

REDEVELOPER AGREEMENT

BY AND BETWEEN

THE TOWNSHIP OF VERONA

AND

PIRHL DEVELOPERS, LLC



This Redeveloper Agreement (“Agreement”) is made as of January 9, 2020 by and between **the Township of Verona**, a municipal corporation of the State of New Jersey, County of Essex, having an address at Bloomfield Avenue, Verona, New Jersey (hereinafter called “**Township**”),

and

PIRHL Developers, LLC, an Ohio limited liability company authorized to do business in the State of New Jersey, having an address at 5 Commerce Way, Suite 210E, Hamilton, New Jersey 08691 (hereinafter called “**Redeveloper**”).

PREAMBLE

WHEREAS, on February 11, 2019, the Township Council for the Township of Verona (the “**Township Council**”) adopted Resolution No. 2019-55, designating as a non-condemnation redevelopment area, as defined in the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.* (the “**Redevelopment Law**”), Block 2301, Lots 1 through 12 and 14 through 19 as shown on the Tax Map of the Township, commonly known as the “Depot and Pine Redevelopment Area,” (the “**Redevelopment Area**”); and

WHEREAS, by Ordinance No. 2019-16 the Township Council adopted a redevelopment plan for the Redevelopment Area entitled “Depot and Pine Redevelopment Area, Redevelopment Plan, Block 2301, Lots 1-12, 14-19, Township of Verona, New Jersey”, dated April 22, 2019 (as may be amended and supplemented from time to time, the “**Redevelopment Plan**”); and

WHEREAS, the Township is the Owner of real property identified on the Township’s tax map as Block 2301, Lots, 11, 12, 14, 15, and 16, as more particularly described by metes and bounds in the attached Exhibit A, or a mutually agreeable reconfiguration of property in the

event the Township undertakes a land swap with the owners of Block 2301, Lots 17 and 18 (the “**Property**”); and

WHEREAS, the Township desires to donate the Property to Redeveloper in consideration for the undertakings set forth herein below; and

WHEREAS, the Township desires to transfer the Property via a bargain and sale deed with covenant against Grantor’s Acts to Redeveloper, for redevelopment of the Property with an affordable housing project consisting of not less than 85-units, including 17 one-bedroom units, 46 two-bedroom units, and 22 three-bedroom units, lobby, community room, and management office, to be located in a four-story elevator building, 139 on-site parking spaces, together with such other improvements as may be necessary in connection therewith, (the “**Project**”), and desires to enter into this Agreement; and

WHEREAS, Redeveloper intends to accept the Property from the Township for redevelopment and construction of the Project and desires to enter into this Agreement; and

WHEREAS, the Township and the Redeveloper are simultaneously with this Agreement entering into an agreement for payments in lieu of taxes pursuant to New Jersey Housing and Mortgage Financing Agency Law of 1983, N.J.S.A. 55:14K-1 et seq, (the “**HMFA Law**”) in connection with the Project (the “**PILOT Agreement**”); and

WHEREAS, the Township has determined that the Redeveloper possesses the proper qualifications and experience to implement and complete the Project in accordance with the Redevelopment Plan, and all other applicable laws, ordinances and regulations; and

WHEREAS, the Project will require 19,800 gallons per day sewerage capacity and 16,300 gallons per day water capacity, which sewer and water capacity the Township has available and will allocate to the Project; and

WHEREAS, in order to effectuate the Redevelopment Plan, the Project and the redevelopment of the Redevelopment Area, the Township Council has determined to enter into this Agreement with the Redeveloper, which designates the Redeveloper as the “redeveloper” of the Project, provides for the conveyance of the Property to the Redeveloper, and specifies the respective rights and responsibilities of the Township and the Redeveloper with respect to the Project.

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

SECTION 1. TOWNSHIP RIGHTS AND RESPONSIBILITIES

1.1 Redeveloper Designation

The Township hereby designates and appoints the Redeveloper as redeveloper of the Project on the Property. For so long as this Redevelopment Agreement and the designation hereunder remain in effect, the Redeveloper shall have the exclusive right to redevelop the Property in accordance with the Redevelopment Plan, the Redevelopment Law and all other Applicable Laws, and the terms and conditions of this Redevelopment Agreement.

1.2 Cooperation

The Township agrees to consent to, cooperate with and/or support any applications which are consistent with the terms of the Redevelopment Plan or this Agreement, and to execute any documents required in connection with obtaining such approvals or any other land use, utility, transportation, environmental, financing commitments, permits, approvals, reviews, consents, licenses, leases, easements or grants, including, but not limited to, approval of any municipal, county, state or federal government, department, agency, authority, board or

commission with jurisdiction over the Project, including building permits (the “**Governmental Approvals**”) and otherwise to cooperate with the Redeveloper with respect thereto, including, but not limited to expediting review of plans by Township professionals, if necessary. Notwithstanding the foregoing or any other reference in this Agreement to cooperation by the Township, nothing herein shall be deemed to impose restrictions on the Township in the exercise of its police powers as a public entity nor shall such reference be construed as a restriction on the Township's rights, duties and obligations to enforce any agreement (including this Agreement) in favor of the Township in connection with the Project.

1.3 Conveyance of Property; Financial Agreement; Township Contribution

1.3.1 Conveyance. Subject to the Redeveloper meeting its obligations as described in this Agreement, the Township agrees to convey the Property to the Redeveloper (or to a wholly-owned urban renewal entity in which the Redeveloper or its constituent members is a principal) at no cost. The Property shall be conveyed no later than 180 days from the New Jersey Housing and Mortgage Finance Agency’s (the “**NJHMFA**”) written award of nine percent (9%) tax credits (the “**Tax Credits**”) to the Project, as that date may be extended by mutual agreement of the parties (the “**Closing**”).

1.3.1.1 Condition of Title.

The Township shall convey good and marketable fee simple title to the Property to Redeveloper, or to a DCA-approved urban renewal entity, at Closing by delivery of a bargain and sale deed, free and clear of all liens, assessments, restrictions, encumbrances, easements, leases, claims or rights of use or possession, mechanic’s liens related to the actions of the Township or other title objections except those matters that are reasonably acceptable to Redeveloper (the “**Permitted Title Exceptions**”), and insurable by a title insurance company

licensed to do business in New Jersey at regular rates. Title to all rights of way and easements serving the Property shall be good, marketable and insurable.

1.3.1.2 Title Report.

Redeveloper shall obtain a title report and binder at Redeveloper's expense, together with appropriate endorsements, and will advise the Township in writing within sixty (60) days from the Effective Date (as defined in Section 19 herein) whether title to the Property is acceptable to Redeveloper. In the event that title to the Property is not acceptable, Redeveloper shall so notify the Township in writing (the "**Title Notice**") of Redeveloper's specific objection(s) thereto (the "**Unacceptable Matters**").

1.3.1.3 Unacceptable Matters.

(a) Within thirty (30) days following the Township's receipt of the Title Notice, the Township must give Redeveloper written notice (the "**Township's Title Notice**") of which Unacceptable Matters the Township is unwilling to remove (other than those matters the Township is obligated to remove pursuant to Section 1.3.1.1 above).

(b) In the event that the Township elects, in the Township's Title Notice, not to remove any particular Unacceptable Matter noted in the Title Notice then, within five (5) days following Redeveloper's receipt of the Township's Title Notice, Redeveloper must elect, at Redeveloper's option, to (1) accept title to the Property subject to Unacceptable Matters that the Township has indicated in the Township's Title Notice that the Township is unwilling to remove, and proceed to Closing on the Property as contemplated hereunder; or (2) terminate this Agreement. In the event that Redeveloper elects to proceed to Closing with any Unacceptable Matters remaining on title, such Unacceptable Matters shall be deemed to be Permitted Title

Exceptions. If Redeveloper terminates this Agreement, neither party shall have any further liability hereunder, except those that specifically survive termination of this Agreement.

