (ii) thirty (30) years from the Annual Service Charge Start Date for the Project (the "Term"). The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a qualified corporation, association or other urban renewal entity formed and operating under the Long Term Tax Exemption Law, except for permitted conveyances as stated in Section 9.01of this Financial Agreement. Upon Termination, the tax exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law then applicable to other non-exempt property in the Borough. Upon Termination, all restrictions and limitations upon the Urban Renewal Entity shall terminate upon the Urban Renewal Entity's rendering and the Borough's acceptance of its final accounting, pursuant to *N.J.S.A.* 40A:20-13.

Section 3.02 No Voluntary Termination by Urban Renewal Entity - Notwithstanding anything herein to the contrary, neither the Entity nor the Borough may at any time terminate this Agreement during the period when any Redevelopment Bonds remain "outstanding". The Entity expressly acknowledges, understands and agrees that in accordance with the Bond Financing Law, specifically N.J.S.A. 40A:12A-66(a), the relinquishment provisions set forth in the Long Term Tax Exemption Law, specifically N.J.S.A. 40A:20-9(g) and 13, shall not be applicable in accordance with, pursuant to, and under this Agreement. The Entity expressly rejects, refuses, relinquishes, surrenders, and otherwise waives any and all rights of relinquishment of its status

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under the acts and this Agreement that it may have otherwise been entitled to in accordance with any Applicable Law, including without limitation, N.J.S.A. 40A:20-13.

ARTICLE IV.

ANNUAL SERVICE CHARGE

Section 4.01 Consent of Urban Renewal Entity to Annual Service Charge - The Urban Renewal Entity hereby irrevocably consents and agrees to the amount of Annual Service Charge and to the liens established in this Agreement, and the Urban Renewal Entity shall not contest the validity or amount of the Annual Service Charge and such lien. Notwithstanding anything herein to the contrary, as long as any Redevelopment Bonds remain outstanding, and notwithstanding the Term of this Financial Agreement or the duration of the tax exemption provided for in Section 3.01 hereof, the Urban Renewal Entity's obligation to pay the Annual Service Charge shall be absolute and unconditional and shall not be subject to any defense, set-off, recoupment or counterclaim. The Urban Renewal Entity's remedies shall be limited to those specifically set forth herein.

Section 4.02 Quarterly Installments – The Urban Renewal Entity agrees that payment of the Annual Service Charge shall be paid to the Borough on a quarterly basis on February 1, May 1, August 1, and November 1 of each year commencing on the Annual Service Charge Start Date. In the event that the Urban Renewal Entity fails to timely pay any installment, the entire amount past due on the Land shall bear until paid the highest rate of interest permitted to be assessed under applicable State law against delinquent taxpayers in the case of unpaid taxes or tax liens, which interest rate is currently 18%.

Section 4.03 Annual Service Charge Amount - As provided for in the Long Term Tax Exemption Law, the Annual Service Charge shall be a percentage of the Annual Gross Revenue or the Total Project Cost; provided however, the Bond Financing Law, specifically *N.J.S.A.* 40A:12A-66(a), provides that the minimum or maximum percentages as established in the Long Term Tax Exemption Law are not applicable to the Project since a portion of the costs of the Project are financed with the proceeds of the Redevelopment Bonds. The Annual Service Charge is in lieu of any and all other municipal real estate taxes on the Project (not the Land) pursuant to *N.J.S.A.* 40A:20-12.

Section 4.04 Payment of Annual Service Charge - In consideration of the exemption from taxation for the Improvements, the Urban Renewal Entity or any successor, as applicable, shall pay the Annual Service Charge, to the Borough on the Annual Service Charge Payment Dates as set forth below:

(a) Upon the issuance of a Certificate of Occupancy for the Improvements, or any portion thereof, the Urban Renewal Entity shall be responsible for the payment of the Annual Service Charge applicable to such Improvements on a square foot basis, as provided on Schedule 1 attached hereto, on the respective Annual Service Charge Payment Dates. In the event that the Urban Renewal Entity fails to timely pay any installment, the amount past due shall bear until paid the highest rate of interest permitted to be assessed under applicable State law against delinquent taxpayers in the case of unpaid taxes or tax liens. The Urban Renewal Entity shall be

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responsible for the Annual Service Charge due with respect to all Improvements for which a Certificate of Occupancy has been issued, regardless of the whether same has been leased.

(b) Upon the transfer of title to the Improvements, or any portion thereof for which a Certificate of Occupancy has been issued, the respective Transferee will be responsible for the payment of the Annual Service Charge applicable to such Improvements, as provided for in Section 4.04(a). In the event that a Transferee fails to timely pay any installment, the amount past due shall bear until paid the highest rate of interest permitted to be assessed under applicable State law against delinquent taxpayers in the case of unpaid taxes or tax liens.

In no event shall the Annual Service Charge be less than the amount of the total taxes levied against all the real property in the Redevelopment Area in the last full year in which the Redevelopment Area was subject to conventional taxation.

Section 4.05 Material Conditions - It is expressly agreed and understood that all payments of 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 - Neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Sections 4.02 and 4.04 hereof shall be reduced, amended or otherwise modified during the Term of this Agreement, through any tax appeal on the Improvements or otherwise; provided, however, that the foregoing shall not prohibit the Entity from appealing land taxes applicable to the Land as may be then assessed at any time during the term of this Financial Agreement.

Section 4.07 Annual Service Charge as Municipal Lien - The Borough and the Urban Renewal Entity hereby expressly acknowledge, understand and agree that in accordance with the Bond Financing Law, specifically *N.J.S.A.* 40A:12A-68, and other Applicable Law, upon the recordation of the Ordinance and this Financial Agreement (a) the Ordinance, this Financial Agreement and any amount due hereunder, including without limitation, the Annual Service Charge, shall be a continuous, municipal lien on the Project Area and the Project, and that any subsequent Annual Service Charge, including any interest, penalties or costs of collection thereof, that shall thereafter become due or accrue, shall be added and relate back to and be part of the initial municipal lien on the Project Area and the Project, (b) the Ordinance, this Financial Agreement and any amounts due hereunder, including without limitation, the Annual Service Charge, shall constitute an automatic, enforceable and perfected statutory municipal lien for all purposes on the Project Area and the Project, including specifically and without limitation, the federal bankruptcy code, regardless of whether the amount of the Annual Service Charge has been determined, and (c) any applicable process, procedure or action of any court, government body or other relevant authority, including without limitation any confirmation hearing, to

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determine the amount of the Annual Service Charge due shall not affect the commencement or validity of the municipal lien.

Section 4.08 Security for Payment of Annual Service Charge - In order to secure the full and timely payment of the Annual Service Charge, the Borough on its own behalf or on behalf of the Bondholder reserves the right to prosecute an In Rem Tax Foreclosure action against the Improvements and the Land as more fully set forth in this Agreement.

Section 4.09 Assessment of Land Taxes - Land Taxes shall be separately assessed for the Land and paid, and shall be assessed only on the lots that make up the Land, without regard to any Improvements or increase in fair market value to the Land because of the Improvements. Land Taxes assessed against the land shall not be contested during the Term of this Agreement.

Section 4.10 Land Tax Credit - Pursuant to *N.J.S.A.* 40A:20-12b(2)(e), the Urban Renewal Entity shall, in each subsequent year after the Annual Service Charge Start Date, be entitled to a credit against the Annual Service Charge for the amount, without interest, of the Land Tax Payments paid by the Urban Renewal Entity (or Transferee, as applicable) in the last four preceding quarterly installments.

ARTICLE V.

SECURITY FOR REDEVELOPMENT BONDS

Section 5.01 Urban Renewal Entity's Consent - The Urban Renewal Entity hereby irrevocably consents and agrees to the amount of the Annual Service Charge and to the liens established in this Financial Agreement, and the Urban Renewal Entity shall not contest the validity or amount of the Annual Service Charge or lien. The Urban Renewal Entity's remedies shall be limited to those specifically set forth herein.

Section 5.02 Security for the Redevelopment Bonds – The Redevelopment Bonds will be full faith and credit obligations of the Borough, payable from the levy of *ad valorem* taxes without limitation as to rate or amount.

ARTICLE VI.

ISSUANCE OF REDEVELOPMENT BONDS; USE OF PROCEEDS

Section 6.01 Issuance of Bonds – (a) The Parties agree that all or part of the Infrastructure Improvements shall be financed through the issuance of the Redevelopment Bonds by the Issuer. The Redevelopment Bonds shall be issued pursuant to the Act, the Long Term Tax Exemption Law and the Bond Financing Law.

(b) The Redevelopment Bonds shall be issued in an amount not to exceed $750,000.00 to be utilized by the Urban Renewal Entity for the construction of the portion of the Infrastructure Improvements for the Project, including, such items as road improvements, sidewalks, driveway improvements, turn lanes and drainage facilities. The Infrastructure

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Improvements will include (i) improvements to River Road required by Middlesex County, and (ii) improvements required by the planning board of the Borough as a condition to Preliminary/Final Site Plan Approval of the Project, including improvements to Baekeland Avenue. The scope of the Infrastructure Improvements will not be determined until Preliminary/Final Site Plan Approval of the Project, at which time the final cost will be determined and the amount of the Redevelopment Bond established (not to exceed $750,000.00).

(c) The approximate amount for the Redevelopment Bonds set forth in subsection (b) above includes (i) the estimated hard and soft costs associated with the Infrastructure Improvements) plus (ii) estimated amounts needed to fund capitalized interest on, and costs of issuing, the Redevelopment Bonds. The exact amount of the Redevelopment Bonds will be determined after construction bids for the Infrastructure Improvements are secured. In the event the hard and soft costs of the Infrastructure Improvements exceed $750,000.00, the Urban Renewal Entity shall pay such excess costs from sources other than the Redevelopment Bonds.

