

City of Camden



Application for the Economic Opportunity Act 20 Year Tax Incentive

**Consisting of a 10 Year Partial Exemption and a 10 Year PILOT
(Payments in Lieu of Taxes)**

IMPORTANT NOTES
PLEASE READ CAREFULLY

- **THE GARDEN STATE GROWTH ZONE ENTITY MUST BE FORMED AND APPROVED BEFORE OBTAINING A FINAL CERTIFICATE OF OCCUPANCY.** Only certain profit-limited business entities are eligible for the twenty-year Garden State Growth Zone abatement, (though five-year abatements are available even without such an entity). These entities include, but are not limited to a corporation, partnership, limited liability partnership (LLP), or a limited liability company (LLC).
 - ❖ Under New Jersey law, applicants for the twenty year tax incentive pursuant to the City of Camden Code Chapter 510 and the New Jersey Economic Opportunity Act of 2013, N.J.S.A. 52:27D-489q through C.52:27D-489t, must be organized as a Garden State Growth Zone Development Entity.
 - ❖ The City of Camden strongly recommends that the *Real Property Tax Exemption Eligibility, Compliance Certification & Grant Application* be obtained and submitted before proceeding to the rest of the application, as a Garden State Growth Zone Certification is a prerequisite of eligibility.
- **CERTAIN DOCUMENTS REQUIRED IN THIS APPLICATION MUST BE PREPARED BY QUALIFIED PROFESSIONALS OTHER THAN THE APPLICANT.** In particular, survey documents must be signed and sealed by a licensed surveyor, site plan documents must be signed and sealed by a professional engineer and detailed cost estimates must be certified by a licensed engineer or architect.
- **GARDEN STATE GROWTH ZONE ENTITY:** A private corporation incorporated pursuant to Title 14A of the New Jersey Statutes, or established pursuant to Title 42 of the Revised Statutes, for which the profits of the entity are limited per N.J.S.A. 52:27D-489r. These include, but are not limited to the following:
 - ❖ Corporation
 - ❖ Partnership
 - ❖ Limited Liability Company (LLC)
 - ❖ Limited Partnership (LLP)

Overview of application contents

- ❖ Section I - General instructions regarding the completion of the application
- ❖ Section II - Identification of the applicant
- ❖ Section III - Detailed description of the Project
- ❖ Representations and certifications required by statute
- ❖ Exhibits

I. Instructions

- **Please complete this application in its entirety and attach all required supporting documentation. Incomplete applications will be returned and may significantly delay the tax exemption authorization process or cause the application to be denied.**

Completed applications should be submitted to:

- Terri Paglione
520 Market Street
Camden, NJ 08102

If you have any questions regarding the application or the tax exemption process, please contact:

- Terri Paglione at (856) 571-7017

II. Developer Identification:

A. Name of Applicant:

B. Name of Garden State Growth Zone Development Entity:

C. Principal Address:

Street Address

City

State

Zip

D. Type of Entity (check one)

_____ Corporation _____ LLC _____ LLP _____ Partnership

Other (please specify) _____

E. Contact Information

1.) Name of Primary Contact: _____

2.) Contact Numbers:

a. Phone: _____

b. Fax: _____

c. Email: _____

E. Name and Address of Statutory Agent:

Please list the name and address of the entity upon whom a legal process can be served:

Street Address

City

State

Zip

F. Federal Tax Identification Number: _____

G. Last Day of Fiscal Year: _____

H. Disclosure of Ownership:

New Jersey law (N.J.S.A. 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Developer has, as one or more of its owners, a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner is disclosed.

Please provide the necessary information utilizing the form provided with Exhibit 1 of this application.

I. Certificates of Incorporation and Approval:

Please provide a copy of the approved certificate of incorporation or formation by the State of New Jersey for the entity applying for the exemption. Attach the certificate as Exhibit 2. Also, include a copy of the certificate of approval of the Garden State Growth Zone Development Entity issued by the Department of Economic Development and reviewed by the Law Department. Attach that certificate as Exhibit 3.

J. Authorization to Submit Application:

Please provide a certified copy, bearing the seal of the Garden State Growth Zone Development Entity of a company resolution authorizing submission of the application in the form provided as Exhibit 4 of this application.

III. Project Description:

A. Applicant's Interest in the Project:

____ Conventional (Fee Simple) ____ Condominium ____ Ground Lease from
Another

B. Project Type (Please check all that apply):

____ Residential; ____ Retail; ____ Office; ____ Manufacturing; ____ Distribution Facility; ____ Hotel;

Other (Specify): _____

If the project involves more than one type of usage, indicate the percentage that each usage bears to the overall project measured using square feet of gross area:

____ % Residential; ____ % Retail; ____ % Office; ____ % Manufacturing; ____ % Distribution Facility;

____ % Hotel; ____ % Other (specify here _____)

C. Marketing Expectation:

____ For Sale ____ For Lease ____ Both

D. Project Location:

1. Provide all of the street addresses by which the project site is currently known:

Address #1: _____

Address #2: _____

Address #3: _____

Address #4: _____

Use additional sheets if necessary

2. Provide all tax lots that comprise the project site. Designate lots as they appear on the official maps of the Tax Assessor as of the date of this application (i.e. prior to any subdivision associated with the project): Use additional sheets if necessary

Block ____ Lots: _____

Block ____ Lots: _____

Block ____ Lots: _____

Block ____ Lots: _____

3. Metes and Bounds Description:

Please attach the metes and bounds description of the project site as Exhibit 5 of this application.