(c) At the Closing, the Township shall convey title to Redeveloper subject only to the Permitted Exceptions. Redeveloper shall have the right to pursue the rights and remedies available pursuant to Section 5 of this Agreement in the event the Township fails to remove any Unacceptable Matter that the Township is obligated to, or has agreed to remove, or title becomes affected by a lien or encumbrance between the date that the Permitted Title Exceptions are determined and the date of Closing and the Township fails to remove the same, where such failure is not cured on or before Closing.

1.3.1.4 Owner's Affidavit of Title.

At Closing, the Township shall execute and deliver to Redeveloper's title company, a standard seller's affidavit of title in form and substance reasonably acceptable to the Township and such title company.

1.3.1.5 Risk of Loss.

The Township shall bear the risk of loss through the date of Closing.

1.3.2 Township Contribution. The Township agrees to make a contribution to the Project in the form of the conveyance of the Property at no cost to the Redeveloper. Should the Redeveloper determine that the Project requires a contribution from the Township beyond the Property to be competitive for purposes of qualifying for an award of Tax Credits, Township will make a contribution to the Project of up to One Million Dollars (\$1,000,000.00), unless increased as approved by the Township, in the form of either or both of the following: (i) a direct cash contribution or (ii) the reimbursement or forgiveness of any fees payable to the Township

pursuant to Township ordinance, including but not limited to application, escrow and permit fees.

In the event the Project is not funded for Tax Credits, the Township will cooperate with the Redeveloper to consider other sites within the Township for the development of affordable housing.

1.3.3 Environmental Remediation. The Property or any portion(s) thereof may require environmental remediation, mitigation or cleanup including but not limited to the agreed upon demolition of certain structures on the Property and the disposal of materials generated thereby, and the excavation and removal of contaminated soil, all in accordance with and as required by the NJDEP (collectively, the “**Environmental Remediation**”). The Environmental Remediation shall be completed to such standards as are required by the NJDEP to use the Property for residential purposes. The Property shall be conveyed to the Redeveloper after the Township completes the Environmental Remediation of the Property.

1.3.4 Purchase Option and Right of First Refusal. The Property can only be used for the purpose of constructing housing for low or moderate income persons or families or persons with disabilities. In the event the Property ceases to be used for these purposes, and the Township as Grantor does not agree to waive or release this limitation pursuant to N.J.S.A. 40:60-51.2, the Township shall have a right of first refusal to purchase the Property, including the Project (the “**Refusal Right**”) for an amount equal to the fair market value of the Project improvements, which shall not be less than the outstanding debt on the Property and exit taxes, unless the Redeveloper (a) continues to use the Project as housing for low and moderate income persons or families or families with disabilities; or (b) agrees to pay the Township for the fair market value of the land at that time.

1.4 Court Consent

The Township Council represents it will incorporate the Project into its Fair Share Plan and Housing Element, its Spending Plan and its Affordable Housing Plan (the “**Affordable Plan**”). The Township Council will endeavor to adopt its Affordable Plan and to obtain approval of inclusion of the Project in its Affordable Plan from the court having jurisdiction over its Fair Share Plan and Housing Element by December 16, 2019.

1.5 Redevelopment Plan Contingency

Redeveloper’s obligations herein are contingent upon the amendment of the Redevelopment Plan by the Township to permit the construction of the Project, in substantially the same form as attached hereto as Exhibit B.

SECTION 2. REDEVELOPER RIGHTS AND RESPONSIBILITIES

2.1 General

2.1.1 Acquisition of Property. Redeveloper, or its designee, shall acquire good and marketable fee simple title to the Property by delivery of a bargain and sale deed no later than 180 days from NJHMFA’s written award of Tax Credits to the Project, unless this date is extended by the Parties.

2.1.2 Redeveloper Designation. Pursuant to the terms of this Redevelopment Agreement, the Redeveloper is the designated redeveloper of the Property and shall have the exclusive right, in concert with the Township Council (or a subcommittee thereof) to design, construct and operate the Project, as authorized by the Redevelopment Plan and all Governmental Approvals through completion of the Project. For the term of this Agreement

pursuant to its provisions, the Township shall not have the right to designate any person or entity other than the Redeveloper (which the Redeveloper has been so designated).

2.1.3 Construction Compliance. The Redeveloper agrees to construct the Project on the Property in accordance with the Redevelopment Plan and this Agreement.

2.1.4 Improvements. All improvements including design, development and construction for the Property shall be performed consistent with this Agreement and in accordance with the Redevelopment Plan. Further, the Redeveloper agrees to manage all development and improvements and shall be responsible to engage and manage all professionals and consultants, the construction manager and contractors and obtain all required Governmental Approvals and permits for the Property as required pursuant to the Redevelopment Plan and consistent with the terms and conditions of this Agreement.

2.1.5 No Discrimination. Redeveloper shall not discriminate upon the basis of age, race, color, creed, religion, ancestry, national origin, sex or marital status in the sale, lease, use or occupancy of the Project or the Property, or any portion thereof.

2.1.6 No Discrimination. To the extent provided for by law, in the sale, lease or occupancy of the Project or any portion thereof, Redeveloper shall not effectuate or execute any covenant, lease agreement, conveyance or other instrument whereby the land or any improvement, building or structure erected on or to be erected thereon is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sex or marital status, and the Redeveloper, its successors and transferee(s) shall comply with all federal, state and local laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sex or marital status.

2.2 Use of Contractors

The Redeveloper will engage reputable consultants and contractors to perform the design, engineering, construction and improvements for the Project. Each consultant and contractor, where applicable, shall be licensed with the State of New Jersey, or provide proof that no such license is required. In addition, each contractor must guarantee the quality of their workmanship for a period of time that is standard in the particular industry, but in no event less than 1 year. In addition, each consultant and contractor must have liability insurance in full force and effect in amounts that are standard in the particular industry. The Redeveloper shall use its reasonable discretion to determine guaranties and liability insurance that are standard to a particular profession. If the Township identifies any local subcontractors that it believes should be given consideration to perform work on the Project, Redeveloper agrees to provide the names of such subcontractors to its general contractor, who will provide such subcontractors an opportunity to bid on work related to such subcontractors' respective fields of expertise.

2.3 Timing of Redevelopment Project

2.3.1 Construction Contingency. Construction of Improvements for the Redevelopment Project shall begin within ninety (90) days of Redeveloper's receipt of all non-appealable Governmental Approvals, together with an approval of an allocation of Tax Credits and the commitment to provide first mortgage from the NJHMFA or other lender selected in Redeveloper's sole discretion. In the event that the Project is not allocated Tax Credits within the two (2) Nine Percent (9%) Tax Credit application rounds following preliminary site plan approval of the Project, this Agreement may either (i) be extended by mutual agreement of the Parties, or (ii) be terminated by either party and neither party shall have any obligation to the other except as specifically survives this Agreement. Alternatively, in the event the Project is not

allocated Tax Credits within the two (2) Nine Percent (9%) Tax Credit application rounds following preliminary site plan approval of the Project, Redeveloper shall have the option to seek NJHMFA's written award of Four Percent (4%) tax credits. The Township shall cooperate with Redeveloper to seek said NJHMFA's written award of Four Percent (4%) tax credits.

2.3.2 Redevelopment Project Schedule. The Redeveloper's anticipated construction schedule for the Project ("**Redevelopment Project Schedule**") shall be as follows:

(a) Redeveloper shall use good faith efforts to endeavor to obtain all approvals required by NJHMFA in order to make an application for the 2020 round of Tax Credits, including preliminary site plan approval, prior to the date applications for the 2020 round of Tax Credits are due.