Section 6.02 Issuer - The Issuer of the Redevelopment Bonds shall be selected by the Borough in it sole discretion.

Section 6.03 Use of Proceeds - The proceeds from the Redevelopment Bonds shall be applied to pay, among other things, the costs of the Infrastructure Improvements to be constructed by the Urban Renewal Entity, along with the costs of issuance and capitalized interest on the Redevelopment Bonds. The Borough shall hold the proceeds of the Redevelopment Bonds and disburse such proceeds to the Urban Renewal Entity in accordance with the terms and provision of a loan agreement(s) or similar instrument(s), to be executed by and between the Borough and the Urban Renewal Entity in connection with the issuance of the Redevelopment Bonds. The Urban Renewal Entity shall fund the construction of the Infrastructure Improvements prior to the issuance, by the Borough, of the Redevelopment Bonds. The Urban Renewal Entity shall receive reimbursement from the Borough for such costs upon the issuance of the Certificate of Occupancy for the Project; provided, however, that if the Redevelopment Bonds are issued on a tax-exempt basis, such reimbursement may not adversely impact the tax-exempt status of the Redevelopment Bonds under applicable Internal Revenue Code regulations. To the extent that proceeds of the Redevelopment Bonds remain after payment of all costs associated with the Infrastructure Improvements, including costs of issuance and capitalized interest on the Redevelopment Bonds, such remaining funds may be used to pay costs associated with other infrastructure improvements related to the construction of the Project at the direction of the Borough; provided, however, that in no event may such remaining funds be used for a purpose that might adversely impact the tax-exempt status of the Redevelopment Bonds, if applicable.

Section 6.04 Terms; Interest Rate - The Term of the Redevelopment Bonds shall be as required and/or permitted by *N.J.S.A.* 40A:12A-67. The interest rate or rates to be borne by the Redevelopment Bonds shall not exceed: (i) for taxable bonds, the applicable Bloomberg LP "A-" rated general obligation yields as of the date of pricing, plus 50 basis points or (ii) for tax exempt bonds, Thomson Financial's Municipal Market Data "A" rated general obligation yields appearing in the *Bond Buyer* on the day of pricing, plus 50 basis points. If, at the time of the issuance of the Redevelopment Bonds, the Parties determine that it is not possible to issue such bonds in accordance with the limitations set forth herein, the Parties agree to negotiate, in good

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faith, new terms for the issuance of the Redevelopment Bonds; provided, however, that if the Parties are unsuccessful in such negotiations, either Party may then terminate this Agreement.

ARTICLE VII.

CERTIFICATE OF OCCUPANCY

Section 7.01 Certificate of Occupancy - It is understood and agreed that it shall be the obligation of the Urban Renewal Entity to obtain all Certificates of Occupancy in a reasonably timely manner after the Urban Renewal Entity has satisfied all requirements to secure such Certification of Occupancy.

Section 7.02 Filing of Certificate of Occupancy - It shall be the primary responsibility of the Urban Renewal Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the Borough, including, if appropriate, retroactive billing with interest to collect any charges due hereunder.

ARTICLE VIII.

ACCOUNTING, REPORTS, CALCULATIONS

Section 8.01 Accounting System - The Urban Renewal Entity agrees to calculate its "Net Profit" pursuant to *N.J.S.A.* 40A:20-3(c).

Section 8.02 Periodic Reports -

(a) Auditor's Report: if the Urban Renewal Entity is still responsible to pay any portion of the Annual Service Charge (*i.e.* if a portion of the Project has not been divided into units and sold to Transferees), within ninety (90) days after the close of each fiscal or calendar year depending on the Urban Renewal Entity's accounting basis that this Agreement shall continue in effect, the Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough 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 Urban Renewal Entity during the previous year. The Urban Renewal Entity assumes all costs associated with preparation of the periodic reports.

(b) Disclosure Statement: if the Urban Renewal Entity is still responsible to pay any portion of the Annual Service Charge (*i.e.* if a portion of the Project has not been divided into units and sold to Transferees), 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 Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to the advised, a Disclosure Statement

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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 Borough may request from time to time.

Section 8.03 Inspection - The Urban Renewal Entity shall, upon request, permit inspection of its Land, equipment, fixtures, buildings and other facilities of the Project and, also permit examination and audit of its books, contracts, records, documents and papers with respect to the Project, by authorized representatives of the Borough and the State pursuant to *N.J.S.A.* 40A:20-9(e). To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

Section 8.04 Limitation on Profits and Reserves - During the period of tax exemption as provided herein, the Urban Renewal Entity 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 Urban Renewal Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Urban Renewal Entity for the last full fiscal year preceding the year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A.* 40A:20-15. The reserve is to be noncumulative.

Section 8.05 Payment of Dividend and Excess Profit Charge - In the event the Net Profits of the Urban Renewal Entity, in any fiscal year, shall exceed the Allowable Net Profits for such period, then the Urban Renewal Entity, within ninety (90) days after the end of such fiscal year, shall pay such excess Net Profits to the Borough as an additional service charge; provided, however, that the Urban Renewal Entity may maintain a reserve as determined pursuant to aforementioned Section 8.04. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A.* 40A:20-3(c) and 40A:20-15.

Section 8.06 Calculation of Gross Revenue and Net Profit - There is expressly excluded from calculation of Annual Gross Revenue and from Net Profit as set forth in *N.J.S.A.* 40A:20-3 for the purpose of determining compliance with *N.J.S.A.* 40A:20-15 or *N.J.S.A.* 40A:20-16, any gain realized by the Urban Renewal Entity on the sale of any subdivided and/or transferred unit, whether or not taxable under federal or State law.

ARTICLE IX.

ASSIGNMENT AND/OR ASSUMPTION, CONVEYANCE

Section 9.01 Approval to Sale of Project by Urban Renewal Entity Formed and Eligible to Operate Under Law – As permitted by *N.J.S.A.* 40A:20-10, it is understood and agreed that the Borough, on written application by the Urban Renewal Entity, may consent, which consent shall not be unreasonably withheld, delayed or conditioned, to a sale of the Project and the transfer of this Agreement provided (a) the transferee Urban Renewal Entity ("Transferee") does not own any other Project subject to long term tax exemption at the time of transfer; (b) the Transferee is formed and eligible to operate under the Long Term Tax Exemption Law; (c) the Urban Renewal Entity is not then in Default of this Agreement or in violation of Applicable Law; (d) the Urban Renewal Entity's obligations under this Agreement are fully assumed by the Transferee in a duly

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executed written instrument or document satisfactory to Borough, including but not limited to a new financial agreement incorporating all the terms of this Financial Agreement for the period remaining on the tax exemption applicable to the Project or portion thereof transferred (the "Transferee Agreement"); (e) the Transferee abides by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to *N.J.S.A.* 40A:20-8, and any other terms and conditions of the Borough in regard to the Project. Upon such a transfer and the execution of a Transferee Agreement, the tax exemption provided for herein shall continue and inure to the Transferee and his/her successors and/or assigns.

Section 9.02 Severability - It is an express condition of the granting of this tax exemption that during its duration, the Urban Renewal Entity shall not, except in accordance with a final subdivision plan approved by the Borough Planning Board, without the prior consent of the Borough Council of the Borough 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 9.03 Subordination of Fee Title - It is expressly understood and agreed that the Urban Renewal Entity has the right, subordinate to the lien of the Annual Service Charge and to the rights of the Borough hereunder, to encumber and/or lease and/or assign the fee title to the Project Area and/or Project to a financial institution in connection with the undertaking of the Financial Plan set forth on Exhibit 6 hereto, and that any such encumbrance, lease or assignment shall not be deemed to be a violation of this Financial Agreement.

ARTICLE X.

RESERVATION OF RIGHTS AND REMEDIES

Section 10.01 Reservation of Rights and Remedies - Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or the Urban Renewal Entity of any rights and remedies provided by Applicable Law. Nothing herein shall be deemed to limit any right of recovery that the Borough or the Urban Renewal Entity has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE XI.

NOTICES

Section 11.01 Notice - Formal notices, demands and communications between and among the Borough and the Urban Renewal Entity 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. 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:

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If to the Borough:

Borough of Middlesex
1200 Mountain Avenue
Middlesex, New Jersey 08846
Attn: Borough Clerk
Fax No. ( ) _____
E-mail: _____

With copies to:

Ventura, Miesowitz, Keough & Warner, P.C.
783 Springfield Avenue
Summit, New Jersey 07901
Attn: Steven K. Warner, Esq.
Fax No. (908) 277-1374
E-mail: swarner@summitlawyers.net

And:

GluckWalrath LLP
4 Paragon Way, Suite 400
Freehold, New Jersey 07728
Christopher M. Walrath, Esq.
Fax No. (732) 530-6770
E-mail: cwalrath@glucklaw.com

If to Urban Renewal Entity:

RG Middlesex Urban Renewal, L.L.C.
1221 Avenue of the Americas, 17th Floor
New York, New York 10020
Fax No. ( ) _____
E-mail: _____

With copies to:

Faegre Drinker, Biddle & Reath
105 College Road East, PO Box 627
Princeton, New Jersey 08542
Attention: Richard S. Goldman, Esq.
Fax No. (609) 799-7000
E-mail: richard.goldman@dbr.com

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ARTICLE XII.

COMPLIANCE BY ENTITY WITH LAW

Section 12.01 Statutes and Ordinances - The Urban Renewal Entity hereby agrees at all times prior to the expiration or other Termination of this Financial Agreement to remain bound by the provisions of Applicable Law, including, but not limited to, the Long Term Tax Exemption Law and the Bond Financing Law. The Urban Renewal Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of the Financial Agreement.

ARTICLE XIII.