4. Survey:

Please attach survey of the project site as Exhibit 6 of this application. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A certified survey will be required prior to execution of any financial agreement.

E. Deed or Lease Agreement:

Please attach a copy of the deed or lease agreement for the property as Exhibit 7 confirming that the project is under the control of the applicant.

F. Purpose of Project:

Please check all that apply:

1. Is the property located entirely within the City of Camden?
___ Yes ___ No

If not, please explain.

2. This Project is intended to provide housing to low and/or moderate income households:
___ Yes ___ No

Please indicate the number of units of each type listed below, as appropriate.

Number of units for low income households _____
Number of units for moderate income households _____
Number of market rate units _____
Total number of residential units _____

3. This Project is intended to provide housing to households relocated as a result of a redevelopment project: ___ Yes ___ No

4. This Project is intended as a means to implement the objectives set forth in an adopted Redevelopment Plan: ___ Yes ___ No

5. If the answer to questions 2 through 4 of this section was "No", please indicate the purpose of the Project:

G. Narrative Description of Project:

Provide a brief narrative description of the project, including the height and bulk of proposed improvements, type of construction materials to be used and expected square foot area of each proposed use. Indicate the number and type of each unit to be constructed as part of the project and whether the project will be restricted to any group or groups on the basis of age or income. Include maps, renderings, floor plans and other graphic materials if available. Attach this description as Exhibit 8 of this application.

H. Current Conditions:

1. Provide a brief description of any improvements that are in place currently on the project site and indicate which if any are expected to be reused as part of the project. Attach extra pages as needed.

2. Provide a list with the current tax assessment and the current real property tax levy for each lot included within the project site. Attach extra pages as needed.

Block	Lot	Current Tax Assessment	Current Real Property Tax Levy
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3. Provide a list showing the current status of all municipal fees and charges which are currently levied against each lot located within the project site, including, without limitation water charges, sewer charges, permit or license fees, fines and/or penalties. Attach extra pages as needed.

Block	Lot	Current Status of Municipal Fees and Charges (specify type)
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I. Site Plan Approval:

Provide a copy of the site plan approved by the Planning Board for the Project. Also provide a copy of the resolution of the Planning Board providing final site plan approval for the project. Attach the site plan as Exhibit 9 of this application and the resolution as Exhibit 10 of this application.

J. Project Cost Estimates

1. Provide a detailed cost breakdown for the project, including both hard and soft costs. The estimate should be certified by a licensed architect or engineer. Attach the completed estimate for the entire Project as Exhibit 11 of this application.
2. For each type of unit to be included within the Project, provide an estimate of the total unit cost for that unit. This may be provided at a summary level, not at the level set forth for the estimate required by section K.1 above. The estimate should also be certified by a licensed architect or engineer. Attach the completed unit estimates as Exhibit 12 of this application.

K. Project Pro-Forma:

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full exemption period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity. Attach the projection as Exhibit 13 of this application.

L. Project Financing Plan:

1. Provide a detailed explanation of the expected method by which the project will be financed, indicating the amount of equity to be contributed and its source, all public loans and/or grants that are to be used and all private sources of capital. Attach this explanation as Exhibit 14 of this application.
2. Private Financing Commitments: Provide certified copies of any and all letters from public or private sources of capital indicating a commitment to make funds available for the project. Attach these letters as Exhibit 15 of this application.

M. Project Schedule:

Attach a detailed schedule of the key milestone dates in the approval, construction and leasing or sale of the project as Exhibit 17 of the application.

N. Statement of Project Benefits and The Need for Tax Exemption:

Provide a detailed description of the public benefits that would result from the project and why the tax exemption is necessary for the project. At a minimum, include a projection of the number and type of construction jobs to be created, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments. Attach the description as Exhibit 18 of the application.

Representations and Certifications:

In submitting the application, the Applicant certifies that all of the above information is true and accurate to the best of his or her knowledge and further certifies to the following:

- A. The Garden State Growth Zone Entity's profits will comply with the allowable profit rate pursuant to N.J.S.A. 52:27D-489q through C.52:27D-489t.
- B. The entity will submit the required annual financial and fiscal records to confirm the profits and losses of the corporation and will annually document its mortgage interest rate. I understand that these audits must be submitted by the anniversary date of the issuance of the exemption otherwise the City of Camden may elect to rescind the tax exemption.
- C. The project will conform to and the applicant(s) agrees to comply with all Federal and State laws and to all applicable municipal ordinances.
- D. A final certificate of occupancy has not been obtained at the time of the submission of this application. Any work performed on the assumption of receipt of a tax exemption following the submission of the application and before final approval is undertaken at the risk of the developer.

Signatures

By my signature below, I certify that all of the information is true and accurate to the best of my knowledge and belief and that I am duly authorized by the Garden State Growth Zone Development Entity to submit this application on its behalf. I am aware that if any of the information provided is willfully false, that I am, subject to prosecution.