(b) Prior to submission to the Planning Board of an application for site plan approval, Redeveloper shall submit the application for site plan approval to the Township Council for their review and approval, which may include increased restrictions beyond the provisions of the Redevelopment Plan with regard to building height. The Township Council shall act on the review of Redeveloper's site plan application within thirty (30) days from receipt thereof.

(c) Redeveloper shall use good faith efforts to endeavor to submit final site plan approval within ninety (90) days of receipt of an award of Tax Credits.

(d) Redeveloper shall proceed in good faith and with continuity of purpose to obtain all other final and un-appealable Governmental Approvals on or before the 180th day after Redeveloper has obtained un-appealable final site plan approval, subject to an extension so long as Redeveloper is diligently pursuing the Governmental Approvals. To the extent reasonably requested by the Redeveloper, and the extent applicable, the Township shall provide assistance

and support to the Redeveloper in connection with any applications for any Governmental Approvals required to be obtained for or with respect to the Project.

(e) Redeveloper agrees to proceed in good faith and with continuity of purpose to commence construction of the Project within ninety (90) days after the issuance of a Building Permit for the Project.

(f) Redeveloper agrees to use commercially reasonable efforts to complete construction of the Project on or before twenty-four (24) months after issuance of a Building Permit for the Project.

If, subject to the provisions of this Agreement, the Redeveloper fails, or determines that it will fail, to meet any relevant date for the completion of a task set forth in the Redevelopment Project Schedule set forth above, for any reason, the Redeveloper shall promptly provide notice to the Township stating: (i) the reason for the failure or anticipated failure, (ii) the Redeveloper's proposed method for correcting such failure, (iii) Redeveloper's proposal for revising the time line and (iv) the method or methods by which the Redeveloper proposes to achieve subsequent tasks by the relevant dates set forth in the revised Redevelopment Project Schedule. Redeveloper's proposed revisions to the Redevelopment Project Schedule shall be subject to the Township's approval, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the parties acknowledge that this is a preliminary estimate of the Redevelopment Project Schedule. Redeveloper shall provide the Township with a schedule of Redeveloper's anticipated construction schedule within thirty (30) days of its receipt of an award of reservation of Tax Credits for the Project.

Notwithstanding any other provision in this Agreement, in the event that the Project is not allocated Tax Credits in the first Nine Percent (9%) Tax Credit application round following

preliminary site plan approval of the Project, the Redevelopment Project Schedule is tolled until Redeveloper's receipt of an award of Tax Credits during the next Nine Percent (9%) Tax Credit application round.

In the event that Redeveloper does not obtain all necessary Governmental Approvals for the Project on terms and conditions acceptable to Redeveloper in its sole discretion, or if Redeveloper determines that the Governmental Approvals for the Project cannot be obtained on terms and conditions acceptable to Redeveloper in its sole discretion, then Redeveloper shall have the right to terminate this Agreement upon written notice to the Township. No Governmental Approval shall be deemed to have been obtained (i) until the appeal period relating thereto has expired and no appeal has been taken; or (ii) if an appeal is filed within the applicable appeal period, until such appeal shall have been finally resolved in a manner sustaining the challenged Governmental Approval. If this Agreement is terminated pursuant to the terms of this Section, then except as expressly set forth herein to the contrary, this Agreement shall be of no further force and effect and the Parties hereto shall have no further rights, liabilities and/or obligations hereunder, it being understood and agreed that the Township may then freely negotiate with another potential redeveloper to redevelop the Property without interference from Redeveloper.

2.3.3 Extension of Redevelopment Project Schedule. In the event Environmental Remediation is needed, the timeframes in the Redevelopment Project Schedule shall be extended to account for the period of Environmental Remediation.

2.3.4 Compliance with Law. All construction shall be performed strictly in accordance with all applicable Federal, State, County and local statutes, ordinances, codes, regulations and restrictions. The Project shall be constructed wholly in accordance with the

Redevelopment Plan, all permits and approvals, the Municipal Land Use Law (the “MLUL”), and Redeveloper shall diligently pursue completion of any Environmental Remediation and construction of the Project in accordance with the Redevelopment Project Schedule.

2.3.5 Redevelopment Plan Amendment. Upon request by the Redeveloper, the Township agrees that it will consider for approval, a request of the Redeveloper to amend the Redevelopment Plan, after the initial amendment of the Redevelopment Plan to permit the Project, to accommodate variations to the Project, provided such variations do not entail a modification of permitted uses, reduction in the number of affordable housing units or modification of any deed restriction, do not result in additional costs to the Township and are otherwise generally consistent with the intent and purpose of the Redevelopment Plan (unless above changes are requested by the Township). The Parties agree that if the Redevelopment Plan needs to be amended for any reason in the future, that the Redeveloper shall so request in writing with supporting documentation to the Township Council, and the Township Council (by and through its Township Administrator) shall provide a response within thirty (30) days. The reply will address only the conceptual response and any formal application to change the Redevelopment Plan must follow the requirements of applicable law.

2.3.6 Construction of the Project.

(a) **Construction Hours.** Construction practices and hours shall be in accordance with Township ordinances.

(b) **Maintenance.** During construction of the Project, the existing public roads impacted by the Project will be cleaned on a regular basis by Redeveloper; *provided, however,* that Redeveloper agrees to clean up such public roads within 24 hours of a specific, reasonable request by the Township that Redeveloper do so or by the close of the following business day,

whichever is later. Notwithstanding the foregoing, the parties acknowledge that the this will be an active construction site and that, therefore, a certain amount of dust and debris is to be expected on the adjacent roads. Should Redeveloper fail to comply with this obligation, the Township will undertake street cleaning and charge Redeveloper for the costs of same. The Redeveloper shall cause the streets and sidewalks to be returned as reasonably close as possible to their pre-construction state if Redeveloper causes any damage to the streets or sidewalks.

(c) Pedestrian Access and Safety. Redeveloper will provide appropriate signage and crosswalks to the extent sidewalks adjacent to the Property may need to be closed from time to time during construction of the Project to ensure the continued flow of pedestrian traffic. Redeveloper shall supply to the Township Building Department plans and specifications providing for pedestrian safety at and across the Property as applicable. The Redeveloper shall keep any sidewalks abutting the Property clean and free of debris, ice and snow during the construction of the Project.

(d) Preconstruction Meeting. There shall be a preconstruction meeting held at least ten (10) days prior to the commencement of construction, which meeting shall include the Township Construction Official, the Township Engineer, a representative from the Township Police Department, a representative from the Township Fire Department and representatives from the various utility companies.

2.4 Certificate of Completion

The Redevelopment Project shall be deemed to be complete and a Certificate of Completion shall be issued by the Township at such time as the Redeveloper has completed the Project pursuant to this Agreement as evidenced by the issuance of final certificates of occupancy for the Project (which issuance will be subject to the posting of a performance bond

for completion of improvements not covered by the Certificate of Occupancy in accordance with the MLUL and Section 21 of this Agreement). Upon satisfactory completion of the Project, the Township in its reasonable discretion, agrees to issue Certificates of Completion in form and content satisfactory to counsel for the Redeveloper and the Township and in proper form for recording, which shall acknowledge that the Redeveloper has completed performance of all of its duties and obligations under this Agreement. In the event that the Township shall fail or refuse to provide such Certificates of Completion within thirty (30) days after written request by the Redeveloper, the Township shall provide the Redeveloper with a written statement setting forth in detail the reasons in which it believes that the Redeveloper has failed to complete the Project in accordance with the provisions of this Agreement or is otherwise in default under this Agreement and what reasonable measures or acts will be necessary in the opinion of the Township in order for the Redeveloper to be entitled to such Certificate of Completion.

2.5 Approvals and Permits

The Redeveloper shall be responsible to obtain any and all Governmental Approvals that are necessary in order to implement and complete the Redevelopment Project pursuant to the Redevelopment Plan. The Township will use its best efforts to cooperate with the Redeveloper in obtaining such Governmental Approvals or waivers from approvals or permits, where applicable, including but not limited to providing all written consents and authorizations necessary for Redeveloper's application for Governmental Approvals, waivers or permits.