CONSTRUCTION

Section 13.01 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 Urban Renewal Entity and the Borough have combined in their review and approval of same.

ARTICLE XIV.

INDEMNIFICATION

Section 14.01 Indemnification - The Urban Renewal Entity shall indemnify and hold the Borough 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 exercise and/or performance by the Borough of any of its powers and/or obligations under this Agreement and/or the provisions of Applicable Law, including without limitation, *N.J.S.A.* 40A:20-1 *et seq*. except for any liability caused by misconduct of the Borough, its officials, employees or agents, or by the Borough's breach or Default. The Urban Renewal Entity shall defend the suit at its own expense. However, the Borough maintains the right to intervene as a party thereto, to which intervention the Urban Renewal Entity hereby consents, the expense thereof to be borne by the Urban Renewal Entity. Unless otherwise required by the Borough, to the extent practical and ethically permissible, the Urban Renewal Entity's attorneys shall jointly defend and represent the interest of the Borough and the Urban Renewal Entity as to all claims indemnified in connection with this Agreement. This indemnity shall survive termination of this Agreement.

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ARTICLE XV.

DEFAULT

Section 15.01 Default - Default shall be failure of a Party to conform to the terms of this Agreement and failure of a Party to perform any obligation imposed upon such Party by Applicable Law beyond any applicable notice, cure or grace period.

Section 15.02 Cure Upon Default - Should a Party be in Default of any obligation under this Agreement, the other Party shall notify the defaulting Party and any mortgagee, if applicable, in writing of said Default. It shall be the obligation of the Urban Renewal Entity to inform the Borough of any mortgagee to be afforded notice. Said notice shall set forth with particularity the basis of said Default. Except as otherwise limited by law, the defaulting Party shall have sixty (60) days to cure any Default (other than a Default in payment of any installment of the Annual Service Charge, which default must be cured within ten (10) days).

Section 15.03 Remedies for Default - (a) In the event of any uncured Default by the Borough, the Urban Renewal Entity may take whatever action at law or in equity, as may be necessary or desirable to enforce the performance or observance of any rights under this Agreement, including an action for specific performance.

(b) In the event of any uncured Default by the Urban Renewal Entity, the Borough may take whatever action at law or in equity, as may be necessary or desirable to enforce the performance or observance of any rights under this Agreement, including an action for specific performance or damages. No Default hereunder by the Urban Renewal Entity shall terminate the long term tax exemption (except as described herein) and its obligation to make Annual Service Charges, which shall continue in effect for the duration set forth in Section 3.01 hereof and subject to Section 15.06 hereinafter.

Section 15.04 Arbitration - In the event of a breach of this Agreement by either of the Parties or a dispute arising between the Parties in reference to the terms and provisions as set forth herein, then the Parties shall submit the dispute to the American Arbitration Association in the State to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of said laws. Costs for said arbitration shall be paid by the non-prevailing Party.

Section 15.05 Default in the Payment of Annual Service Charge - Upon any Default by the Urban Renewal Entity in payment of any installment of the Annual Service Charge, the Borough, in addition to their other remedies, reserves the right to proceed against the Project in the manner provided by Applicable Law and shall have the right to proceed to In Rem Tax Foreclosure consistent with the provisions and procedures of the In Rem Tax Foreclosure law. 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 Urban Renewal Entity does not waive any defense it may have to contest the rights of the Borough to proceed in the above-mentioned manner.

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Section 15.06 Remedies Upon Default Cumulative; No Waiver - Subject to the provisions of Article XV and the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to the Parties, 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 Borough of any of their remedies or actions against the Urban Renewal Entity because of Urban Renewal Entity'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 15.07 Termination Upon Default - In the event either Party fails to cure or remedy a Default within the time period provided in Section 15.02, the non-defaulting Party may terminate this Agreement by notice.

Upon any Default in payment of any installment of the Annual Service Charge not cured within ten (10) days following notice, the Borough in its sole discretion shall have the right to immediately exercise the following remedies: (a) terminate this Agreement, at which time: the Improvements on the Land shall be subject to conventional taxation and the Annual Service Charge throughout the Term hereof shall become immediately due and payable from (i) the proceeds of an In Rem tax foreclosure action against the Land; or (ii) from any other funds available to the Borough in law or equity; or (b) exercise any other remedy available to the Borough in law or equity. The Borough, as a courtesy, will attempt to give the Urban Renewal Entity and any mortgagee of the Urban Renewal Entity notice of the intention to exercise its remedies but failure to file such notice shall not affect such exercise in any way.

Section 15.08 Final Accounting - Within ninety (90) days after the date of Termination, the Urban Renewal Entity shall provide a final accounting and pay to the Borough the reserve, if any, pursuant to the provisions of *N.J.S.A.* 40A:20-13 and 15 as well as any excess Net Profits. For purposes of rendering a final accounting the Termination of the Agreement shall be deemed to be the end of the fiscal year for the Urban Renewal Entity.

Section 15.09 Conventional Taxes - Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Borough.

ARTICLE XVI.

MISCELLANEOUS

Section 16.01 Financial Agreement Controlling - The Parties agree that in the event of a conflict between (i) the Application and this Financial Agreement or (ii) the Redevelopment Agreement and this Financial Agreement, the provisions of this Financial Agreement shall govern and be controlling.

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Section 16.02 Oral Representations - There have been no oral representations made by either of the Parties hereto which are not contained in this Financial Agreement (except as within other agreements referenced herein). This Financial Agreement, the Ordinance and the Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

Section 16.03 Entire Document - All conditions in the Ordinance are incorporated in this Agreement and made a part hereof.

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

Section 16.05 Recording - This entire Agreement will be filed and recorded with the County Clerk by the Urban Renewal Entity at the Urban Renewal Entity's expense.

Section 16.06 Municipal Services - The Urban Renewal Entity shall make payments for municipal services, including water and sewer charges and any services that create a lien on a parity with or superior to the lien for the Land Taxes and Annual Service Charge, as required by law. Nothing herein is intended to release the Urban Renewal Entity from its obligation to make such payments.

Section 16.07 Annual Service Charge Paid to County - Pursuant to *N.J.S.A.* 40A:20-12, the Borough shall remit upon receipt five percent (5%) of the Annual Service Charge to Middlesex County (the "County Share").

Section 16.08 Financing Matters - The financial information required by the final paragraph of *N.J.S.A.* 40A:20-9 are set forth in the Application.

Section 16.09 Counterparts - This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 16.10 Amendments - This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Parties.

Section 16.11 Certification - The Borough Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A.* 40A:20-12, that a Financial Agreement with the Urban Renewal Entity, for the development of the Land has been entered into and is in effect as required by *N.J.S.A.* 40A:20-1, *et seq.* Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance 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 Borough 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 Borough Clerk that the exemption has been terminated.

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Further, upon the adoption of this Financial Agreement, a certified copy of the Ordinance shall forthwith be transmitted to the Director of the Division of Local Government Services by the Borough Clerk.

Section 16.12 Administrative Fee - The Urban Renewal Entity shall pay annually an administrative fee (the "Administrative Fee") to the Borough in addition to the Annual Service Charge. The Administrative Fee shall be computed as two percent (2%) of the Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge. In the event the Entity fails to pay the Administrative Fee when due and owing, the amount unpaid shall bear the highest rate of interest permitted under applicable State law in the case of unpaid taxes or tax liens until paid.

Section 16.13 Severability of Invalid Provisions - If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 16.14 Choice of Laws - This Agreement shall be governed by the laws of the State of New Jersey without regard for the conflicts of law or choice of laws provisions thereof, with jurisdiction and venue in Middlesex County, New Jersey.

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EXHIBITS AND SCHEDULES

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

Schedules

1. Annual Service Charge

Exhibits

1. Legal Description of the Project;
2. Ordinance of the Borough authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of Formation for Urban Renewal Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Certification of Estimated Construction Costs.

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

ATTEST:

_____
Borough Clerk

BOROUGH OF MIDDLESEX

By: _____
Name:
Title: Mayor

WITNESS:

_____
Name:
Title:

RG Middlesex Urban Renewal, LLC

By: _____
Name:
Title:

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STATE OF _____)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of May, 2020, by RG Middlesex Urban Renewal, LLC, a New Jersey limited liability company, by _____, its _____, on behalf of the company.

_____
Notary Public

Commission Expiration: _____

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STATE OF _____)
)
COUNTY OF _____)

I certify that on the ___ day of May, 2020, _____ personally appeared before me, the subscriber, and acknowledged under oath, to my satisfaction, that: (a) this person is the Clerk of Middlesex Borough, the municipal corporation and body politic, named in this document; (b) this person is the attesting witness to the signing of this document by the proper officer who is _____, the Mayor of Middlesex Borough; (c) this document was signed and delivered by Middlesex Borough as its voluntary act duly authorized by a proper resolution of the Middlesex Borough Council; (d) this person knows the proper seal of Middlesex Borough which was affixed to this document; and (e) this person signed this proof to attest to the truth of these facts.

_____

Signed and sworn to before me this
day of , 2020.

_____

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

SCHEDULE 1

Annual Service Charge Schedule

Calculation of Annual Service Charge

The Annual Service Charge shall be an amount equal to $1.50 per square foot of gross floor area of buildings constituting the Project; subject to adjustment as provided in Section 6.03). This amount includes funding for a $750,000.00 Redevelopment Bond pursuant to Article VI of this Agreement for Infrastructure Improvements, the debt service on which will be paid by the Borough from Annual Service Charges. In the event that the final determination of the Infrastructure Improvements exceed $750,000.00, the Urban Renewal Entity shall pay such excess costs from sources other than the Redevelopment Bonds.

