

MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT made this 21st day of December, 1994, by and between the BOROUGH OF OLD TAPPAN, with municipal offices located at 227 Old Tappan Road, Old Tappan, New Jersey (hereinafter "Old Tappan"), and the CITY OF JERSEY CITY, with municipal offices located at 280 Grove Street, Jersey City, New Jersey (hereinafter "Jersey City").

WITNESSETH:

WHEREAS, the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. and the regulations promulgated thereunder, N.J.A.C. 5:93-6.1, et seq., provides that two municipalities may enter into a Regional Contribution Agreement (hereinafter "RCA") which permits the transfer of up to fifty (50%) percent of a sending municipality's fair share number to a receiving municipality upon certain conditions; and

WHEREAS, Old Tappan and Jersey City, following negotiations, wish to execute an RCA; and

WHEREAS, both of the said municipalities believe that the execution of the RCA outlined herein will benefit the residents of their respective municipalities, the housing region in which they are located and the State of New Jersey generally;

WHEREAS, it is understood by Jersey City that the source of the Old Tappan's funds for the payment of the sums to Jersey City contemplated hereby is a contribution from a developer within Old Tappan, Colonial Realty Development Corporation;

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1) dollar and other good and valuable consideration and of the promises hereinbelow set forth, and the mutual covenants and promises herein contained, the parties do, by and between themselves, agree as follows:

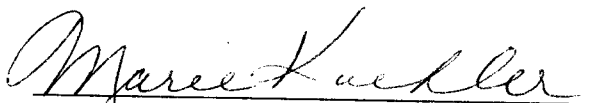
1. Jersey City hereby agrees to accept and Old Tappan hereby agrees to transfer fourteen (14) affordable housing units, comprised of seven (7) low income units and seven (7) moderate income units.
2. Old Tappan agrees to pay and Jersey City agrees to accept the sum of Twenty Thousand (\$20,000) Dollars per unit transferred for a total payment of Two Hundred Eighty Thousand (\$280,000) Dollars.
3. This Memorandum of Understanding is subject to the execution of an RCA approved as to form and substance by the Council On Affordable Housing (hereinafter "COAH"), Jersey City and Old Tappan. The RCA shall provide for the submission of a project plan by Jersey City to the New Jersey Housing and Mortgage Finance Agency for review in accordance with COAH requirements.
4. The RCA shall provide a realistic opportunity for affordable housing and shall be consistent with sound comprehensive regional planning. The Jersey City's project plan is a feasible and viable means of achieving the purposes of the RCA and is expected to be approved by the New Jersey Housing and Mortgage Finance Agency.
5. Notwithstanding anything hereinabove to the contrary, this Memorandum of Understanding and the RCA contemplated by this Memorandum are subject to the approval of COAH; should COAH, consistent with its rules and regulations, elect to disapprove the RCA, neither party hereto shall have any further obligations to the other or to any third party under this Memorandum or under the RCA contemplated hereby.
6. This Memorandum of Understanding is not legally binding, but represents the intent of Old Tappan and Jersey City as to the proposed RCA.

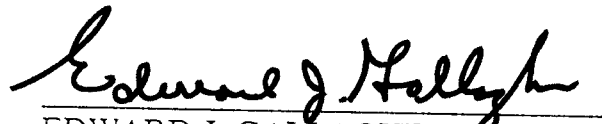
7. It is expressly understood that the source of the funds for the payment by Old Tappan of the sum referenced in paragraph 2 hereinabove is a developer's contribution from Colonial Realty Development Corporation (hereinafter "the developer"). In the event that Old Tappan, prior to the execution of a RCA, is unable to obtain from the developer assurance satisfactory to Old Tappan that the developer shall make payment of the developer's contribution, then Old Tappan shall not be responsible for the payment of the sum referenced in paragraph 2 hereinabove and this Memorandum of Understanding shall be of no further force or effect.

IN WITNESS WHEREOF the parties have hereunto set their hands and seals the day and year above first written.

ATTEST:

BOROUGH OF OLD TAPPAN

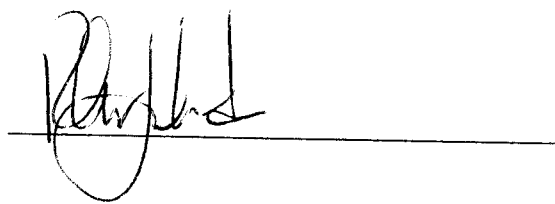

MARIE KOEHLER, Borough Clerk


EDWARD J. GALLAGHER, Mayor

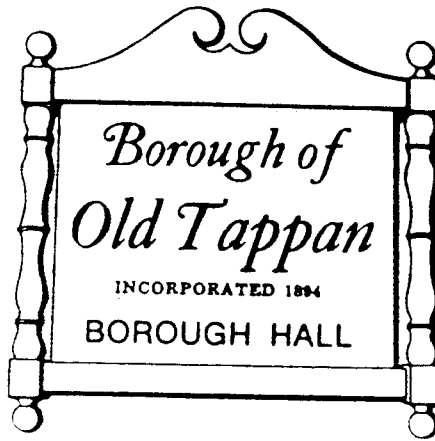
ATTEST:

CITY OF JERSEY CITY





MARIE KOEHLER, RMC/CMC
Administrator/Clerk



227 OLD TAPPAN ROAD
OLD TAPPAN, NJ 07675
664-1849

C E R T I F I C A T I O N

I, Marie Koehler, Borough Clerk of the Borough of Old Tappan, County of Bergen, State of New Jersey, do hereby certify this is a true copy of a Resolution adopted by the Mayor and Council on the 31st Day of October, 1994.


MARIE KOEHLER, RMC/CMC
Borough Clerk

Dated: November 1, 1994