The Redeveloper shall pay all the Township permit, application, escrow, and approval fees ("**Township Fees**") and other non-town fees for Governmental Approvals.

2.6 Escrow Procedures

Concurrent with the execution of this Agreement, the Redeveloper has established with the Township an escrow account (the “**Escrow Account**”) having an initial balance of Fifteen Thousand Dollars (\$15,000.00) to cover the Township Costs (the “**Escrow Deposit**”). The Escrow Deposit is separate from and in addition to all other application fees and escrow deposits that may be required by the Township, including any applications for land use approvals that may be needed to implement the Project. Additions to the Escrow Deposit may subsequently become necessary to cover all Township Costs (as defined below) incurred by the Township, as “Escrowee,” pursuant to the terms of this Agreement.

2.6.1 Township Costs. “**Township Costs**” shall mean (i) all reasonable outside professional and consultant fees, out of pocket costs or expenses incurred by the Township arising out of or in connection with the preparation, performance, administration, or enforcement of this Agreement or arising out of or in connection with the Project; and (ii) any other out of pocket fee, cost or expense reasonably incurred by the Township, after the date of this Agreement, to satisfy its obligations under this Agreement or in furtherance of the Project, but shall not include any and all costs incurred in connection with the Redeveloper’s site plan application to the Planning Board and governed by the escrow deposited by the Redeveloper in connection with such application in accordance with the MLUL.

2.6.2 Deposit and Administration of Escrow Funds. The Escrow Deposit and all additions thereto shall be held by the Township in a banking institution or savings and loan association in the State of New Jersey insured by an agency of the federal government, or in any other fund or depository approved for such deposits by the State of New Jersey, in a segregated, non-interest bearing account referenced to this Agreement.

2.6.3 Payments from the Escrow Funds. (a) The Township shall use the Escrow Deposit and all additions thereto to pay Township Costs in accordance with the provisions of this Agreement.

(b) Each payment for professional services charged to the Escrow Account shall be pursuant to a voucher from the professional or consultant, identifying the personnel performing services, each date the services were performed, the hours spent in not greater than one-tenth (1/10) hour increments, the hourly rate, and specifying the services performed. All professionals shall submit the required vouchers or statements to the Township on a monthly basis in accordance with the schedule and procedures established by the Township. The professionals or the Township shall simultaneously send an informational copy of each voucher or statement submitted to the Township to the Redeveloper.

2.6.4 Accounting and Additional Deposits. Within three (3) business days after a written request by the Redeveloper is received by the Township Attorney, the Township shall prepare and send to the Redeveloper a statement which shall include an accounting of funds listing all deposits, disbursements and the cumulative balance of the Escrow Account. If at any time the balance in the Escrow Account is less than Seven Thousand Five Hundred Dollars (\$7,500.00), the Township shall provide the Redeveloper with a notice of the insufficient Escrow Account balance. The Redeveloper shall deposit to the Escrow Account additional funds such that the total amount on deposit shall be not less than Fifteen Thousand Dollars (\$15,000.00), such deposit to be made within five (5) Business Days after the Township's notice, failing which the Township may unilaterally cease work without liability to the Redeveloper.

2.6.5 Close Out Procedures. Upon the issuance of a Certificate of Occupancy or other termination of this Agreement, the Redeveloper shall send written Notice by certified

mail to the Township requesting that the remaining balance of the Escrow Account be refunded, or otherwise applied in accordance with the provisions of this Agreement. After receipt of such notice, the professional(s) shall render a final bill to Township within thirty (30) days and shall send an informational copy simultaneously to the Redeveloper. Within thirty (30) days after receipt of the final bill the Township shall pay all outstanding bills and render a written final accounting to the Redeveloper. The Redeveloper will not be responsible for any additional charges once the final accounting has been rendered by the Township in accordance with this section. This Section shall survive issuance of a Certificate of Occupancy or other termination of this Agreement.

2.6.6 Disputed Charges. (a) The Redeveloper may dispute the propriety or reasonableness of Township Costs paid out of the Escrow Account by written Notice to the Township. A copy of such Notice shall be sent simultaneously to the professional(s) whose charges or estimated costs are the subject of the dispute. Such written Notice of a disputed charge shall be given within thirty (30) days after the Redeveloper's receipt of the informational copy of the professional's voucher, invoice, statement or bill, except that if the professional has not supplied the Redeveloper with an informational copy of the voucher, invoice, statement or bill, then the Redeveloper shall send Notice within thirty (30) days after receipt of the first statement of activity against the Escrow Account containing the disputed charge. Failure to dispute a charge in writing within the prescribed time shall constitute the Redeveloper's acceptance of the charge and a waiver by the Redeveloper of all objections to the charge and to payment thereof out of the Escrow Account. The terms of this Section shall survive termination of this Agreement.

(b) If the Township and the Redeveloper cannot agree on the resolution of a disputed charge, the parties agree to arbitrate the matter, with a retired judge mutually agreeable to the parties acting as arbitrator. During the pendency of a dispute, the Township shall not pay the disputed charges out of the escrow account but may continue to pay undisputed charges out of the escrow account.

The terms of this exhibit shall survive termination of this Agreement.

2.7 Entrance onto the Property

While this Agreement is in effect, the Township shall permit Redeveloper, its employees, agents, contractors and subcontractors (collectively, with the Redeveloper, the “**Redeveloper Representatives**”) to enter upon the Property at any time upon 48 hours’ notice to the Township for the purpose of making surveys, taking measurements, performing test borings or other tests of surface and subsurface conditions, making structural engineering studies and inspecting the Property at Redeveloper’s sole cost and expense. All such action taken by or on behalf of Redeveloper pursuant to this Agreement shall be in accordance with all applicable laws, rules and regulations of the appropriate governmental authorities having jurisdiction.

Prior to the Township’s transfer of the Property to Redeveloper, Redeveloper shall not permit the creation of any lien in favor of any contractor, subcontractor, material man, mechanic, surveyor, architect or laborer in the employ or acting at the request or direction of Redeveloper or any agent of Redeveloper. Redeveloper hereby expressly agrees to protect, defend and indemnify the Township against and hold the Township harmless with respect to any claims, suits, losses, damages, liens, encumbrances or causes of action which arise out of or are in any way related to Redeveloper’s activities at the Property, including without limitation, the Township’s costs, expenses and reasonable attorneys’ fees incurred in connection with defending

against or clearing the Township's title to the Property of such claims, liens, encumbrances and causes of action.

2.8 Environmental Conditions

The Township represents and warrants that, to the best of its knowledge, information and belief, the condition of the Property is consistent with the findings contained in the Preliminary Assessment Reports prepared by Partner Engineering and Science, Inc. dated February 26, 2019.

2.9 Off-Site Improvements

Redeveloper shall only be responsible for the installation or upgrading of infrastructure, whether on-site or off-site, required solely to construct and operate the Project. Notwithstanding any other provision of this Agreement or the Redevelopment Plan, Redeveloper will not be subject to any fees related to off-site improvements. The Township recognizes that this Agreement contemplates the development of an "affordable housing development" within the meaning of the Mount Laurel doctrine. This means the Township will refrain from imposing cost-generative requirements as required by N.J.A.C. 5:97-10.1 et seq.

SECTION 3. RESTRICTIONS ON USE AND ENCUMBRANCES

3.1 Effect of Covenants

The covenants to be imposed upon the Redeveloper, its successors and assigns, pursuant to this Section 3 shall set forth that the Redeveloper and its successors and assigns shall construct only those uses established in the Redevelopment Plan and the approved site plan for the Project, as may be amended from time to time, subject to and by approval of the Township, and as required by the Court and Tax Credit regulations.