Adjustment of Annual Service Charge Amount

The total amount set forth above will be adjusted on each anniversary of the Annual Service Charge Start Date (each and "Adjustment Date") until this Agreement is terminated. The Annual Service Charge shall be increased on each Adjustment Date by an amount equal to the sum of: (i) a dollar amount equal to the increase in the non-municipal/library portion of the Land Taxes (the "Non-Municipal Land Tax Component") provided that such increase shall not exceed 3% of the Annual Service Charge ("Land Tax Adjustment Cap"), and provided further that any unused portion of the Land Tax Adjustment Cap shall be carried over to future years*; and, (ii) an amount based upon a percentage increase in property taxes on the property as if it were subject to regular taxation with a minimum annual increase of 1% and maximum annual increase of 3% of the prior year's Annual Service Charge.

- **Examples:** **(1)** If the Non-Municipal Land Tax Component increased in year 2 by $5,000.00, the dollar increase in the Land Tax Adjustment would be the lesser of: (i) $5,000; or, (ii) 3% of the Annual Service Charge. If the $5,000.00 increase is equal to or greater than 3% there is no carryover into year 3. **(2)** If the Non-Municipal Land Tax Component increased in year 2 by $1,000.00, which resulted in an increase in year 2 of 1%, and if the Non-Municipal Land Tax Component increased by $20,000.00 in year 3 which would generate a 6% increase, the Land Tax Adjustment Cap in year 3 would be 5% (i.e. the unused cap of 2% from year 2 plus 3% cap in year 3) and there is no carryover into year 4. **(3)** If the Non-Municipal Land Tax Component increased by an amount that would be equal to a 1% increase in the Annual Service Charge in each of years 2, 3, 4 and 5, then the increases in each of those years is 1%, and if the Non-Municipal Land Tax Component increased by an amount that would generate an 11% increase in the Annual Service Charge in year 6 the increase in year 6 shall be 11% (i.e. the unused cap of 2% from years 2, 3, 4 and 5, plus 3% cap in year 6.

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 1

Legal Description of Project Area

[Attached]

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

LANGAN

Technical Excellence
Practical Experience
Client Responsiveness

15 October 2019
100701201

WRITTEN DESCRIPTION
BLOCK 353, LOT Nos. 1.01 & 1.02
BOROUGH OF MIDDLESEX, MIDDLESEX COUNTY, NEW JERSEY

BEGINNING at a PK Nail found at a point of non-tangent curvature in the easterly sideline of River Road, aka County Road 622, (width varies), distant 44 feet measured at right angles from the centerline thereof, at the southwesterly terminus of a curve connecting the southerly sideline of Baekland Avenue (60 feet wide) with the said easterly sideline of River Road, and running; thence

1. Along the said southerly sideline of Baekland Avenue and along a curve to the right having a radius of 83.00 feet, an arc length of 71.59 feet, a central angle of 49°25'00" and a chord which bears North 29°13'36" East, a distance of 69.39 feet to a point of tangency marked by a Pin and Cap found; thence
2. Along the same, North 53°56'06" East, a distance of 156.84 feet to a point of curvature; thence
3. Continuing along the same and along a curve to the right having a radius of 470.00 feet, an arc length of 286.42 feet, a central angle of 34°55'00" and a chord which bears North 71°23'36" East, a distance of 282.01 feet to a point of tangency; thence
4. Continuing along said Baekland Avenue, North 88°51'06" East, a distance of 1809.61 feet to an Iron Pipe with Cap, identified "Hewitt", in the municipal boundary line between the said Borough of Middlesex and the Township of Piscataway as set forth in Session Laws of 1913 at Page 626, said point also being in the centerline of former New Market Road (vacated per Borough of Middlesex Ordinance #232 adopted September 14, 1955), and the northerly line of a map entitled "Rockefeller Group Logistics Park, Survey & Minor Subdivision Plan, Block 3502 Lot 1.05", filed in the Middlesex County Clerk's Office on January 10, 2018 as Map No. 68, Filed 1945; thence
5. Along said line, South 53°56'06" West, a distance of 1996.25 feet to a Monument found in the said easterly sideline of River Road, passing over a Mag Nail with Disk, identified "Langan Engineering", set 1119.77 feet from the beginning of this course and passing over a Monument set 11.00 feet from the terminus of this course; thence
6. Along said easterly sideline, North 34°30'49" West, a distance of 412.58 feet to a PK Nail found; thence
7. Continuing along the same, North 35°01'29" West, a distance of 679.08 feet to the point and place of BEGINNING.

Encompassing an area of 1,319,964 sq. ft. or 30.3022 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/NSPS Land Title Survey, 171 River Road, Rockefeller Group, Block 353, Lots 1.01 & 1.02, Borough of Middlesex, Middlesex County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., dated January 9, 2019.

David R Avery 10/15/19

David R. Avery
Professional Land Surveyor
N.J. Lic. No. 24GS03964600

NJ Certificate of Authorization No. 24GA27996400
Z:\PAR\data2\100701201\Project Data_Discipline\Survey\Office Data\Descriptions\100701201-Written Description-Block 353 Lots 1.01 & 1.02.docx

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 2

Ordinance Authorizing the Execution of this Agreement

[Attached]

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

ORDINANCE OF THE BOROUGH OF MIDDLESEX, IN THE COUNTY OF MIDDLESEX, NEW JERSEY APPROVING THE APPLICATION OF AND THE EXECUTION OF FINANCIAL AGREEMENT WITH RG MIDDLESEX URBAN RENEWAL LLC IN CONNECTION WITH THE UNDERTAKING OF A REDEVELOPMENT PROJECT BY RG MIDDLESEX URBAN RENEWAL LLC

WHEREAS, the New Jersey Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1 *et seq.* (the "**Act**") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Act confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Act, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Borough of Middlesex, in the County of Middlesex, New Jersey (the "**Borough**") has elected to exercise these redevelopment entity powers directly, as permitted by Section 4 of the Act; and

WHEREAS, on May 28, 2019, the Borough adopted Resolution No. 135-2019 designating an area of property located at 65 Baekeland Avenue (the former Union Carbide Corporation facility) and shown as Block 353, Lots 1.01 and 1.02 on the Borough of Middlesex Tax Map, as an area in need of redevelopment pursuant to the Redevelopment Law (the "**Redevelopment Area**"); and

WHEREAS, on September 10, 2019, the Borough adopted Ordinance No. 1974-19 approving a redevelopment plan for the Redevelopment Area (the "**Redevelopment Plan**"); and

WHEREAS, RG Middlesex Urban Renewal LLC, a New Jersey limited liability company (the "**Redeveloper**"), has proposed to undertake a redevelopment project in accordance with the Redevelopment Plan, consisting of the construction of an approximately 400,000 square foot warehouse/distribution building (the "**Redevelopment Project**") in the Redevelopment Area; and

WHEREAS, the Borough has deemed the Redeveloper to be qualified to own and operate and complete construction of the Redevelopment Project; and

WHEREAS, the Redevelopment Project will require, among other items, the construction of certain infrastructure improvements, relocations and improvements in and around the Redevelopment Area, including without limitation, such items as water and sewer infrastructure, road improvements, sidewalks, driveway improvements, turn lanes and drainage facilities, and including (i) improvements to River Road required by Middlesex County, and (ii) improvements required by the planning board of the Borough as a condition to Preliminary/Final Site Plan Approval of the Redevelopment Project, including improvements to Baekeland Avenue (collectively, the "**Infrastructure Improvements**"); and

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to feasibly pay for all of the costs associated with the development and construction of the Redevelopment Project; and

WHEREAS, in order to defray certain eligible costs of the Redevelopment Project, specifically the Infrastructure Improvements, thereby making the Redevelopment Project viable, the Borough agreed to issue general obligation bonds in one or more series in an aggregate principal amount not to exceed $750,000 (the "**Bonds**") pursuant to the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 *et seq.*, (the "**RAB Law**") and/or the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the **"Local Bond Law"**), as applicable; and

WHEREAS, the Redeveloper has represented to the Borough that financial assistance is necessary in order for the Redevelopment Project to be undertaken in its intended scope; and

WHEREAS, the Borough has conceptually agreed to provide such financial assistance subject to certain terms and conditions acceptable to the Mayor and Borough Council; and

WHEREAS, the Borough and the Redeveloper will enter into a redevelopment agreement setting forth, among other things, the obligations of the Redeveloper with respect to the Redevelopment Project and the conditions upon which, in addition to the conditions set forth in the Financial Agreement (as hereinafter defined), the Borough will issue the Bonds; and

WHEREAS, the Borough will adopt an ordinance (the "**Bond Ordinance**") to authorize the issuance of the Bonds in an amount not to exceed $750,000 to fund the Infrastructure Improvements; and

WHEREAS, the Borough will use the proceeds of the Bonds to finance the Infrastructure Improvements (the "**Financing Project**"); and

WHEREAS, the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.* (the "**Long Term Tax Exemption Law**") and the RAB Law authorize the Borough to accept, in lieu of real property taxes, an annual service charge paid by the Redeveloper and each subsequent owner of the Redevelopment Project (the "**Owner**") to the Borough; and

WHEREAS, the Owner shall make payment of an annual service charge (the "**Annual Service Charge**") to the Borough, which the Borough may use to pay, among other things, debt service on the Bonds and other Borough costs; and

WHEREAS, in connection with the Redevelopment Project, the Redeveloper filed an application (the "**Application**"), with the Mayor of the Borough for approval of a long term tax exemption for the Redevelopment Project; and

WHEREAS, in order to satisfy the requirements of the Long Term Tax Exemption Law and to set forth the terms and conditions under which the Borough and the Redeveloper shall carry out their respective obligations with respect to (a) the payment of the Annual Service Charge by the Owner, in lieu of real property taxes on the Redevelopment Project improvements, and (b) the issuance of the Bonds by the Borough to finance the Financing Project, the Borough

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

and the Redeveloper have determined to execute a financial agreement (the "**Financial Agreement**"), substantially in the form of which is attached hereto as Exhibit A; and

WHEREAS, the Mayor, together with counsel for the Borough, has reviewed the Application and found that it complies with the provisions of the Long Term Tax Exemption Law; and

WHEREAS, the Mayor submitted the Application and Financial Agreement to the Borough Council with his recommendation for approval, and copies of each are on file with the Borough Clerk; and

WHEREAS, the Borough Council hereby finds that the relevant benefits of Redevelopment Project outweigh the loss, if any, of property tax revenue in granting the long term tax exemption requested in the Application; and

WHEREAS, the Borough Council further finds that the assistance provided to the Redevelopment Project pursuant to the Financial Agreement will be a significant inducement for the Redeveloper to proceed with the Redevelopment Project.

