

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 |
|-------|-----|------------------------|--------------------------------|
|-------|-----|------------------------|--------------------------------|

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) |
|-------|-----|---|
|-------|-----|---|

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 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> |
|-------------|---------------------|--------------|---------------|
|-------------|---------------------|--------------|---------------|

| | | | |
|-------|-------|-------|-------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

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 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