3.2 Term of Covenants and Restrictions

The covenants and restrictions imposed upon the Redeveloper, its successors and assigns, pursuant to this Agreement, the Redevelopment Law and the Exemption Law (if applicable), shall be deemed satisfied and/or of no further force and effect and this Agreement shall terminate upon the issuance of the final Certificate of Completion for the Project referenced in Section 2.4 herein, as required by the Court and Tax Credit regulations; provided, however, that the covenants and 30-year affordable housing deed restrictions necessary to qualify and maintain the Project for inclusion in the Township's Fair Share Plan and Housing Element and approval by the Court as an affordable housing development for which the Township may receive credit pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.* shall not be terminated by the issuance of the Certificate of Completion and Compliance.

SECTION 4. PROHIBITION AGAINST TRANSFER; PERMITTED TRANSFERS

Redeveloper is executing this Agreement governing all rights and obligations of Redeveloper and Township with respect to the Project and the Property. The Redeveloper has the right to form one or more affiliated entities with the same majority ownership as Redeveloper, including an urban renewal entity, to hold title or interest to the Project or the Property and develop, construct, maintain and/or operate the Property or the Project as contemplated hereunder and Redeveloper shall have the right to assign this Redevelopment Agreement in whole or in part to such affiliated entities, without the approval of the Township but upon written notice to the Township (a "**Permitted Transfer**"). In the event of such Permitted Transfer, the respective rights, duties and obligations of the Township shall not be diminished or modified as a result of Redeveloper's determination to make use of such affiliated entities and the Redeveloper's transferee shall become responsible for satisfaction of

Redeveloper's duties and obligations hereunder and the Township shall look to such transferee for performance of such duties and obligations. Any bonding posted by the Redeveloper under the MLUL shall also be transferred and/or assigned to such affiliate of Redeveloper upon the adoption of a Resolution of the Township Council authorizing same.

Except as otherwise expressly set forth herein, the Redeveloper shall be without power to sell or lease (except to tenants in the ordinary course of business of operating the Project as contemplated hereunder or to an affiliated entity of Redeveloper) the Property or the Project.

SECTION 5. DEFAULT AND REMEDIES

5.1 Event of Default by Redeveloper

It shall constitute an event of default hereunder if Redeveloper or its successor in interest shall default in or violate its obligations in a material respect with respect to its obligations under this Agreement, and any such default, violation, abandonment, or suspension does not arise out of a delay as a result of any pending or threatened administrative procedures or litigation and shall not be cured, ended, or remedied within ninety (90) days after written demand by the Township to do so, or such longer periods of time that may be mutually agreed upon if the event of default is incapable of cure within such period, provided that Redeveloper has commenced and is diligently prosecuting such cure (a "**Redeveloper Event of Default**").

Notwithstanding the foregoing, if, in the Redeveloper's reasonable judgment, changes to the Tax Credit rules enacted in the NJHMFA's Qualified Allocation Plan during the term of this Agreement make it unlikely that the Project will successfully compete for funding, the Redeveloper may terminate this Agreement, in which event this Agreement shall become null and void, and the Redeveloper and the Township shall have no further rights, obligations or liabilities hereunder except as otherwise specifically set forth in this Agreement.

5.2 Township's Remedies

Upon the occurrence of any Redeveloper Event of Default, the Township shall have the right at its sole and absolute discretion, after expiration of the notice and cure period in 5.1, to terminate this Agreement and neither party shall have any further liability hereunder, except those that specifically survive termination of this Agreement, and upon such termination, Redeveloper will provide to the Township copies of all non-proprietary plans and due diligence documents in its possession related to the Project.

5.3 Event of Default by Township

It shall constitute an Event of Default hereunder if the Township shall commit any of the following (each, a "**Township Event of Default**"):

- (a) Failure to convey the Property to Redeveloper as set forth in Section 1.3;
- (b) Default in or violation of its obligations under any provision of this

Agreement in a material respect, including but not limited to failure to perform within the specific time frames set forth herein, (unless such failure arises out of a delay as a result of any pending or threatened administrative procedures or litigation), and any such default, violation, abandonment, or suspension shall not be cured, ended, or remedied within ninety (90) days after written demand by Redeveloper to do so (or such longer period of time that may be mutually agreed upon if incapable of cure within such period, provided that the Township has commenced and is diligently prosecuting such cure). Notwithstanding the above, it is understood by Redeveloper that the time frames set forth herein require the adoption of ordinances and/or resolutions which also require participation from the public, the Planning Board, and other agencies having jurisdiction. As such, there are aspects of the specific time frames which are beyond the Township's control which shall preclude a Township Event of Default.

5.4 Redeveloper's Remedies Upon the occurrence of any Township Event of Default, Redeveloper shall have the right at its sole and absolute discretion, after expiration of any notice and cure period in Section 5.3 above, to:

- (a) Terminate this Agreement and neither party shall have any further liability hereunder, except those that specifically survive termination of this Agreement, and upon such termination, Redeveloper will provide to the Township copies of all non-proprietary plans and due diligence documents in its possession related to the Project, or
- (b) Bring an action for specific performance hereunder and/or pursue actual damages.

5.5 Other Rights and Remedies; No Waiver

The parties shall have the right to institute such actions or proceedings as they may deem desirable for effectuating the purposes of this Section 5. Any delay in instituting or prosecuting any such actions, proceedings or otherwise asserting its rights under this Section 5 shall not operate as a waiver of such rights or to deprive a party of or limit its rights in any way, it being the intent of this provision that the party should not be constrained to exercise such remedy at a time when it may still hope otherwise to resolve the problems caused by the default involved; nor shall any waiver in fact made by any party with respect to a specific default under this Agreement be considered or treated as a waiver of rights of that party with respect to any other defaults by that party under this Section or with respect to the particular default except to the extent specifically waived in writing.

5.6 Rights and Remedies Cumulative

The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of

such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, or of any of its remedies for any other default or breach by the other party.

SECTION 6. NOTICES AND DEMANDS

6.1 Notices and Demands

A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (and receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section 6. The addresses for the parties are as follows:

Township of Verona
Verona Town Hall
Bloomfield Avenue
Verona, New Jersey 07044
Attn: Mayor Jack McEvoy

with a copy to:

Joseph P. Baumann, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue
Roseland, New Jersey 07068

and

PIRHL Developers, LLC
5 Commerce Way, Suite 210E
Hamilton, New Jersey 08691
Attn: Lara Schwager

with copies to:

PIRHL Developers, LLC
800 West St. Clair Avenue
4th Floor
Cleveland, OH 44113
Attention: David Burg

and

Katharine A. Coffey, Esq.
Day Pitney, LLP
One Jefferson Road
Parsippany, New Jersey 07054

SECTION 7. WAIVER

No waiver made by any such party with respect to the performance, or manner or time thereof, or any obligation of any other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of any other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of any other party.

SECTION 8. REPRESENTATIONS

8.1 Legal Capacity

Each party represents that it has the legal capacity to enter into this Agreement and perform each of its undertakings herein set forth and as set forth in the Redevelopment Plan existing on the date of this Agreement.

8.2. Duly Organized

Each party is duly organized and a validly existing legal entity under the laws of the State of New Jersey or the laws of such other jurisdictions of incorporation or formation and

necessary resolutions have been duly adopted, authorizing the execution and delivery of this Agreement and authorizing and directing the persons executing this Agreement to do so for and on their behalf.

8.3 No Pending Litigation

To the best of their respective knowledge, there is no action, proceeding or investigation now pending, nor any basis therefor, known or believed to exist which questions the validity of this Agreement or any action or act taken or to be taken by it pursuant to this Agreement

8.4 No Violation of Agreements

The execution and delivery of this Agreement and the performance hereunder by each party will not constitute a violation of any partnership agreement, articles of incorporation, limited liability company operating agreement, and/or stockholder agreement of such entity, or of any entity which holds an ownership interest therein, or of any agreement, mortgage, indenture, instrument or judgment to which it is a party.