NOW, THEREFORE, BE IT ORDAINED by the Borough Council of the Borough of Middlesex as follows:

Section 1. The Application and form of Financial Agreement are hereby approved.

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

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

Section 4. Executed copies of the Financial Agreement shall be certified by and be filed with the Office of the Borough Clerk. Further, the Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Borough, and County Counsel and the Chief Financial Officer of Middlesex County within 10 days of the execution of the Financial Agreement.

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

Section 6. This ordinance shall take effect in accordance with law.

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT A

Financial Agreement

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 3

Application with Exhibits

[Attached]

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

APPLICATION FOR LONG-TERM TAX EXEMPTION

(COMMERCIAL/INDUSTRIAL PROJECT)

RG Middlesex Urban Renewal LLC
Name of Applicant

MIDDLESEX BOROUGH
MUNICIPAL BUILDING

_____
MIDDLESEX, NEW JERSEY _____

92 Headquarters Plaza
North Tower, 9th Floor
Morristown, NJ 07960
Address of Applicant

River Road and Baekeland Avenue
Middlesex Borough, New Jersey 08846
Address of Project Site

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

THE UNDERSIGNED, ON BEHALF OF AND WITH THE POWER AND INTENT TO BIND THE APPLICANT, HEREBY CERTIFIES TO THE BOROUGH AS FOLLOWS, AND HEREBY ACKNOWLEDGES THAT THE STATEMENTS CONTAINED HEREIN ARE MADE IN INDUCEMENT OF A LONG TERM TAX EXEMPTION PURSUANT TO THE LONG TERM TAX EXEMPTION LAW (N.J.S.A. 40A:20-1 *et seq*.):

SECTION A: APPLICANT INFORMATION

1. **Name of Applicant:**
   RG Middlesex Urban Renewal LLC

2. **Address of Applicant:**
   92 Headquarters Plaza
   North Tower, 9th Floor
   Morristown, NJ 07960

3. **Attach hereto a copy of the Applicant's Certificate of Formation and evidence of the Department of Community Affair's ("DCA") approval of the Certificate of Formation.** (If DCA approval has not yet been obtained, attach a copy of the proposed Urban Renewal Entity's certificate of formation and evidence that same has been submitted to the DCA for approval. The Applicant must submit evidence of DCA approval after it is obtained by way of a supplement to this application.)

Please see **Exhibit A** attached hereto.

SECTION B: PROPERTY INFORMATION

4. **Identification of Property:**

   a. **State the street address of the proposed project site (the "Project Site"), according to the currently effective tax map of the Borough (the "Official Map"):**

   65 Baekeland Avenue, Middlesex, NJ

   b. State the block(s) and lot number(s) corresponding to the Project Site on the Official Map:

   Block 353, Lots 1.01 and 1.02

   c. Provide a metes and bounds description of the Project Site:

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

Please see **Exhibit B** attached hereto.

5. Current Assessment and Tax Status of the Project Site:

a. Current Assessment[1]

BLOCK	LOT	LAND	IMPROVEMENTS	TOTAL
353	1.01	$577,900.00	$563,600.00	$1,141,500.00
353	1.02	$182,700.00	$0	$182,700.00

b. Current Tax Status[1]

BLOCK	LOT	REAL PROPERTY BALANCE	WATER/SEWER	TOTAL
353	1.01	$26,160.33 As of November 1, 2019 for the quarter Oct-Dec 2019	$	$26,160.33
353	1.02	$4,187.00 As of April 20, 2020for the quarter April-June, 2020	$	$4,187.00

SECTION C: PROJECT INFORMATION

6. Describe the purpose of the proposed project. Include a detailed description of the improvements to be made to the Project Site.

The project provides for the redevelopment of the subject property as follows:

Redevelopment to accommodate 400,000 square foot warehouse/distribution building.

7. Provide copies of the plans, drawings and other documents to demonstrate the structure and design of the proposed project.

The plans are on file with the Township and the Township's Planning Board.

8. Provide the currently estimated project schedule, including the anticipated project completion date.

Please see **Exhibit C** attached hereto. The estimated project completion date is no later than March 2021.

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

9. Provide a statement that the proposed project conforms to all applicable ordinances of the Township and is in accordance with the Township's Redevelopment Plan governing the Project Site and the Township's Master Plan.

The proposed project conforms to all applicable ordinances of the Borough and is in accordance with the Borough Redevelopment Plan governing the Project Site and the Borough's Master Plan.

10. Provide a certified statement prepared by a licensed architect or engineer of the estimated cost of the proposed project in the detail required pursuant to the Long Term Tax Exemption Law.

For information purposes, please see cost estimate annexed hereto as **Exhibit D**

11. Detail the source, method and amount of money to be subscribed through the investment of private capital, setting for the amount of stock or other securities to be issued therefore or the extent of capital invested and the proprietary or ownership interest obtained in consideration therefor.

The project will be self-financed using lines of credit or cash accounts of applicant or its affiliates. The project will be financed through private capital, traditional construction financing and a permanent mortgage from an institutional lender.

12. Provide a description of the number, classes and type of employees to be employed at the Project Site within two years of completion of the proposed project.

Within two years of completion of the proposed project, approximately 100 permanent full time jobs will be created by the Project. Employees will be a combination of office and warehouse workers.

SECTION D: TAX EXEMPTION

13. Attach a fiscal plan for the proposed project outlining a schedule of annual gross revenue, the estimated expenditures for operation and maintenance, and payments of interest, amortization of debt and reserves.

Please see **Exhibit E** attached hereto.

14. Provide the annual estimated payments in lieu of taxes during the term of the Long Term Tax Exemption and RAB Bond, if any.

Please see **Exhibit F** attached hereto.

15. Financial Agreement.

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

A copy of the proposed financial agreement is attached hereto as **Exhibit G**.

SECTION E: DISCLOSURE

16. Disclosure Statement:

a. **Name of Urban Renewal Entity:**

RG-Middlesex Urban Renewal, LLC

b. Principal place of business:
92 Headquarters Plaza
North Tower, 9th Floor
Morristown, NJ 07960

c. Name of statutory agent and address, but if applicant is not a corporation the one with related address upon whom legal process may be served is:

Faegre Drinker Biddle & Reath LLP
105 College Road East, Suite 300
P.O. Box 627
Princeton, New Jersey 08542
Attention: Richard S. Goldman, Esq.

d. Incorporated in the State of New Jersey.

The following represents the name and addresses of all stock holders or partners owing a 10% or greater interest in the above urban renewal entity. If one or more of the above named is itself a corporation, partnership, or entity, I have annexed hereto the names and addresses of anyone owing a 10% or greater interest therein.

Name of Owner(s)	Address	Percent Owned
RG Capital LLC	1271 Avenue of the Americas 24th Floor, New York, NY 10020	100%

The legal address of each of the above-mentioned entities is:

1271 Avenue of the Americas, 24th Floor, New York, NY 10020

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

[*remainder of page intentionally left blank*]

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

17. I certify that all the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

_____

Signature

_____

Print Name and Title

_____

Date

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT A

Certificate of Formation

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

LLC

FILED
DEC _3 2019
STATE TREASURER

CERTIFICATE OF FORMATION

OF

RG MIDDLESEX URBAN RENEWAL LLC

0600464794

To: Treasurer of the State of New Jersey

THE UNDERSIGNED, of the age of eighteen years or over, for the purpose of forming a limited liability company pursuant to the provisions of Title 42:2C, the New Jersey Revised Limited Liability Company Act, of the New Jersey Statutes and the New Jersey Long Term Tax Exemption Law, as amended P.L. 1991, C. 431 (N.J.S.A. 40A:20-1 et seq.), does hereby execute this Certificate of Formation of RG Middlesex Urban Renewal LLC.

FIRST: The name of the limited liability company is "RG Middlesex Urban Renewal LLC" (the "Company").

SECOND: The address of the Company's registered office in the State of New Jersey is 820 Bear Tavern Road, West Trenton, New Jersey 08628. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: (a) The purposes for which the Company is formed shall be to operate under the New Jersey Long Term Tax Exemption Law, as amended P.L. 1991, c. 431 (C.40A:20-1 et seq.), and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the Borough of Middlesex (the "Municipality"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvements in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.)

(b) So long as the Company is obligated under financial agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project.

(c) The Company has been organized and formed to serve a public purpose. The Company's operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced, or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The Company shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as the Company remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.).

(d) The Company shall not voluntarily transfer more than ten percent (10%) of the ownership of the project or any portion thereof undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until it has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.) and, if the project includes housing units, has obtained the consent of the New Jersey Commissioner of Community Affairs to such transfer; with the exception of transfer to another urban renewal entity, as approved by the Municipality in which the project is situated,

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the Municipality. The Company shall file annually with the Municipal governing body a disclosure of the persons having an ownership interest in the project, and the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than ten percent (10%), is disclosed to the governing body of the Municipality in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

(e) The Company is subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-1 et seq.) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

(f) Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and in accordance with rules adopted by, the New Jersey Commissioner of Community Affairs.