Print Name:
Title:

Date

**Please notarize here or
provide attestation and
seal of corporate secretary**

EXHIBITS

The following is a check-list of required exhibits that must be attached to the application:

<u>Exhibit #</u>	<u>Description</u>	<u>Included?</u>
1.	Disclosure of Ownership	_____
2.	Certificate of Incorporation	_____
3.	Certification of GSGZ Entity	_____
4.	Resolution Authorizing Submission of Application	_____
5.	Metes and Bounds Description	_____
6.	Survey	_____
7.	Copy of Deed or Lease Agreement	_____
8.	Narrative Description of Project	_____
9.	Site Plan as Approved by Planning Board	_____
10.	Site Plan Approval Resolution	_____
11.	Total Project Cost Estimate	_____
12.	Cost Estimates for Each Unit Type	_____
13.	Project Pro-Forma	_____
14.	Project Financing Plan	_____
15.	Private Financing Commitments	_____
16.	Project Schedule	_____
17.	Summary of Project Benefits	_____
18.	Documentation of Mortgage Interest	_____

DISCLOSURE OF OWNERSHIP

Instructions:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Developer has as one or more of its owners a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner with more than a 10% interest is disclosed.

This information must be provided on the forms following these instructions entitled "Disclosure of Ownership." Separate forms should be used for each corporation or partnership included in the chain of ownership. Each form must be signed by an officer of the corporation and be attested to by the secretary (if a corporation) or by all partners (if a partnership). Partnership forms must be notarized as well.

Failure to properly complete this disclosure statement or to submit it as part of the application will be grounds for the application to be rejected.

DISCLOSURE OF OWNERSHIP
(for use by Partnerships)

I. Partners

<u>Name</u>	<u>Home Address</u>	<u>Signature</u>

Name of Partnership

Signature of Notary as to Signatures Date

DISCLOSURE OF OWNERSHIP

(for use by Corporations)

I. Principals (list all owners of 10% or more of stock)

<u>Name</u>	<u>Home Address</u>	<u>Title</u>	<u>%Owned</u>
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_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Name of Corporation

By: _____

Signature of Officer

Date

Attested by: _____

Secretary of Corporation

Date

(Affix Corporate Seal)

CERTIFICATE OF INCORPORATION

Please attach a copy of the approved certificate of incorporation of the entity applying for the exemption to this sheet.

Certificate of Approval of Garden State Growth Zone Development Entity

Please attach a copy of certificate of approval of the applicant as a Garden State Growth Zone Development Entity to this sheet.

RESOLUTION AUTHORIZING SUBMISSION OF APPLICATION

Please attach a notarized resolution that follows the format below:

FORM OF CERTIFIED CORPORATE RESOLUTION

PLEASE TAKE NOTICE that a meeting of the Board of Directors of the

_____ was held at _____ A.M. on _____
(Name of Corporation) P.M. (Date)
at _____

(Address)
at which time the following RESOLUTION was unanimously adopted:

RESOLVED that this Corporation is authorized to submit an application to the Municipality for the provision of a long term tax exemption.

BE IT FURTHER RESOLVED that if this Corporation's application is accepted by the Municipality, the President of this Corporation is authorized to execute and deliver on its behalf, a contract with the Municipality, substantially in the form attached to the application, with such changes thereto as may be negotiated by the parties.

The undersigned Secretary of this Corporation hereby certifies that the foregoing Resolution was lawfully adopted by the Board of Directors of this Corporation on the date set forth above, that the foregoing Resolution is a true, accurate and complete copy of the Resolution so adopted and placed in the Corporation's records, and that they are in full force and effect as of the date hereof.

Secretary

Date

(Affix Corporate Seal)

METES AND BOUNDS DESCRIPTION

Please attach the metes and bounds description of the project site

SURVEY

Attach survey of the project. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A certified survey will be required prior to execution of any financial agreement.

COPY OF DEED OR LEASE AGREEMENT

Please attach evidence that applicant has legal control over site(s) included in the proposed project.

NARRATIVE DESCRIPTION OF PROJECT

Including the height and bulk of proposed improvements, type of construction materials to be used and expected square foot area of each proposed use. Describe each type of unit to be constructed as part of the project as well as any restrictions relating to age or income. Include maps, renderings, floor plans and other graphic materials if available.

SITE PLAN AS APPROVED BY PLANNING BOARD

Provide a copy of the site plan approved by the Planning Board for the Project

SITE PLAN APPROVAL RESOLUTION

Please provide a copy of the resolution of the Planning Board providing final site plan approval for the project

TOTAL PROJECT COST ESTIMATE

Please fill out the form included below or attach a form substantially similar in its level of detail. This estimate must be certified by a licensed architect or engineer.

	Amount	<u>Amount Per</u> <u>Square Foot</u>
Land Costs		
Construction Costs		
Demolition		
Site Remediation Costs		
Building Construction		
Parking Construction		
Site work and Landscaping		
Other Construction Costs		
Total Hard Costs		
Soft Costs	Amount	% of Hard Costs
Architects and Engineers		
Legal Fees		
Commissions		
Construction Financing Costs		
Project Management Fees		
Developer Overhead		
Taxes (during construction period)		
Insurance		
Other Soft Costs		
Total Soft Costs		
Contingency		
Total Development Costs		

COST ESTIMATE FOR EACH UNIT TYPE

Attach a summary of the estimated total costs for each unit, broken down by type of unit. This information can be presented in summary form, not at the level of detail required in Exhibit 11. However, this estimate must also be certified by a licensed architect or engineer.

