O-17-2015
I - 6/9/2015
A - 6/23/15

TOWN OF MORRISTOWN

ORDINANCE O - 17 - 2015

ORDINANCE APPROVING THE FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION BY AND BETWEEN THE TOWN OF MORRISTOWN AND LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

WHEREAS, the Town Council of the Town of Morristown in its capacity as the municipal governing body (the "Town Council") is responsible for implementing redevelopment plans and carrying out redevelopment projects pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"); and

WHEREAS, in accordance with the provision of the Redevelopment Law, the Town Council designated property located at 185 Morris Street and identified as Block 3701, Lot 11 on the Tax Map of the Town of Morristown (the "Property") and abutting and/or adjacent property as an area in need of redevelopment; and

WHEREAS, the Town Council adopted a redevelopment plan for the Property, as well as abutting and/or adjacent property, in accordance with the provisions of the Redevelopment Law, entitled "Morris Street Redevelopment Plan," dated October 5, 2012, prepared by Jonathan Rose Companies, LLC (the "Redevelopment Plan"); and

WHEREAS, the Property is owned by Peter J. Cipollini, a principal of Leona Developers, LLC ("Leona"); and

WHEREAS, Leona and the Entity (as defined below) have agreed to acquire the Property, and develop and use it for the purposes of implementing the Redevelopment Plan; and

WHEREAS, Leona submitted an application to the Planning Board for preliminary and final major site plan, variances, design exception and waiver approval to develop and operate on the Property three (3) multi-family residential buildings to include a total of thirty (30) dwelling units, and the renovation of an existing structure to be used for multi-family residential housing to include a total of seven (7) dwelling units (four (4) of which shall be affordable housing units) on a newly created lot, and to include construction of the on-site parking and related improvements (the "Project"), which application was approved by the Planning Board and memorialized on January 16, 2014, in Resolution R-13-13 (collectively, the "Planning Board Approval"); and

WHEREAS, the Town Council designated Leona Developers, LLC as the redeveloper of the Property and entered into a Redevelopment Agreement with Leona, dated January 28, 2015, providing for the acquisition of the Property by Leona and the Entity (as defined below) and the development of same in accordance with the Redevelopment Plan and the Planning Board Approval; and

WHEREAS, the Redeveloper created the entity, Leona Morris Street Urban Renewal Associates, LLC, a limited-dividend, urban renewal entity (the "Entity") under the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law") to undertake and own the Project and to seek a long term tax exemption for the Project under the LTTE Law; and

WHEREAS, the Entity submitted to the Mayor of the Town (the "Mayor") an application for tax exemption, which is on file with the Town Clerk (the "Application"), requesting an exemption of the improvements constituting the Project pursuant to the LTTE Law; and

WHEREAS, the Mayor submitted the Application to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, with the Mayor's recommendation for approval of the Application, the Town Council accepted and approved the Application in Resolution R-__-2015, finding that the Project represents an undertaking permitted by the LTTE Law, and constitutes improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law; and

WHEREAS, the Entity also separately submitted to the Mayor a form of financial agreement (the "Financial Agreement"), establishing the rights, responsibilities and obligations of the Entity under a tax exemption for the Project; and

WHEREAS, the Mayor submitted the Financial Agreement to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, the Governing Body has reviewed the information provided in the Financial Agreement and has deemed it appropriate and acceptable.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Town of Morristown in the County of Morris, New Jersey, as follows:

Section 1. The Financial Agreement concerning Leona Morris Street Urban Renewal Associates, LLC and the Long Term Tax Exemption of the Project as part of the Morris Street Redevelopment Plan attached hereto as **Exhibit A** is hereby approved, and the Mayor is hereby authorized to execute such Financial Agreement, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 2. The Clerk of the Town is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Town upon such document.

Section 3. The executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Town Clerk. Further, the Clerk of the Town shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Town and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the Long Tern Tax Exemption Law.

Section 4. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 5. All ordinances and resolutions or parts thereof inconsistent with this Ordinance are hereby rescinded.

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

I, Robin J. Kesselmeyer, Deputy Town Clerk of the Town of Morristown, do hereby certify the above to be a true and exact copy of an Ordinance duly passed and adopted by the Town Council of the Town of Morristown at a Regular Town Council Meeting held on June 23, 2015

Dated: June 24, 2015

Robin J. Kesselmeyer

Robin J. Kesselmeyer

(91)
6/9/2015

TOWN OF MORRISTOWN

RESOLUTION NO. R - 91 - 2015

RESOLUTION APPROVING THE APPLICATION FOR A LONG TERM TAX EXEMPTION OF LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

WHEREAS, in accordance with the provision of the Redevelopment Law, the Town Council of the Town of Morristown (the "Town Council") designated property located at 185 Morris Street and identified as Block 3701, Lot 11 on the Tax Map of the Town of Morristown (the "Property") and abutting and/or adjacent property as an area in need of redevelopment; and