FOURTH: The effective date of this Certificate of Formation of the Company shall be the date of filing with the New Jersey Department of Treasury.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of the Company on this 23rd day of October, 2019.

Simone P. Wilson-Brito
Authorized Person

Dec 5 2019 15:09 P.05

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

FILED
DEC 3 2019
STATE TREASURER

State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL PLANNING SERVICES
101 SOUTH BROAD STREET
PO BOX 813
TRENTON, NJ 08625-0813
(609) 292-3000 • FAX (609) 633-6056

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: RG MIDDLESEX URBAN RENEWAL, LLC
File # 2655
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 20th day of November 2019 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

By: _____
Sean Thompson, Director
Local Planning Services

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

Dec 5 2019 15:09 P.06

EXHIBIT B

Metes and Bounds Description

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

LANGAN

Technical Excellence
Practical Experience
Client Responsiveness

15 October 2019
100701201

WRITTEN DESCRIPTION
BLOCK 353, LOT Nos. 1.01 & 1.02
BOROUGH OF MIDDLESEX, MIDDLESEX COUNTY, NEW JERSEY

BEGINNING at a PK Nail found at a point of non-tangent curvature in the easterly sideline of River Road, aka County Road 622, (width varies), distant 44 feet measured at right angles from the centerline thereof, at the southwesterly terminus of a curve connecting the southerly sideline of Baekland Avenue (60 feet wide) with the said easterly sideline of River Road, and running; thence

1. Along the said southerly sideline of Baekland Avenue and along a curve to the right having a radius of 83.00 feet, an arc length of 71.59 feet, a central angle of 49°25'00" and a chord which bears North 29°13'36" East, a distance of 69.39 feet to a point of tangency marked by a Pin and Cap found; thence
2. Along the same, North 53°56'06" East, a distance of 156.84 feet to a point of curvature; thence
3. Continuing along the same and along a curve to the right having a radius of 470.00 feet, an arc length of 286.42 feet, a central angle of 34°55'00" and a chord which bears North 71°23'36" East, a distance of 282.01 feet to a point of tangency; thence
4. Continuing along said Baekland Avenue, North 88°51'06" East, a distance of 1809.61 feet to an Iron Pipe with Cap, identified "Hewitt", in the municipal boundary line between the said Borough of Middlesex and the Township of Piscataway as set forth in Session Laws of 1913 at Page 626, said point also being in the centerline of former New Market Road (vacated per Borough of Middlesex Ordinance #232 adopted September 14, 1955), and the northerly line of a map entitled "Rockefeller Group Logistics Park, Survey & Minor Subdivision Plan, Block 3502 Lot 1.05", filed in the Middlesex County Clerk's Office on January 10, 2018 as Map No. 68, Filed 1945; thence
5. Along said line, South 53°56'06" West, a distance of 1996.25 feet to a Monument found in the said easterly sideline of River Road, passing over a Mag Nail with Disk, identified "Langan Engineering", set 1119.77 feet from the beginning of this course and passing over a Monument set 11.00 feet from the terminus of this course; thence
6. Along said easterly sideline, North 34°30'49" West, a distance of 412.58 feet to a PK Nail found; thence
7. Continuing along the same, North 35°01'29" West, a distance of 679.08 feet to the point and place of BEGINNING.

Encompassing an area of 1,319,964 sq. ft. or 30.3022 acres, more or less.

This description is prepared in accordance with a plan entitled "ALTA/NSPS Land Title Survey, 171 River Road, Rockefeller Group, Block 353, Lots 1.01 & 1.02, Borough of Middlesex, Middlesex County, New Jersey", prepared by Langan Engineering and Environmental Services, Inc., dated January 9, 2019.

David R Avery 10/15/19

David R. Avery
Professional Land Surveyor
N.J. Lic. No. 24GS03964600

NJ Certificate of Authorization No. 24GA27996400
Z:\PAR\data2\100701201\Project Data_Discipline\Survey\Office Data\Descriptions\100701201-Written Description-Block 353 Lots 1.01 & 1.02.docx

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT C

Project Schedule

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

ROCKEFELLER GROUP

ID	Task Name	Duration	Start	Finish
1	**1 Middlesex Speculative Industrial**	**494 days**	**Wed 5/1/19**	**Mon 3/22/21**
2	**1.1 Milestones**	**399 days**	**Tue 9/10/19**	**Mon 3/22/21**
3	1.1.1 Redevelopment Plan Approval	0 days	Tue 9/10/19	Tue 9/10/19
4	1.1.2 Planning Board Approval	0 days	Wed 6/3/20	Wed 6/3/20
5	1.1.3 Mobilize on Site	0 days	Thu 6/4/20	Thu 6/4/20
6	1.1.4 Foundation Work Begins	0 days	Mon 7/6/20	Mon 7/6/20
7	1.1.5 Framing Begins	0 days	Mon 8/31/20	Mon 8/31/20
8	1.1.6 Watertight	0 days	Fri 12/25/20	Fri 12/25/20
9	1.1.7 Substantial Completion	0 days	Mon 3/22/21	Mon 3/22/21
10	**1.2 Redevelopment Plan**	**58 days**	**Wed 8/14/19**	**Fri 11/1/19**
11	1.2.1 Planning Board refers to Town Council	1 day	Wed 8/14/19	Wed 8/14/19
12	1.2.2 Council Hearing	1 day	Tue 9/10/19	Tue 9/10/19
13	1.2.3 Approval Period	38 days	Wed 9/11/19	Fri 11/1/19
14	**1.3 Site Plan Approval**	**331 days**	**Wed 5/1/19**	**Wed 8/5/20**
15	1.3.1 Release Design Team	0 days	Wed 5/1/19	Wed 5/1/19
16	1.3.2 Civil Design (Site)	87 days	Wed 5/1/19	Thu 8/29/19
17	1.3.3 Architect/Structural/MEP Design (Building)	20 days	Fri 8/2/19	Thu 8/29/19
18	1.3.4 Planning Board Submission	1 day	Thu 9/5/19	Thu 9/5/19
19	1.3.5 Mayor & Council (Introduction)	1 day	Tue 3/10/20	Tue 3/10/20
20	1.3.6 Planning Board Resolution/Adoption	1 day	Wed 6/3/20	Wed 6/3/20
21	1.3.7 Public Appeal Period	45 days	Thu 6/4/20	Wed 8/5/20
22	**1.4 Design**	**110 days**	**Mon 7/1/19**	**Fri 11/29/19**
23	1.4.1 Release Design Team	0 days	Mon 7/1/19	Mon 7/1/19
24	1.4.2 Geotech Investigation & Final Report	16 days	Mon 7/15/19	Mon 8/5/19
25	1.4.3 Design Development	30 days	Tue 7/2/19	Mon 8/12/19
26	1.4.4 Review/Approval - DD's	10 days	Mon 9/9/19	Fri 9/20/19
27	1.4.5 Construction Docs - 50%	6 days	Fri 9/27/19	Fri 10/4/19
28	1.4.6 Review/Approval - 50% CD's	5 days	Mon 10/7/19	Fri 10/11/19
29	1.4.7 Construction Documents - 95%	15 days	Mon 10/14/19	Fri 11/1/19
30	1.4.8 Review/Approval - 95% CD's	15 days	Mon 11/4/19	Fri 11/22/19
31	1.4.9 Construction Permit Documents	5 days	Mon 11/25/19	Fri 11/29/19
32	**1.5 Permits**	**282 days**	**Mon 7/15/19**	**Tue 8/11/20**
33	1.5.1 Soil Erosion	56 days	Mon 7/15/19	Mon 9/30/19
34	1.5.2 DEP	152 days	Fri 9/20/19	Mon 4/20/20
35	1.5.3 Footing/Foundation Submission	2 days	Thu 6/11/20	Fri 6/12/20
36	1.5.4 Review/Approval - Footings/Foundations	15 days	Mon 6/15/20	Fri 7/3/20
37	1.5.5 Building Permit Submission	2 days	Mon 7/13/20	Tue 7/14/20
38	1.5.6 Review/Approval - Building Permit	20 days	Wed 7/15/20	Tue 8/11/20
39	**1.6 Construction**	**208 days**	**Thu 6/4/20**	**Mon 3/22/21**
40	1.6.1 Mobilization/Sitework Commencement	2 days	Thu 6/4/20	Fri 6/5/20
41	1.6.2 Sitework/Building Pad Prep	20 days	Mon 6/8/20	Fri 7/3/20
42	1.6.3 Footings/Foundations	25 days	Mon 7/6/20	Fri 8/7/20
43	1.6.4 Slab On Grade	25 days	Mon 8/10/20	Fri 9/11/20
44	1.6.5 Tilt Form, Rebar, Cast	35 days	Mon 8/31/20	Fri 10/16/20
45	1.6.6 Structural Steel	35 days	Mon 9/28/20	Fri 11/13/20
46	1.6.7 Roofing	30 days	Mon 11/16/20	Fri 12/25/20
47	1.6.8 MEP	60 days	Mon 11/16/20	Fri 2/5/21
48	1.6.9 Partitions	25 days	Mon 12/28/20	Fri 1/29/21
49	1.6.10 Finishes	25 days	Mon 2/1/21	Fri 3/5/21
50	1.6.11 Testing, Inspections, Start-Up	10 days	Mon 3/8/21	Fri 3/19/21
51	1.6.12 Substantial Completion	1 day	Mon 3/22/21	Mon 3/22/21

Project: Middlesex Project Sche
Date: Tue 4/14/20

Task	Summary	Inactive Milestone	Duration-only	Start-only	External Milestone	Manual Progress	
Split	Project Summary	Inactive Summary	Manual Summary Rollup	Finish-only	Deadline		
Milestone	Inactive Task	Manual Task	Manual Summary	External Tasks	Progress		

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT D

Cost Estimate

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

M+H ARCHITECTS 2150 SCHUETZ ROAD, SUITE 200, ST. LOUIS, MO 63146 | 314.878.3500 | WWW.MHA.US.COM

March 3, 2020

RE: RG Middlesex – New Speculative Warehouse, 65 Baekeland Ave, Middlesex, NJ

To whom it may concern:

I hereby certify that I am a licensed architect in the State of New Jersey, and to the best of my information, knowledge and belief based on information provided by our client, the total cost for the above referenced project is $21,500,000. This cost includes sitework, building, contractor's fee and general conditions, design fees, insurance, and other soft costs associated with the development of the project.