PROJECT PRO FORMA

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full exemption period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity.

PROJECT FINANCING PLAN

Attach a detailed explanation of the expected method by which the project will be financed, indicating the amount of equity to be contributed and its source, all public loans and/or grants that are to be used and all private sources of capital.

PRIVATE FINANCING COMMITMENTS

Attach certified copies of any and all letters from public or private sources of capital indicating a commitment to make funds available for the project.

PROJECT SCHEDULE

Attach a detailed schedule of the key milestone dates in the approval, construction and leasing or sale of the project.

SUMMARY OF PROJECT BENEFITS AND NEED FOR EXEMPTION

Attach a summary of all the public benefits as well as the need for the exemption associated with this project, including, at a minimum, the number and type of construction jobs anticipated, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments.

DOCUMENTATION OF MORTGAGE INTEREST

Please document the annual interest percentage rate payable on the entities permanent mortgage financing.

**FINANCIAL AGREEMENT PURSUANT TO
ECONOMIC OPPORTUNITY ACT OF 2013**

N.J.S.A. 52:27D-489p ET. SEQ.

by and between

CITY OF CAMDEN, NEW JERSEY

and

_____ ("DEVELOPER")

_____, 2016

**FINANCIAL AGREEMENT PURSUANT TO
ECONOMIC OPPORTUNITY ACT OF 2013**

N.J.S.A 52:27D-489p ET. SEQ.

THIS FINANCIAL AGREEMENT ("Agreement"), is made and entered into as of this _____ day of _____, 2016 ("Effective Date"), by and between the City of Camden, ("City" or "Camden"), a Municipal Corporation of the County of Camden and State of New Jersey ("State"), and _____ ("Developer"), a New Jersey _____, authorized to conduct business and operate in the State having its principal office at _____. Developer and the City are each referred to herein as a "Party" and referred to collectively as the "Parties".

BACKGROUND

WHEREAS, the State has enacted legislation, entitled "New Jersey Economic Opportunity Act of 2013," P.L. 2013, c.161 ("EOA"), which provides significant tax incentives for businesses like the Developer to locate in Camden; and

WHEREAS the EOA includes certain real property tax abatements for those entities which qualify as Garden State Growth Zone Development Entities ("GSGZDE") under the EOA; and

WHEREAS, the Act has designated the City of Camden as a blighted area and in need of rehabilitation, thereby being a Garden State Growth Zone ("GSGZ") under the Act; and

WHEREAS, pursuant to the Act and Ordinance MC-4803 of the City of Camden, a Garden State Growth Zone Development Entity ("GSGZDE") is authorized to undertake clearance, re-planning, development, or redevelopment of property within a GSGZ; and

WHEREAS, pursuant to the Act, a GSGZDE that owns real property within a GSGZ and that undertakes the clearance, re-planning, development, or redevelopment of property is eligible for an exemption on improvements to such eligible property for any new construction, improvements, or substantial rehabilitation of structures on real property for a period not to exceed 20 years; and

WHEREAS, after exploring opportunities for financial assistance from multiple states with respect to the siting of the Project, the Developer has determined that the most advantageous location to site the Project is in Camden; and

WHEREAS, Developer has proposed the redevelopment of property known as (address) _____ located on Block _____, Lot _____ of the Official Tax Map of the City of Camden and more particularly described in Exhibit A hereto (the "Property"), into {Description of Improvements} (hereinafter referred to as "the Project"); and

WHEREAS, the City believes that the tax exemption to be given the Project pursuant to this Agreement affords maximum redevelopment of the Property and is, therefore, in the best interest of the City and the health, safety, morals and welfare of its residents and is in accordance with the provisions of the Act and is being assisted in accordance with the applicable provisions of State law; and

WHEREAS, by Resolution _____, dated _____, the City has approved the Developer's request for an exemption subject to the terms and conditions set forth herein.

NOW THEREFORE, IN CONSIDERATION OF THE PROMISES AND THE MUTUAL COVENANTS AND REPRESENTATIONS CONTAINED HEREIN, AND INTENDING TO BE LEGALLY BOUND, THE PARTIES HERETO HEREBY MUTUALLY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

"Allowable profit rate" means the greater of 12 percent or the percentage per annum arrived at by adding one and 1/4 percent to the annual interest percentage rate payable on the entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing the allowable profit rate shall be the greater of 12 percent or the percentage per annum arrived at by adding one and 1/4 percent per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in the county.

"Exemption" means that portion of the assessor's full and true value of any improvement, conversion, alteration, redevelopment, rehabilitation, or construction not regarded as increasing the taxable value of a property pursuant to P.L.2013, c.161 (C.52:27D-489p et al.) for the purposes of encouraging the construction, conversion, improvement, and redevelopment of real property conducted by eligible businesses or residents within a growth zone pursuant to P.L.2013, c.161 (C.52:27D-489p et al.).