WHEREAS, the Council adopted a redevelopment plan for the Property, as well as abutting and/or adjacent property, in accordance with the provisions of the Redevelopment Law, entitled "Morris Street Redevelopment Plan," dated October 5, 2012, prepared by Jonathan Rose Companies, LLC (the "Redevelopment Plan"); and

WHEREAS, the Property is owned by Peter J. Cipollini, a principal of Leona Developers, LLC ("Leona"); and

WHEREAS, Leona and the Entity (as defined below) have agreed to acquire the Property, and develop and use it for the purposes of implementing the Redevelopment Plan; and

WHEREAS, Leona submitted an application to the Planning Board for preliminary and final major site plan, variances, design exception and waiver approval to develop and operate on the Property three (3) multi-family residential buildings to include a total of thirty (30) dwelling units, and the renovation of an existing structure to be used for multi-family residential housing to include a total of seven (7) dwelling units (four (4) of which shall be affordable housing units) on a newly created lot, and to include construction of the on-site parking and related improvements (the "Project"), which application was approved by the Planning Board and memorialized on January 16, 2014, in Resolution R-13-13 (collectively, the "Planning Board Approval"); and

WHEREAS, the Town Council designated Leona Developers, LLC as the redeveloper of the Property and entered into a Redevelopment Agreement with Leona, dated January 28, 2015, providing for acquisition of the Property by Leona and the Entity (as defined below) and the development of same in accordance with the Redevelopment Plan and the Planning Board Approval; and

WHEREAS, the Redeveloper created the entity, Leona Morris Street Urban Renewal Associates, LLC, a limited-dividend, urban renewal entity (the "Entity") under the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law") to undertake and own the Project and to seek a long term tax exemption for the Project under the LTTE Law; and

WHEREAS, the Entity submitted to the Mayor of the Town (the "Mayor") an application for tax exemption, which is on file with the Town Clerk (the "Application"), requesting an exemption of the improvements constituting the Project pursuant to the LTTE Law; and

WHEREAS, the Mayor submitted the Application to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, the Town Council has determined that the Project represents an undertaking permitted by the LTTE Law, and constitutes improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law; and development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law; and

WHEREAS, the Town Council has reviewed the information provided in the Application and has deemed it appropriate and acceptable.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Town of Morristown in the County of Morris, New Jersey, as follows:

1. The Application for Tax Exemption of Leona Morris Street Urban Renewal Associates, LLC is hereby approved.

2. A summary of this Resolution shall be published as required by law within ten (10) days of its adoption.

3. The aforesaid recitals be and hereby are adopted and incorporated herein as if repeated in full.

I, Kevin D, Harris, Town Clerk of the Town of Morristown, do hereby certify the above to be a true and exact copy of a Resolution duly passed and adopted by the Town Council of the Town of Morristown at the Regular Town Council meeting held on Tuesday, June 9, 2015.

Dated: June 10, 2015

Kevin D. Harris
Town Clerk

THE TOWN OF
MORRISTOWN

200 South Street, P.O. Box 914
Morristown, NJ 07963-0914

Timothy Dougherty, Mayor
Tel: (973) 292-6629
Fax: (973) 267-2726

June 9, 2015

Dear Members of the Town Council of the Town of Morristown:

This office is in receipt of the Financial Agreement proposed by Leona Morris Street Urban Renewal Associates, LLC pursuant to its approved application for a long term tax exemption concerning the applicant's proposed improvements along Morris Street consisting of three (3) multi-family residential buildings and the renovation of an existing structure to be used for multi-family residential housing to include a total of thirty (37) dwelling units (four (4) of which will be affordable housing units) within the Morris Street Redevelopment Area pursuant to the New Jersey Long Term Tax Exemption Law and the Redevelopment Agreement between the Town and Leona Developers, LLC, dated January 28, 2015.

Together with the Town's consultants, I have reviewed the above-referenced Financial Agreement and find that the above-described improvements are beneficial improvements made for the purposes of redevelopment of an area in need of redevelopment within the Town of Morristown. I therefore recommend that the Town Council introduce and adopt an ordinance approving the Financial Agreement and the execution thereof.

A copy of the Financial Agreement is currently on file with the Town Clerk and is also attached hereto for consideration by Town Council.

Respectfully,

Timothy P. Dougherty

Timothy Dougherty
Mayor

Cc: Michael F. Roger, Business Administrator
Kevin D. Harris, Town Clerk

FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION

by and between

TOWN OF MORRISTOWN

and

LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

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THIS FINANCIAL AGREEMENT is made this 7th day of July, 2015 (hereinafter this "Agreement" or "Financial Agreement") between **Leona Morris Street Urban Renewal Associates, LLC**, a New Jersey limited liability company having its principal office at 201 Mendham Road, Morristown, New Jersey 07960 (the "Entity"); and the **Town of Morristown**, a public body corporate with offices located at 200 South Street, Morristown, New Jersey 07963 (the "Town"; and together with the Entity, the "Parties" or "Party").