Respectfully,

M+H ARCHITECTS

Lawrence T. Valenza
Principal
NJ Registration #21AI02006800

cc: Mr. Heath Abramsohn, RGDC
Mr. Jon Gerardo, RGDC

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT E

Fiscal Plan

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

Rockefeller Logistics Center: Middlesex, NJ

Year 1 Stabilized

Gross Revenue		3,460,000
Vacancy/Credit Loss	5%	173,000
Reimburseables:		1,038,800
Net Effective Revenue		4,325,800
Operating Expenses		
Insurance	40,000	
CAM	280,000	
Taxes	600,000	
Property Management	103,800	
Other	15,000	
Total Operating Expense		1,038,800
Capital Expense Reserve	.25/SF	100,000
Net Operating Income		3,187,000
Annual Debt Service		(2,080,975)
Income After Debt Service		1,106,025
Yield to Cost		4.73%
Leveraged Cash on Cash		4.69%

Total Dev Cost	67,400,000
Loan to Cost	65%
Principal	43,810,000
Equity	23,590,000
Interest Rate	4.75%
Payment	($2,080,975)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT F: APPLICATION FOR LONG-TERM TAX EXEMPTION

Request for Redevelopment Area Bond Financing and PILOT

The Applicant is requesting that the Borough provide Redevelopment Area Bond Financing for this redevelopment project by way of a 30 year tax exempt municipal bond. Applicant has identified infrastructure improvements that require RAB tax exempt financing including:

River Road Improvements:	$600,000.00
Miscellaneous Infrastructure Improvements:	$250,000.00
Baekeland Avenue Sidewalks:	$150,000.00
Total:	$1,000,000.00

The Applicant would be willing to advance the funds, subject to reimbursement once the Project receives its C of O and the PILOT payments commence. This would reduce the need to include capitalized interest in addition to the base bond amount.

The RAB Bond would be secured by an allocation of the PILOT payment, along with a special assessment on the Property, in the event that the PILOT payments are insufficient for any reason.

The Applicant is requesting a 30 year PILOT payment in the amount of $1.50 per square foot of Floor Area, with annual adjustments equal to the percentage increase of the municipal tax rate, but not less than 1% or more than 3%. The inclusion of the RAB Bond makes this form of PILOT permissible. It provides certainty, predictability and simplicity to the process. This approach is very attractive to the market of potential tenants/users of the project.

Within this structure, and by way of example, a 400,000 SF warehouse would produce annual PILOT revenue of $600,000.00. The Borough received 95% of that payment by statute, which would result in a $570,000.00 annual payment to the Borough. A good rule of thumb estimate for the cost of a $750,000 RAB Bond is approximately $56,250/year. This would result in a net to the Borough of $512,750/year plus the benefits of the infrastructure funded by the RAB Bond. We estimate the net PILOT proceeds to the Borough to be quadruple the anticipated revenue to the Borough that would be generated by regular real estate taxes (and no infrastructure benefits).
The Applicant and the Borough want this redevelopment project to succeed. In order to do that, the project must compete with similar projects in the area that have the benefit of PILOT payments and RAB Bond financing, such as the project adjacent to this one in Piscataway. Occupancy costs are highly competitive and often determine the site selected by a tenant or purchaser.

The Applicant appreciates consideration of this important fiscal component to the success of this redevelopment project.

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT G
Financial Agreement

(attached)

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 4

Certificate of Formation of Urban Renewal Entity

[Attached]

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

LLC

FILED
DEC _3 2019
STATE TREASURER

CERTIFICATE OF FORMATION

OF

RG MIDDLESEX URBAN RENEWAL LLC

0600464794

To: Treasurer of the State of New Jersey

THE UNDERSIGNED, of the age of eighteen years or over, for the purpose of forming a limited liability company pursuant to the provisions of Title 42:2C, the New Jersey Revised Limited Liability Company Act, of the New Jersey Statutes and the New Jersey Long Term Tax Exemption Law, as amended P.L. 1991, C. 431 (N.J.S.A. 40A:20-1 et seq.), does hereby execute this Certificate of Formation of RG Middlesex Urban Renewal LLC.

FIRST: The name of the limited liability company is "RG Middlesex Urban Renewal LLC" (the "Company").

SECOND: The address of the Company's registered office in the State of New Jersey is 820 Bear Tavern Road, West Trenton, New Jersey 08628. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: (a) The purposes for which the Company is formed shall be to operate under the New Jersey Long Term Tax Exemption Law, as amended P.L. 1991, c. 431 (C.40A:20-1 et seq.), and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the Borough of Middlesex (the "Municipality"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvements in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.)

(b) So long as the Company is obligated under financial agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project.

(c) The Company has been organized and formed to serve a public purpose. The Company's operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced, or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The Company shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as the Company remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.).

(d) The Company shall not voluntarily transfer more than ten percent (10%) of the ownership of the project or any portion thereof undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until it has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.) and, if the project includes housing units, has obtained the consent of the New Jersey Commissioner of Community Affairs to such transfer; with the exception of transfer to another urban renewal entity, as approved by the Municipality in which the project is situated,

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the Municipality. The Company shall file annually with the Municipal governing body a disclosure of the persons having an ownership interest in the project, and the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than ten percent (10%), is disclosed to the governing body of the Municipality in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above.

(e) The Company is subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-1 et seq.) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

(f) Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and in accordance with rules adopted by, the New Jersey Commissioner of Community Affairs.

FOURTH: The effective date of this Certificate of Formation of the Company shall be the date of filing with the New Jersey Department of Treasury.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of the Company on this 23rd day of October, 2019.

Simone P. Wilson-Brito
Authorized Person

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

Dec 5 2019 15:09 P.05

FILED
DEC 3 2019
STATE TREASURER

State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL PLANNING SERVICES
101 SOUTH BROAD STREET
PO BOX 813
TRENTON, NJ 08625-0813
(609) 292-3000 • FAX (609) 633-6056

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: RG MIDDLESEX URBAN RENEWAL, LLC
File # 2655
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 2 0th day of November 2019 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

By: _____
Sean Thompson, Director
Local Planning Services

Dec 5 2019 15:09 P.06

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 5

Estimated Construction Schedule

River Road Infrastructure Improvements:	September 2020
Construction Commencement:	July 2020
Demolition:	Completed in 2019
Sitework:	June 2020
Framing, Electrical, Plumbing, HVAC:	September 2020
Finishes:	February 2021
Construction Completion:	March 2021

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 6

The Financial Plan for the Undertaking of the Project

Source of funds:	Internal Capital and Bank Financing
Source and amount of paid-in capital:	Internal Capital: $23,590,000
Interest rate during construction %:	4.75%
Permanent Mortgage amortization:	Twenty-five (25) years - $2,997,221/annum

THE INFORMATION ON THIS EXHIBIT IS PRELIMINARY AND SUBJECT TO CHANGE

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

EXHIBIT 7

Architect's Certification of Estimated Construction Costs

TOTAL PROJECT COST - N.J.S.A. 40A:20-3h

1.	Property	$30,000,000
2.	Architects, engineers and attorneys fees paid or payable in connection with the planning, construction and financing of the project	$1,100,000
3.	Surveying and testing	$200,000
4.	Construction cost (as previously certified by the architect)	$21,500,000
5.	Additional Site Work	$2,000,000
6.	Construction Contingency and Escalation	$2,234,000
7.	Insurance, interest and finance costs during construction	$3,100,000
8.	Cost of obtaining initial permanent financing	$466,000
9.	Commissions and other expenses payable in connection with initial leasing/sale	$4,100,000
10.	Real estate taxes and assessments during the construction period (Permits, COAH, Taxes, Inspections)	$1,700,000
11.	Developer's overhead based on a percentage of (d) above, to be computed in accordance with percentage given in law (N.J.S.A. 40A:20-3h) (for projects over $10,000,000 - 5%)	$1,000,000
	Total	$67,400,000

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

The undersigned hereby certifies that the foregoing is the projected total project cost in regard to the Project referenced in this Financial Agreement.

By:_____

Attachment: Financial Agreement.5.20.20 (00203140xE471A) (1998-20 : RG MIDDLESEX URBAN RENEWAL LLC)

ORDINANCE #1999-20

CALENDAR YEAR 2020 ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK (N.J.S.A. 40A: 4-45.14)

WHEREAS, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget to 2.5% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the two succeeding years; and,

WHEREAS, the Mayor and Borough Council of the Borough of Middlesex, in the County of Middlesex, New Jersey, finds it advisable and necessary to increase its CY 2020 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the Mayor and Borough Council hereby determines that a 1.0% increase in the budget for said year, amounting to $143,828.95 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary.