"Garden State Growth Zone Development Entity" means a private corporation incorporated pursuant to Title 14A of the New Jersey Statutes, or established pursuant to Title 42 of the Revised Statutes, for which the profits of the entity are limited as follows. The allowable net profits of the entity shall be determined by applying the allowable profit rate to the total project cost, and all capital costs, determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits, for the period commencing on the date on which the construction of the project is completed, and terminating at the close of the fiscal year of the entity preceding the date on which the computation is made.

"Improvements" means any repair, construction, or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property that occurs after September 18, 2013 so that it becomes habitable or attains higher standards of safety, health, economic use

or amenity, or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City hereby represents and warrants to Developer as follows:

(a) The City has been duly created and is validly existing under and pursuant to the Constitution and statutes of the State;

(b) The City Council of the City has duly authorized the execution and delivery of this Agreement;

(c) The City has full lawful authority to undertake and fulfill the duties and obligations imposed upon it pursuant to and in accordance with the terms of this Agreement; and

(d) There is no litigation pending or, to the knowledge of the City, threatened that would impact its ability to undertake and fulfill the duties and obligations imposed upon it pursuant to and in accordance with the terms of this Agreement.

Section 2.2 Representations and Warranties of Developer. Developer hereby represents and warrants to the City as follows:

(a) Developer is a private corporation incorporated pursuant to Title 14A of the New Jersey Statutes, or established pursuant to Title 42 of the Revised Statutes of the State of New Jersey, duly authorized to conduct its business and carry out its operations in the State;

(b) Developer is a GSGZDE as defined by the EOA, and will continue to qualify as a GSGZDE for the Term of this Agreement, as further evidenced by the certification requirements set forth herein;

(c) The execution and delivery of this Agreement and the performance by Developer of its obligations hereunder have been duly authorized, and no further action or approval is required for this Agreement to be binding upon Developer and enforceable against it in accordance with its terms;

(d) Developer has full lawful authority to undertake and fulfill the duties and obligations imposed upon it pursuant to and in accordance with the terms of this Agreement; and

(e) At the time of execution of this Agreement, there is no litigation pending or, to the knowledge of Developer, threatened that would impact its ability to undertake and fulfill the duties and obligations imposed upon it pursuant to and in accordance with the terms of this Agreement.

ARTICLE III

TAX PAYMENTS

Section 3.1 Applicability of Tax Exemption to Premises.

(a) Tax Exemption. For the first 10 years immediately subsequent to the issuance of a Certificate of Occupancy after the completion of the Project, the Developer shall be exempt from the payment of taxes on the Improvements to the eligible property. Thereafter, the Developer shall pay to the municipality in lieu of full property tax payments, an amount equal to a percentage of taxes otherwise due according to the following schedule:

- (i) In the eleventh year after completion, 10 percent of taxes otherwise due;
- (ii) In the twelfth year after completion , 20 percent of taxes otherwise due;
- (iii) In the thirteenth year after completion , 30 percent of taxes otherwise due;
- (iv) In the fourteenth year after completion , 40 percent of taxes otherwise due;
- (v) In the fifteenth year after completion, 50 percent of taxes otherwise due;.
- (vi) In the sixteenth year after completion, 60 percent of taxes otherwise due;
- (vii) In the seventeenth year after completion, 70 percent of taxes otherwise due;
- (viii) In the eighteenth year after completion , 80 percent of taxes otherwise due;
- (ix) In the nineteenth full year after completion , 90 percent of taxes otherwise due;
- (x) In the twentieth year after completion, and each year thereafter, 100 percent of taxes due on the Property.

The aforementioned exemption period shall be referred to as the "Exemption Period".

(b) Commencement Date. The date that the Certificate of Occupancy is issued to the Developer shall be referred to herein as the "Commencement Date."

(c) GSGZDE Certification. Prior to the issuance of a Certificate of Occupancy for the Project, the Developer shall provide evidence to the City that its Certificate of Incorporation,

Certificate of Formation, Certificate of Limited Partnership, or other similar certificate states that it is a Garden State Growth Zone Development Entity.

(d) During the Term of this Agreement, the profits of or dividends payable by the Developer shall be limited according to terms of the EOA and this Agreement.

(e) During the Term of this Agreement, the Developer shall file a certification with the City annually within ninety (90) days after the close of its fiscal year, to evidence its continued eligibility for the exemption set forth herein. That certification shall include annual financial statements and a calculation of its net profits determined in accordance with generally accepted accounting principles.

(f) The failure of Developer to submit said annual Audited Financial Report by the date specified above shall be an event of default which shall entitle the City to terminate the tax exemption, at its sole discretion.

(g) The audited Financial Report shall be accompanied by the required annual Compliance Certification, attached as Exhibit B.

(h) In the event that the net profit in any year exceeds the Allowable Profit Rate, the Applicant shall not be entitled to an exemption in that year and it shall pay taxes on the full assessed value of the land and all improvements on the Property, including the Improvements.

(i) In the event that Developer ceases to qualify as a GSGZE, the tax exemption on the Improvements shall terminate and the Improvements shall become fully taxable. Notwithstanding the foregoing, if at the time that Developer ceases to qualify as a GSGZE, less than five (5) years has passed since the Commencement Date, then the Improvements shall remain tax exempt until the fifth anniversary of the Commencement Date at which time the tax exemption shall terminate and the Improvements shall be fully taxable.