8.5 Best Efforts

Each will use its best efforts to assure the completion of the Project as specified in this Agreement.

8.6 Covenants and Restrictions

The following covenants and restrictions are imposed upon Redeveloper, its successors and assigns, and are intended to run with the land until a Certificate of Completion has been issued for the Project:

8.6.1 Compliance. Redeveloper shall construct the Project on the Property in accordance with, and subject to the terms of, the Redevelopment Plan, this Redevelopment Agreement, and all applicable laws and Governmental Approvals.

8.6.2 No Transfer. Except for Permitted Transfers, and subject to the terms hereof, prior to the issuance of a Certificate of Completion, Redeveloper shall not effect a transfer without the written consent of the Township, which shall not be unreasonably withheld, conditioned or delayed.

8.6.3 No Discrimination. In connection with its use or occupancy of the Project, Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Property is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status, and Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status.

8.6.4 Certificate of Occupancy. Subject to and in accordance with the terms hereof, Redeveloper shall, upon completion of construction, obtain a Certificate of Occupancy and all other Government Approvals required for the occupancy and uses of the Property for the purposes contemplated hereby.

8.6.5 Redevelopment Project. Subject to and in accordance with the terms hereof, the Project will not be developed, financed, constructed, operated and maintained at the expense of the Township.

8.6.6 Project Compliance. Subject to and in accordance with the terms hereof, Redeveloper shall develop, finance, construct, operate and maintain the Project consistent with

applicable laws, Government Approvals, the Redevelopment Plan, and this Redevelopment Agreement including the obligation to use commercially reasonable efforts to meet all deadlines and timeframes set forth in this Redevelopment Agreement.

8.6.7 Use of Property. Prior to the issuance of a Certificate of Completion, Redeveloper shall not encumber, hypothecate or otherwise use the Property, or any part thereof as collateral for any transaction unrelated to the Project.

8.6.8 Payment of Property Costs. Upon Redeveloper's acquisition of the Property, Redeveloper will promptly pay any and all taxes, service charges, special assessments or similar obligations when owed with respect to the Property.

8.6.9 Affordable Housing Restriction. In addition to the foregoing, the Redeveloper shall cause to be recorded against the Property prior to the issuance of any Certificate of Completion, a 30 year affordable housing restriction, in a form satisfactory to the Township Attorney, and in accordance with the requirements of the Fair Housing Act and the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq., except as exempted by Section 42 of the Internal Revenue Code relative to Federal Low-Income Housing Tax Credits, in which case, Section 42 of the Internal Revenue Code shall control. Redeveloper acknowledges that the expiration of controls for ownership and rental units is governed by N.J.A.C. 5:80-26.5 and N.J.A.C. 5:80-26.11 respectively.

8.6.10 UHAC. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, except as exempted by Section 42 of the Internal Revenue Code relative to Federal Low-Income Housing Tax Credits, in which case, Section 42 of the Internal Revenue Code shall control. The

Township, as part of its Housing Element and Fair Share Plan, shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.

8.6.11 Adaptable Units. All new construction units shall be adaptable in conformance with N.J.S.A. 52:27D-311a et al. and all other applicable law.

SECTION 9. DELAYS; FORCE MAJEURE

9.1 Force Majeure

For the purposes of any of the provisions of this Agreement, neither the Township nor the Redeveloper, as the case may be, nor any successor-in-interest, shall be considered in breach of, or default in, its obligations hereunder in the event of any delay in the performance of such obligations due to or arising from causes beyond its reasonable control and without its fault or negligence, including, but not restricted to: (i) acts of God, acts of the public enemy, acts or omissions of the other parties (including litigation by third parties), fires, floods, epidemics, quarantine restrictions, strikes, freight, energy shortages, embargoes, unusual or severe weather, or delays of consultants and contractors due to any of the foregoing such causes; (ii) actions or inactions by any federal, state or local governmental or quasi-governmental authority with respect to any required Governmental Approvals for the development of the Project

9.2 Delay

In the event that the Township or Redeveloper is unable to perform its obligations as a result of an occurrence of any such delay, the non-performing party shall provide the other party of notice of its inability to timely perform its obligation and its need for an extension to perform for the period of or impact of the delay within one hundred twenty (120) days of the occurrence of the event of the delay ("Force Majeure Notice"). Provided the non-performing party timely

provides Force Majeure Notice, it is the purpose and intent of this provision that the time or times for performance of the obligations of the non-performing party shall be extended for the period of or impact of the delay.

SECTION 10. SEVERABILITY

The invalidity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof.

SECTION 11. SUCCESSORS BOUND

This Agreement shall be binding upon and shall inure to the benefit of the respective parties hereto and their successors by merger, liquidation or other reorganization, and their permitted assigns.

SECTION 12. GOVERNING LAW

This Agreement shall be governed by and construed by the laws of the State of New Jersey.

SECTION 13. TITLE OF ARTICLES

The titles of the several Articles of this Agreement, as set forth or at the heads of said Articles, are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

SECTION 14. COUNTERPARTS

This Agreement may be executed in counterparts. All such counterparts shall be deemed to be originals and together shall constitute but one and the same instrument.

SECTION 15. EXHIBITS AND SCHEDULES

Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof except as provided herein.

SECTION 17. AMENDMENTS

This Agreement may only be amended in writing by mutual agreement of the parties.

SECTION 18. EFFECTIVE DATE

Anything herein contained to the contrary notwithstanding, the effective date (the “**Effective Date**”) of this Agreement shall be the date, after adoption an authorizing Resolution by the Township Council, when both of the parties hereto have executed and delivered this Agreement.

SECTION 19. ESTOPPEL CERTIFICATE

Within thirty (30) days following written request therefor by a party hereto, the other party shall issue a signed estoppel certificate either stating that this Agreement is in full force and effect and that there is no default or breach under this Agreement (nor any event which, with the passage of time or the giving of notice would result in a default or breach under this Agreement), or stating the nature of the default or breach or event, if any. In the event the estoppel certificate discloses such a default, breach or event, it shall also state the manner in which such default, breach and/or event may be cured.

SECTION 20. PERFORMANCE AND MAINTENANCE GUARANTEES

Redeveloper shall post performance and maintenance guarantees in accordance with the provisions of N.J.S.A. 40:55D-53 *et seq.* of the MLUL and all applicable laws, in the following

manner.

20.1 Performance Guarantee

Prior to the commencement of construction, a performance bond or irrevocable letter of credit (or such other form of guarantee allowed in accordance with the MLUL at the discretion of the Redeveloper) in a form reasonably acceptable to the Township Attorney (provided that the New Jersey Department of Community Affairs' standard form shall be deemed reasonably acceptable to the Township Attorney) for those improvements for which performance guarantee may be required pursuant to the MLUL and as may be required pursuant to the approved site plan and planning board resolution, in an amount not to exceed 120% of the cost of installation, which cost shall be determined by the Township Engineer according to the method of calculation set forth in N.J.S.A. 40:55D-53. Notwithstanding the foregoing, under no circumstances shall any form of performance guarantee be required for any building comprising the project.

20.2 Maintenance Guarantee

A maintenance guarantee in respect of those improvements which may be bonded in accordance with the MLUL in the form of a surety bond (or such other form of guarantee allowed in accordance with the MLUL at the discretion of the Redeveloper) for a period not to exceed two (2) years after final acceptance of improvement, in an amount not to exceed 15% of the cost of the improvement, which cost shall be determined by the Township Engineer according to the method of calculation set forth in N.J.S.A. 40:55D-53.