WHEREAS, the Mayor and Borough Council herby determines that any amount authorized herein above that is not appropriated as part of the final budget shall be retained as an exception to the final appropriation in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, by the Mayor and Borough Council of the Borough of Middlesex, in the County of Middlesex, New Jersey, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2020 budget year, the final appropriations of the Borough of Middlesex shall, in accordance with this ordinance and N.J.S.A. 40 A: 4-45.14, be increased by 3.5%, amounting to $503,401.32 and that the CY 2020 municipal budget for the Borough of Middlesex be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years: and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

I Hereby Certify that the above Ordinance was introduced by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

INTRODUCED: May 26, 2020

DATE OF PUBLICATION:
OF INTRODUCTION May 29, 2020

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #142-2020

GOVERNING BODY CERTIFICATION OF COMPLIANCE WITH THE UNITED STATES EQUAL EMPLOYMENT OPPORTUNITY COMMISSION'S "ENFORCEMENT GUIDANCE ON THE CONSIDERATION OF ARREST AND CONVICTION RECORDS IN EMPLOYMENT DECISIONS UNDER TITLE VII OF THE CIVIL RIGHTS ACT OF 1964"

WHEREAS, N.J.S.A. 40A:4-5 as amended by P.L. 2017, c.183 requires the governing body of each municipality and county to certify that their local unit's hiring practices comply with the United States Equal Employment Opportunity Commission's "Enforcement Guidance on the Consideration of Arrest and Conviction Records in Employment Decisions Under Title VII of the Civil Rights Act of 1964," *as amended*, 42 U.S.C. § 2000e *et seq*., (April 25, 2012) before submitting its approved annual budget to the Division of Local Government Services in the New Jersey Department of Community Affairs; and

WHEREAS, the members of the governing body have familiarized themselves with the contents of the above-referenced enforcement guidance and with their local unit's hiring practices as they pertain to the consideration of an individual's criminal history, as evidenced by the group affidavit form of the governing body attached hereto.

NOW, THEREFORE BE IT RESOLVED, That the *Borough Council* of the *Borough of Middlesex*, hereby states that it has complied with N.J.S.A. 40A:4-5, as amended by P.L. 2017, c.183, by certifying that the local unit's hiring practices comply with the above-referenced enforcement guidance and hereby directs the Clerk to cause to be maintained and available for inspection a certified copy of this resolution and the required affidavit to show evidence of said compliance.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #143-2020

REIMBURSING MS. KRISTINE GARY $10.30 FOR A DUPLICATE CHARGE FOR HER PET LICENSE

WHEREAS, Ms. Kristine Gary, 22 Whitney Drive, Middlesex, New Jersey applied for a 2020 pet license for a total of $10.30 and;

WHEREAS, Ms. Gary's credit card was charged a duplicate charge of $10.30 for said pet license in error;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body hereby approves the reimbursement of a duplicate credit card charge for a pet license to Ms. Kristine Gary, 22 Whitney Drive, Middlesex, New Jersey in the amount of $10.30.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #144-2020

APPROVAL TO ADVANCE PATROLMAN RICHARD SZYMCZAK TO PATROLMAN CLASS "A" EFFECTIVE JUNE 11, 2020 AT AN ANNUAL SALARY OF $114,364

WHEREAS, Police Officer Richard Szymczak is eligible for advancement in grade pursuant to Article XV of the Police Department Ordinance; and

WHEREAS, On June 1, 2020 Chief Geist recommended Police Officer Richard Szymczak be advanced in grade.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Council of the Borough of Middlesex, County of Middlesex, State of New Jersey that Police Officer Richard Szymczak be and is hereby advanced in grade to Patrolman Class “A” effective June 11, 2020 at an annual salary of $114,364.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #145-2020

APPROVING THE REIMBURSEMENT OF $9.00 TO DOLLAR TREE STORE NO. 4004 FOR OVERPAYMENT OF THEIR 2020/2021 BOARD OF HEALTH LICENSE

The Governing Body hereby approves reimbursing Dollar Tree Store No. 4004 $9.00 for overpayment of their 2020/2021 Board of Health License. The check should be sent to:

Dollar Tree Stores, Inc.
500 Volvo Parkway
Chesapeake, Virginia 23320

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #146-2020

THE BOROUGH ENGINEER APPROVES OF THE RELEASE OF THE PERFORMANCE BOND IN THE AMOUNT OF $9,903.60 AND THE CASH BOND IN THE AMOUNT OF $1,100.40 FOR RICHIE'S TIRE SERVICE, BLOCK 287, LOT 51

WHEREAS, M.B.K.S., LLC (Richie's Tire Service) has requested release of the Performance Bond and the Cash Bond for site improvements at 107 Egel Avenue, Block 287, Lot 51; and

WHEREAS, the Borough Engineer has determined that the applicant has completed all site improvements; and

WHEREAS, it has been determined that the Performance Guarantee was posted by a Performance Bond No. B1190344 in the amount $9,903.60 and the Cash Bond in the amount of $1,100.40 can be released; and

WHEREAS, the Borough Engineer has determined that the improvements have been constructed for longer than the normal Maintenance Bond period and therefore the Maintenance Bond requirement may be waived.

NOW THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Middlesex in the County of Middlesex that the Performance Guarantee pertaining to the subject property be released and the Cash Bond be returned with the Maintenance Bond requirement being waived, the application approved by the Planning Board on November 12, 2016.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #147-2020

PROVIDING LOCAL ENFORCEMENT GUIDELINES FOR EXECUTIVE ORDER NO. 150 (MURPHY) AND SR-2020-10 (NJ ABC) CONCERNING OUTDOOR DINING AND SPECIAL LIQUOR LICENSES

Resolution to Follow

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #148-2020

REFERRING THE 2020 REVISED LINCOLN BOULEVARD REDEVELOPMENT PLAN (TRANSITIONAL ZONE SUB-AREA A) TO THE JOINT LAND USE BOARD PURSUANT TO N.J.S.A. 40A:12A-7(E)

WHEREAS, the Borough of Middlesex (the "Borough"), a public body corporate and politic of the State of New Jersey, is authorized pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"), to determine whether certain parcels of land within the Borough constitute an area in need of rehabilitation and/or an area in need of redevelopment; and

WHEREAS, on July 25, 2006, pursuant to Resolution 179-06, the Borough Council of the Borough (the "Borough Council") designated certain property (the "Property") as an Area in Need of Rehabilitation in accordance with the Redevelopment Law and directed that a redevelopment plan be prepared; and

WHEREAS, on September 18, 2007, in accordance with all applicable provisions of the Redevelopment Law, the Borough Council duly adopted the Lincoln Boulevard Redevelopment Plan (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan was subsequently amended on August 9, 2011, pursuant to Ordinance No. 1798-11; and

WHEREAS, on December 17, 2013, pursuant to Resolution 324-13, the Borough Council directed the Planning Board to further study the Property in order to determine whether it qualified as a non-condemnation area in need of redevelopment ("Non-Condemnation Redevelopment Area") and, after multiple public hearings, the Planning Board recommended that the Property be designated as a Non-Condemnation Redevelopment Area and the Borough Council accepted the Planning Board's recommendation and, on June 12, 2014, adopted Resolution 158-14, designating the Property, as set forth in the Redevelopment Plan, as a Non-Condemnation Redevelopment Area, pursuant to the Redevelopment Law; and

WHEREAS, the Redevelopment Plan was subsequently amended on December 27, 2016, pursuant to Ordinance 1903-16; on December 12, 2017, pursuant to Ordinance No. 1929-17; on March 12, 2019, pursuant to Ordinance No. 1955-19; and on January 28, 2020, pursuant to Ordinance No. 1989-20; and

WHEREAS, at the direction of the Borough Council, the Borough Redevelopment Planner, was asked to prepare certain further amendments to the Redevelopment Plan, which included permitting warehouse and distribution facility uses within certain portions of the Non-Condemnation Redevelopment Area, establishing standards for the development of such uses as well as additional changes to clarify standards and to clarify desired building practices; and

WHEREAS, the Borough Redevelopment Planner prepared revisions to the Redevelopment Plan, specifically as to the Transitional Zone Sub-Area A (Block 318, Lots 1A [partial], 4A [partial], 21, 38A, 43, 44, 45, 48 and Block 319, Lots 24, 26, 28, 45, and 47) of the Non-Condemnation Redevelopment Area, as well as clarifying language and said revisions have been prepared and incorporated into a proposed amended Redevelopment Plan, with a revision date of April 1, 2020 (the "2020 Revised Redevelopment Plan"), a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, the Borough Council introduced the 2020 Revised Redevelopment Plan, as Ordinance No. 2001-20, on first read, at a duly noticed meeting held on June 10, 2020; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7(e), the Borough Council hereby refers the 2020 Revised Redevelopment Plan to the Joint Land Use Board for its review, recommendations and report; and

NOW, THEREFORE BE IT RESOLVED, by the Borough Council of the Borough of Middlesex, County of Middlesex, State of New Jersey, that:

1. The aforementioned recitals are incorporated herein as if fully set forth at length.
2. The Borough Council hereby refers the 2020 Revised Redevelopment Plan, attached hereto as Exhibit A, to the Joint Land Use Board in accordance with the requirements of N.J.S.A. 40A:12A-7(e).
3. The Borough Clerk shall forward a copy of this Resolution and the 2020 Revised Redevelopment Plan to the Joint Land Use Board for its review, recommendations and report.
4. This Resolution shall take effect immediately.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.

Be it Resolved, by the Mayor and Council of the Borough of Middlesex, New Jersey that:

Resolution #149-2020

PAY ALL CLAIMS

THE DISBURSING OFFICERS BE AND THEY ARE HEREBY AUTHORIZED TO PAY THE ATTACHED CLAIM LIST AS PRESENTED, IF FOUND CORRECT, AND APPROVED BY THE FINANCE COMMITTEE. EXCLUDED VOUCHERS MAY BE PAID UPON BEING FOUND ACCEPTABLE.

I Hereby Certify that the above resolution was duly adopted by the Governing Body of the Borough of Middlesex, at a meeting of said Borough Council on June 9, 2020.