(j) Developer shall provide the City with an Audited Financial Report within ninety (90) days after the tax exemption terminates ("Final Audit"). Upon the Developer's submission of its Final Audit to the City in acceptable form, all restrictions and limitations upon the Developer as set forth herein and in the other documents and agreements executed in connection herewith, by and between the City and the Developer, shall terminate and be of no further force and effect. In the event that the Final Audit shall show that Developer did not qualify as a GSGZE for the period covered by said Final Audit, then the City shall have the right to collect the full amount of taxes that would have been due during that period except for this Tax Exemption Agreement as Omitted Taxes.

(k) The tax exemption provided herein shall apply only so long as the Developer remains subject to the provisions of the Act, but in no event longer than the Exemption Period.

(l) The tax exemption provided herein shall be fully transferable upon the sale of the Property, as long as the new owner meets all requirements for exemption set forth in the Act and assumes in writing the terms and conditions set forth in this Tax Exemption Agreement.

(m) Tax Payments. Notwithstanding the exemption set forth in this Agreement, the Developer shall pay to the City real estate taxes on the full assessed value of the land and the on the value of the improvements assessed on the Property prior to the undertaking of the Project for the Term of this Agreement. Five percent (5%) of all payments received by the City hereunder shall be paid to Camden County.

(n) Utility Payments. Developer shall at all times be responsible for any and all water and sewer charges assessed against the Property. With respect to any delinquent water and sewer charges, the City shall retain all rights reserved to municipalities under New Jersey law and the Code of the City of Camden, New Jersey Chapters 564 and 466, including the right to proceed against the Developer's interest in the property and its ownership interest in the Improvements pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:55-1, et seq.

(o) Labor Ordinance. Developer acknowledges that this Project is subject to the City's Project Labor Ordinance (Ordinance MC-4739, adopted April 9, 2013). In accordance with said ordinance, Developer shall enter into a Project Labor Agreement with the City of Camden as a condition of this agreement.

(p) Inspection. The Developer shall, upon request, permit inspection by representatives duly authorized by the City of the Property, equipment, buildings, and other facilities of the Developer and also permit examination and audit of its books, contract, records, documents, and papers. Any such inspection, examination, or audit shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Developer.

Section 3.2 Effective Tax Rate. During the Term of this Agreement, all tax payments shall be based upon the then-current tax rate levied by the City for land and improvements (expressed as a percentage), multiplied by the Land Assessed Valuation and Improvements Assessed Valuation.

Section 3.3 Section 3.4 Challenge of Assessed Valuations. Nothing in this Agreement shall limit, prevent or prohibit Developer from challenging the assessment of value to the Premises or the Taxable Improvements by the City Tax Assessor (i.e., the Land Assessed Valuation or the Improvements Assessed Valuation) at any time during the term of this Agreement or thereafter by filing a tax appeal with the City, the County and/or the State.

Section 3.4 Certification and Filing. By execution hereof, the City Tax Assessor acknowledges the exemptions and payments provided to and to be made by Developer hereunder and shall continue to enforce such exemption by the terms of this Agreement or until the City Tax Assessor has been duly notified that the exemption and/or payment obligations have been terminated.

Section 3.5 Term. Unless otherwise terminated by the Developer, this Agreement shall terminate twenty (20) years from the date of the issuance of a Certificate of Occupancy for the Project.

(a) The Developer may at any time after the expiration of one (1) year from the date of this Agreement notify the City that, as of a certain date designated in said notice, it relinquishes its tax exemption status as to all or any designated portion of the Project. As of the date so set, the tax exemption, the profit restrictions and all other restrictions and limitation imposed by this Agreement shall terminate as to the Project or any designated portion of the Project, as applicable.

(b) Upon the termination of the exemption granted pursuant to this Section, the Project, all affected parcels, land, and all improvements made thereto shall be assessed and subject to taxation as are other taxable properties in the municipality. After the date of termination, all restrictions and limitations upon the Garden State Growth Zone Development Entity shall terminate and be at an end.

ARTICLE IV COVENANTS

Section 4.1 Developer Covenants. The Developer covenants and agrees as follows:

(a) Not to effect or execute any agreement, lease, conveyance, or other instrument, whereby the Project, or any part thereof, or the use thereof, is restricted upon the basis of race, color, creed, religion, ancestry, national origin, sex, or marital status, in sale, lease or occupancy thereof, nor to discriminate upon the basis of race, color, creed, religion, ancestry, national origin, sex, or marital status, in the sale, lease, or rental, or in the use or occupancy of the Project or any Improvement erected or to be erected thereon, or any part thereof, and to comply with all State and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, color, creed, religion, ancestry, national origin, sex or marital status.

(b) After the Effective Date, the Developer shall pay to the City an annual administrative fee equal to two percent (2%) of the Tax Payment set forth in Section 3.1(a)(1) (the "Annual Administrative Fee"). Such Annual Administrative Fee shall be payable on or before each anniversary of the Effective Date while this Agreement is in effect.