20.3 Form of Bonds

If applicable, all bonds must name the Township as an obligee and Redeveloper shall

deliver a copy of the all bonds to the Township prior to commencement of construction. To the extent that a surety bond is provided, it shall be provided by a company licensed by the New Jersey Department of Banking and Insurance or otherwise authorized by the New Jersey Department of Banking and Insurance to do business in the State. In the event that any insurance company, financial institution or other entity issuing a performance guarantee herein, shall be insolvent or shall declare bankruptcy or otherwise be subject to reorganization, rehabilitation, or other action, whereby state or federal agencies have taken over management of the entity, within thirty (30) days' notice from the Township, Redeveloper shall replace the bond.

20.4 Lapse of Bond

In the event any bond should lapse, be cancelled or withdrawn, or otherwise not remain in full force and effect as a result of any act or omission by Redeveloper, then until an approved replacement of the lapsed bond has been deposited with the Township, the Township may require Redeveloper to cease and desist any and all work on the project, unless the improvements required to be bonded have been completed and approved by the Township. In the event any bond shall lapse, be cancelled or withdrawn, or otherwise not remain in full force and effect through no act or omission of the Redeveloper, then unless Redeveloper fails to replace the bond within ten (10) business days of notice given to Redeveloper by the Township, the Township may require Redeveloper to cease and desist work on the project unless the improvements required to be bonded have been completed and approved by the Township.

20.5 Other Guarantees

In the event that other governmental agencies or public utilities automatically will own the utilities to be installed, or the improvements are covered by a performance or maintenance guarantee to another governmental agency, no performance or maintenance guarantee, as the

case may be, shall be required by the municipality for such utilities or improvements.

20.6 Extensions

Any extension of the time allowed for installation of the improvements for which a performance guarantee has been provided and any release or partial release of any performance or guarantee provided pursuant to this Agreement shall be pursuant to the MLUL.

SECTION 21. INSPECTIONS/INSURANCE

During the Township's ownership of the Property, Redeveloper hereby agrees to indemnify, defend and hold Township harmless from and against any and all liabilities, losses, claims, demands, costs, expenses (including reasonable attorneys' fees and litigation costs) and judgments of any nature arising or alleged to arise from or in connection with any injury to, or death of, any person or loss or damage to property arising from or in connection with its inspections of the Property (the "Inspections"). Redeveloper also agrees to promptly reasonably restore the Property to the condition it was in immediately prior to performing any Inspections and to repair promptly any damage to the Property caused by Redeveloper, its agents, employees, contractors and consultants. The provisions of this Section shall survive any termination of this Agreement.

Prior to entering onto the Property for any Inspections during the Township's ownership of the Property, Redeveloper shall furnish to Township evidence satisfactory to Township that Redeveloper and any contractors and/or subcontractors entering onto the Property maintain Workers Compensation coverage in the statutory amounts, as well as comprehensive general public liability insurance with an insurer authorized to do business in New Jersey with a rating of A in Best's Key Rating Guide (or equivalent), or otherwise approved in writing by Township, against claims for bodily injury, death and property damage in a single limit amount of not less

than One Million Dollars (\$1,000,000) with respect to all claims for bodily injury or death and One Million Dollars (\$1,000,000) with respect to all claims for property damage, including XCU and fire coverage, naming Township as an additional insured. The policies of insurance required to be maintained by Redeveloper and its contractors pursuant to this paragraph shall provide that Township shall be given ten (10) days' prior written notice of the suspension, cancellation, termination, modification, nonrenewal or lapse of such policy or a material change in coverage thereunder.

In connection with Redeveloper's Inspections, Redeveloper shall not perform any invasive or analytical testing at the Property during the Township's ownership of the Property, without the prior written consent of Township, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Redeveloper shall have the right to perform geotechnical investigations of the Property upon 48 hours' notice to the Township. The parties agree that the Inspections may be carried out by a consultant selected by Redeveloper in its sole discretion (the "Inspecting Consultant"), but the Inspecting Consultant may not be and no part of Inspections may be performed by any person who has applied for or received a temporary or permanent license pursuant to the New Jersey Licensed Site Remediation Professional ("LSRP") Program, as set forth in the New Jersey Site Remediation Reform Act ("SRRA"), NJSA 58:10c-1 et seq. Redeveloper shall not provide the Township or any person who has applied for or received a temporary or permanent license pursuant to the LSRP Program or any other person or private or public entity with any data or information derived as a result of Inspections or any opinions, conclusions or documents generated by the inspecting consultant as a result of the Inspections.

SECTION 22. RECITALS

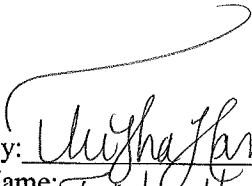
The foregoing background recitals are incorporated herein as part of this Agreement.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed and their corporate seals (where applicable) affixed and attested to as of the day and year first above written.

ATTEST:

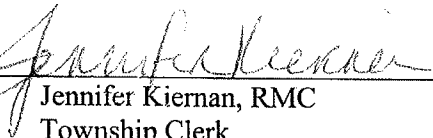
REDEVELOPER:
PIRHL DEVELOPERS, LLC

By: 
Name: Trisha Hansen-Schranz
Title: Executive Assistant

By: 
David Burg
Managing Director

ATTEST:

TOWNSHIP:
TOWNSHIP OF VERONA

By: 
Jennifer Kiernan, RMC
Township Clerk

By: 
Matthew Cavallo
Township Manager

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed and their corporate seals (where applicable) affixed and attested to as of the day and year first above written.

ATTEST:

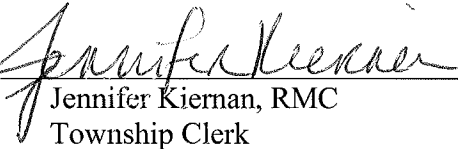
REDEVELOPER:
PIRHL DEVELOPERS, LLC

By: _____
Name:
Title:

By: _____
David Burg
Managing Director

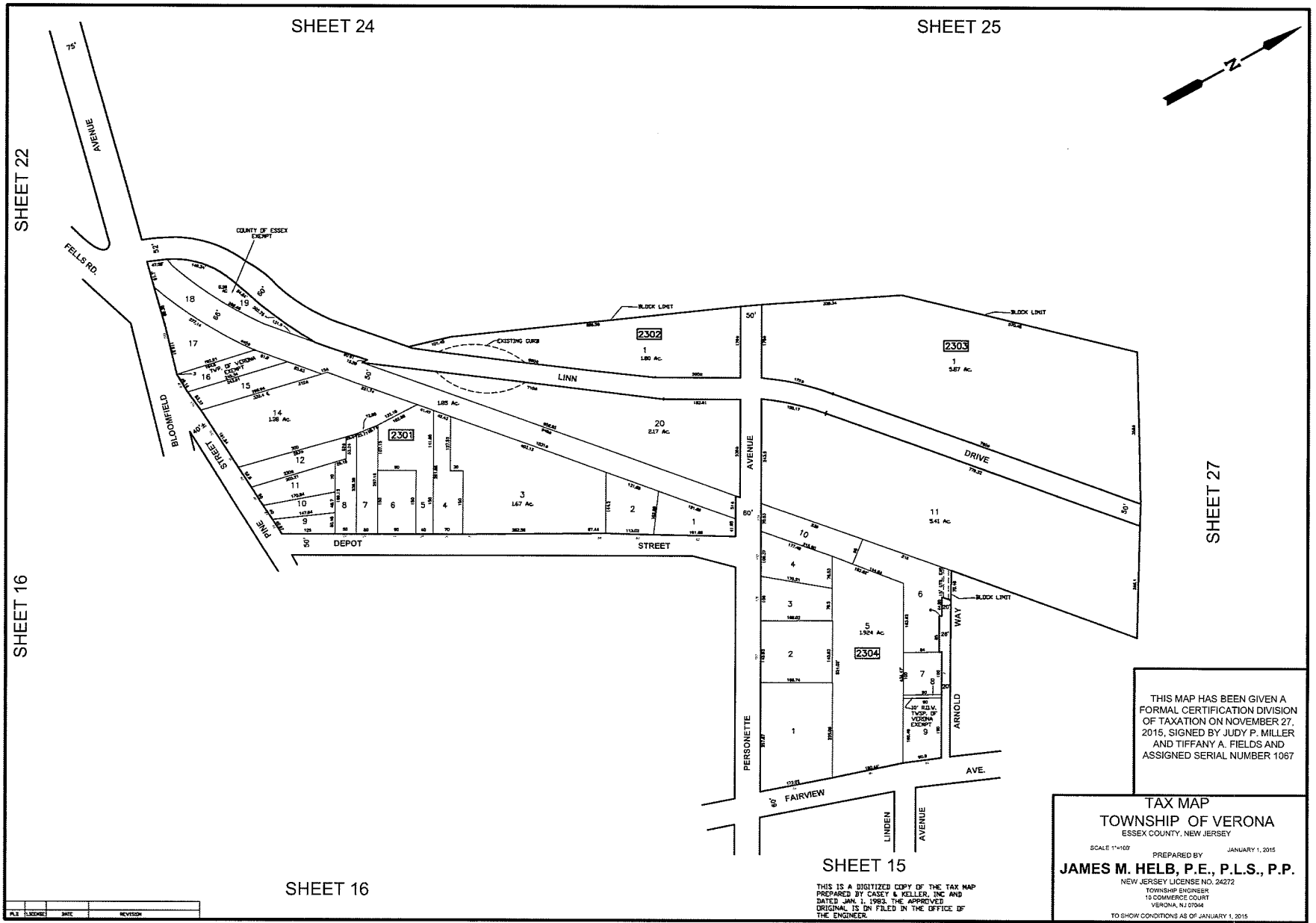
ATTEST:

TOWNSHIP:
TOWNSHIP OF VERONA

By: 
Jennifer Kiernan, RMC
Township Clerk

By: 
Matthew Cavallo
Township Manager

EXHIBIT A
The Property



FILE	REVISION	DATE	REVISION

SHEET 16

SHEET 15

THIS IS A DIGITIZED COPY OF THE TAX MAP
 PREPARED BY CASEY & KELLER, INC. AND
 DATED JAN. 1, 1982. THE APPROVED
 ORIGINAL IS ON FILE IN THE OFFICE OF
 THE ENGINEER.

THIS MAP HAS BEEN GIVEN A
 FORMAL CERTIFICATION DIVISION
 OF TAXATION ON NOVEMBER 27,
 2015, SIGNED BY JUDY P. MILLER
 AND TIFFANY A. FIELDS AND
 ASSIGNED SERIAL NUMBER 1067

TAX MAP
TOWNSHIP OF VERONA
 ESSEX COUNTY, NEW JERSEY

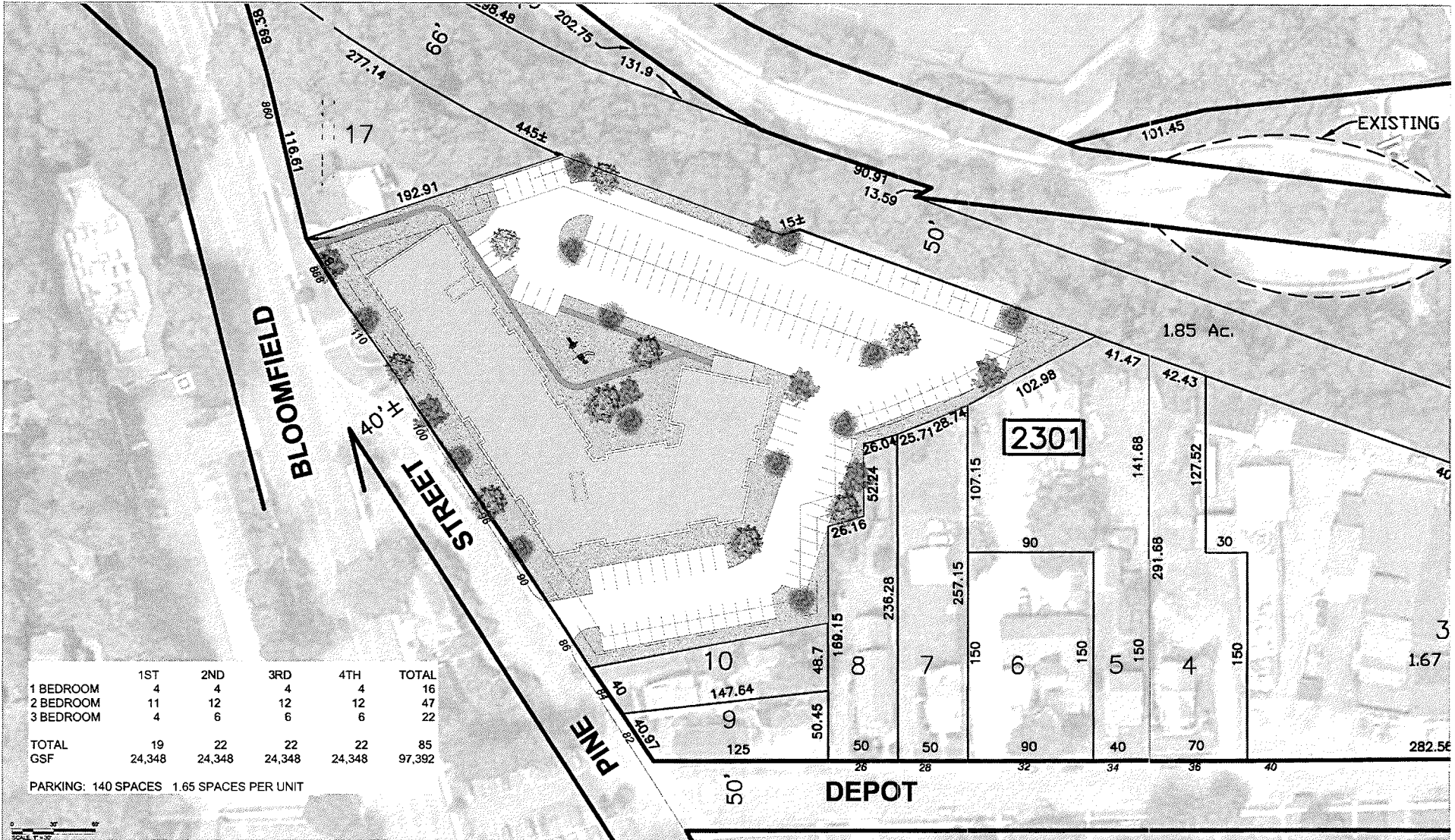
SCALE 1"=100' PREPARED BY JANUARY 1, 2015

JAMES M. HELB, P.E., P.L.S., P.P.
 NEW JERSEY LICENSE NO. 24272

TOWNSHIP ENGINEER
 10 COMMERCE COURT
 VERONA, NJ 07094

TO SHOW CONDITIONS AS OF JANUARY 1, 2015

EXHIBIT B
Project Plan



	1ST	2ND	3RD	4TH	TOTAL
1 BEDROOM	4	4	4	4	16
2 BEDROOM	11	12	12	12	47
3 BEDROOM	4	6	6	6	22
TOTAL	19	22	22	22	85
GSF	24,348	24,348	24,348	24,348	97,392

PARKING: 140 SPACES 1.65 SPACES PER UNIT



WRT
WALLACE ROBERTS & TODD, LLC
 1700 MARKET STREET, SUITE 2800
 PHILADELPHIA, PA 19103
 215.792.5215
 WRTDESIGN.COM

VERONA FAMILY APARTMENTS
 BLOOMFIELD AVENUE AND LINN DRIVE, VERONA, NJ

pirhl

09.30.19

1/30" = 1'-0"