ARTICLE V EVENTS OF DEFAULT; REMEDIES

Section 5.1 City Event of Default. Any one or more of the following shall constitute an event of default hereunder by City ("City Event of Default"):

(a) breach by the City of any warranty or covenant contained in this Agreement which shall continue for more than forty-five (45) days after written notice of such breach has been sent by Developer to the City or, if such breach is of a type that cannot be cured within forty-five (45) days, the failure of City within such forty-five (45) day period to commence and diligently pursue such performance to completion; or

(b) failure by the City to perform any other term or condition of this Agreement which shall continue for more than forty-five (45) days after written notice of such failure has been sent to the City by the Developer or, if such failure is of a type that cannot be cured within forty-five (45) days, the failure of the City within such forty-five (45) day period to commence and diligently pursue such performance to completion.

Upon the occurrence of a City Event of Default, Developer shall have the remedies provided in Section 5.3 hereof.

Section 5.2 Developer Event of Default. Any one or more of the following shall constitute an event of default by Developer ("Developer Event of Default"):

(a) breach by Developer of any warranty or covenant contained in this Agreement which shall continue for more than forty-five (45) days after written notice of such breach has been sent to Developer by the City or, if such breach is of a type that cannot be cured within forty-five (45) days, the failure of Developer within such forty-five (45) day period to commence and diligently pursue such performance to completion;

(b) failure by Developer to make a real estate tax Payment to the City when due and owing, which failure shall continue for more than forty-five (45) days after written notice of such

failure has been sent to Developer by the City or, if such failure is of a type that cannot be cured within forty-five (45) days, the failure of Developer within such forty-five (45) day period to commence and diligently pay such amounts due and owing;

(c) failure by Developer to perform any other term or condition of this Agreement which shall continue for more than forty-five (45) days after written notice of such failure has been sent to Developer by the City or, if such failure is of a type that cannot be cured within forty-five (45) days, the failure of Developer within such forty-five (45) day period to commence and diligently pursue such performance to completion; or

(d) the filing by Developer of a petition in bankruptcy or the filing against Developer of a petition in bankruptcy which is not dismissed within sixty (60) days after such filing, or if Developer is adjudged to be bankrupt or determined to be insolvent or if Developer seeks reorganization or liquidation under any federal or State bankruptcy law, or if Developer makes an assignment for the benefit of its creditors.

Upon an occurrence of any Developer Event of Default, City shall have the remedies provided in Section 5.3 hereof.

Section 5.3 Remedies. Whenever any Event of Default as to the City referred to in Sections 5.1 or 5.2 hereof shall have happened and shall be continuing, and provided that prior written notice of the Event of Default has been given to the defaulting Party by the non-defaulting Party and the Event of Default has not been cured (or attempts to cure, as provided in Section 5.1 or 5.2 hereto, have not been commenced), the non-defaulting Party may apply to the Superior Court, Chancery Division, to settle and resolve said Event of Default in such fashion as will tend to accomplish the purpose of the New Jersey Economic Opportunity Act. Whenever any Event of Default as to the Developer referred to in Sections 5.1 or 5.2 hereof shall have happened and shall be continuing, and provided that prior written notice of the Event of Default has been given to the Developer by the City and the Event of Default has not been cured (or attempts to cure, as provided in Section 5.1 or 5.2 hereto, have not been commenced), the tax exemption shall be terminated and the City may apply to the Superior Court, Chancery Division, to settle and resolve said Event of Default in such fashion as will tend to accomplish the purpose of the New Jersey Economic Opportunity Act. **No Remedy Exclusive.** No remedy which is conferred upon or which is reserved to the Parties herein is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy which is provided under the terms of this Agreement or which is now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 5.4 No Additional Waiver Implied by One Waiver. In the event that any agreement which is contained in this Agreement should be breached by either Party and thereafter such breach shall be waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be a waiver of any other breach hereunder.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Amendments. This Agreement may not be amended or modified for any reason without the express prior written consent of the Developer and the City.

Section 6.2 Successors and Assigns. The terms, conditions, obligations and agreements contained in this Agreement shall inure to and for the benefit of, and shall be binding upon, the City and Developer and their respective successors and assigns.

Section 6.3 Severability. In the event that any provision of this Agreement shall be held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof unless a court of competent jurisdiction so holds.

Section 6.4 Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall constitute an original document and all of which shall constitute but one and the same instrument.

Section 6.5 Entire Agreement. This Agreement sets forth all of the promises, covenants, agreements, conditions and undertakings between the parties hereto with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and undertakings, inducements, or conditions, express or implied, oral or written between the parties hereto.

Section 6.6 Indemnification. Developer, Developer's agents, sub-contractors, employees or servants shall indemnify, defend, and hold harmless the City from and against any and all losses, costs (including litigation costs and counsel fees), claims, suits, actions, damages, liability and expenses, pursuant to this Agreement. The provisions of this Section will survive the Expiration date of this Agreement.

Section 6.7 Notices. Unless otherwise provided in writing, any notices to be given or to be served upon any Party hereto, in connection with this Agreement, must be in writing and may be delivered personally or by certified or registered mail and, if so mailed, shall be deemed to have been given and received forty-eight (48) hours after a registered or certified letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the Party to whom it is addressed. Such notice shall be given to the Parties at their following respective addresses or at such other addresses as each party may hereafter designate to the other Parties in writing:

If to City:

City of Camden
Department of Finance
City Hall Room 213
520 Market Street
P.O. Box 95120
Camden, New Jersey 08102
Attention: Glynn Jones, Director of Finance

If to Developer :

With a copy to:

Section 6.8 Further Assurances and Corrective Instruments. The City and Developer shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inconsistent or ambiguous term hereof.

Section 6.9 No Personal Liability. No covenant, condition or agreement contained in this Agreement shall be deemed to be the covenant, condition or agreement of any past, present or future elected official, officer, director, member, agent or employee, as applicable, of the City or Developer, in his or her individual capacity, and neither the elected officials, officers, directors, members, agents or employees, as applicable, of the City or Developer, nor any official, director or member executing this Agreement, shall be liable personally on this Agreement by reason of the execution hereof by such person or arising out of any transaction or activity relating to this Agreement.

Section 6.10 Headings. The Article and Section headings in this Agreement are included herein for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

Section 6.11 Governing Law. The terms of this Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State.

Section 6.12 No Assignment. No Party shall assign this Agreement without the prior written consent of the other Party hereto.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and date first above written.

CITY OF CAMDEN, NEW JERSEY

By: _____
DANA L. REDD, Mayor

ATTEST:

LUIS PASTORIZA, City Clerk

[Seal]

DEVELOPER

By: _____
Name:
Title:

ATTEST:

CITY OF CAMDEN**Real Property Tax Exemption Compliance Certification**

Pursuant to City of Camden Code Chapter 510 (*Exemption Pursuant to Economic Opportunity Act of 2013*) and N.J.S.A. 52:27D-489q through C. 52:27D-489t

On February 1 of each calendar year, the Developer shall make the following certification to the City of Camden (the "City"), pursuant to the Tax Payment Agreement between the Applicant and the City.

PART I: CERTIFICATION BY DEVELOPER

The undersigned Developer, in its capacity as a statutory *Garden State Growth Zone Development Entity* under N.J.S.A. 52:27D-489r, certifies the following to the Tax Assessor for the City of Camden:

1. _____ (Developer) is a Garden State Growth Zone Development Entity in good standing and was a Garden State Growth Zone Development Entity in good standing for the entirety of _____ (year). A copy of the Entity's Certificate of Good Standing dated within 30 days of the date of this Certification is attached to this Certification.
2. The Garden State Growth Zone Development Entity's profit rate for _____ (year) complies with the allowable profit rate pursuant to N.J.S.A. 52:27D-489q through C. 52:27D-489t.
3. The project conforms to and complies with all Federal and State laws and all applicable municipal ordinances.
4. The Developer acknowledges and agrees that the City may request audited financial and fiscal records to confirm the profits and losses of the entity. I understand that these audits must be submitted within ten (10) days of any request by the City and that the failure to provide such audited statements, when requested, may result in the recession of the tax exemption and the termination of the Tax Payment Agreement.

5. **Location of Property**

Address: _____

Block _____ Lot _____ Qualifier _____

6. **Type of Project:**

- a. The subject property is a one or two family dwelling upon which claimant has completed:
 - ☐ New Construction;
 - ☐ Conversion or alteration of a building or structure under a tax agreement;
 - ☐ Improvement of existing dwelling. Age of Dwelling _____
- b. The subject property is a multiple dwelling, commercial or industrial structure upon which claimant has completed:
 - ☐ Construction of a multiple dwelling under a tax agreement;
 - ☐ Construction of a commercial or industrial structure under a tax agreement;
 - ☐ Improvement to a multiple dwelling;
 - ☐ Improvement to a commercial or industrial building or structure;
 - ☐ Conversion or alteration of a building or structure to a multiple dwelling.

7. Are Taxes on the Property Current? ☐ Yes ☐ No

If not please explain:

** Certification from Tax Collector required**

7. Total Development Costs: Site Acquisition Costs:
 Architect/Engineer Fees:
 Legal Fees:
 Other Construction Costs: _____
 Total:

Signature

By signing my signature below, I certify that all of the information contained in this Certification is true and accurate and that I am duly authorized by the Garden State Growth Zone Development Entity to submit this certification on its behalf. I am aware that if any of the information provided herein is willfully false, that I am subject to prosecution.

Certified this ____ day of ____, 20__:

By: _____
 , Member

By: _____
 , Member

PART II **TAX ASSESSOR INFORMATION**

1. **Garden State Growth Zone Developer:**

2. **Municipal Tax Lot/Block:**

3. **Pre-Construction Property Tax Assessment:**

Land: \$ _____
Improvements: _____
Total: \$ _____

4. **Pre-Construction Property
Taxes as of date of application:**

\$ _____ x _____ = \$ _____ per year

5. **Most Recent Certificate of Occupancy
Issuance Date:**

_____, 20__

6. **Estimated Tax Assessments
on Issuance of new permanent CO:**

Land: \$ _____
Improvements: _____
Exemption: _____
Total: \$ _____

7. **Are Taxes on the property current?**

If not please explain:

8. **Assessment to be Used:** Based on the above, the assessed value to be utilized as the value for the Economic Opportunity Act Abatement is _____.

CITY OF CAMDEN

By: _____

Terri Paglione, Tax Assessor