WITNESSETH:

WHEREAS, in accordance with the provision of the New Jersey Local Redevelopment and Housing Law (the "LRHL"), N.J.S.A. 40:12A-1 et seq., the Town Council of the Town of Morristown (the "Council") designated the property commonly known as 185 Morris Street and designated as Block 3701, Lot 11 on the official tax map of the Town of Morristown, Morris County, New Jersey (the "Project Premises") as an area in need of redevelopment; and

WHEREAS, the Council adopted the Morris Street Redevelopment Plan for the Property, as well as adjacent and/or nearby property, in accordance with the provisions of the LRHL (the "Redevelopment Plan"); and

WHEREAS, Leona Developers, LLC applied to, and received from, the Town of Morristown Planning Board ("Board") preliminary and final site plan and minor subdivision approval with related variances and deviations as set forth in Resolution of the Board R-13-13 attached hereto and made a part hereof as **Exhibit A**, which permits the construction and operation on the Project Premises of three (3) stacked-townhouse/apartment buildings to be used for multi-family residential housing to include a total of thirty (30) dwelling units, and the renovation of an existing structure to be used for multi-family residential housing to include a total of seven (7) dwelling units (four (4) of which shall be affordable housing units) on a newly created lot, and to include construction of the on-site parking and related improvements (the "Project"); and

WHEREAS, on the Town and Peter J. Cipollini, who controls Leona Developers, LLC, (the "Redeveloper") entered into a redevelopment agreement that was approved by the Governing Body on October 9, 2014 pursuant to Resolution R-162-14 (the "Redevelopment Agreement"),

WHEREAS, the Redevelopment Agreement sets forth the terms and conditions by which the Redeveloper will redevelop the Property for the construction and operation of the Project; and

WHEREAS, the Redeveloper has formed the Entity, pursuant to the Exemption Law, (as hereinafter defined) and the Redevelopment Agreement to own and develop the Project; and

WHEREAS, the Entity applied to the Governing Body for a long term tax exemption pursuant to the Exemption Law with respect to the Project pursuant to the application annexed hereto as **Exhibit B** (the "Application"); and

WHEREAS, by Resolution R-[91-2015], dated [June 10], 2015, the Governing Body approved the Entity's Application; and thereafter by Ordinance O-17-2015 dated [June 24], 2015 (the "Ordinance"), a copy of which is annexed hereto as **Exhibit C**, the Governing Body granted the long term tax exemption requested by the Entity, subject to the terms and conditions of this Financial Agreement, and

WHEREAS, pursuant to this Financial Agreement, the Town and the Entity desire to set forth in detail their mutual rights and obligations with respect to the long term tax exemption applicable to the Project; and

WHEREAS, the Governing Body has reviewed the Application and has made the following findings:

A. **Benefits of Project v. Costs.**

i. The total real estate tax revenue for the Tax Year 2014 received by the Town from the Project Premises was approximately $9,283.30.

ii. The development and construction of the Project, including infrastructure improvements as set forth in the Redevelopment Agreement and Redevelopment Plan, will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Redevelopment Area; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Redevelopment Area and will enhance the economic development of the Town.

iii. It is anticipated that the Project will create a substantial number of full-time equivalent construction jobs over the duration of the construction of the Project, as well as other employment opportunities after the completion of same.

iv. Pursuant to this Financial Agreement, the Project is projected to generate revenue for the Town well in excess of the revenue generated by the existing ad valorem taxes received in Tax Year 2014. The Town's authorized officers and employees have determined that the benefits to the Town accruing as a result of the Project will substantially outweigh the costs to the Town resulting from the long term tax exemption granted herein.

B. **Importance of Long Term Tax Exemption.**

The Governing Body's approval of the long term tax exemption set forth herein is essential to the success of this Project because:

i. The relative stability and predictability of the Annual Service Charge associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project. Without a long-term tax exemption for the Project, it will not be financially viable.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Project and will have a positive impact on the surrounding area and community.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the Parties to this Agreement mutually covenant and agree as follows:

ARTICLE I – GENERAL PROVISIONS

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, **N.J.S.A. 40A:20-1 et seq.**, as amended and supplemented (the "Exemption Law"), the Redevelopment Law, the Ordinance, and all other Applicable Laws. It is expressly understood and agreed that the Town relied upon the facts, data, and representations contained in the Application in its granting of the Long Term Tax Exemption, and the Application is hereby incorporated into this Financial Agreement by reference.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms and phrases shall have the following respective meanings:

i. **Administrative Fee** – The annual fee paid to the Town by the Entity, as set forth in Section 4.4 of the Agreement.

ii. **Agreement or Financial Agreement** – Shall have the meaning specified in the preamble hereof.

iii. **Allowable Net Profit (also referred to as "ANP")** – The amount arrived at by multiplying the Allowable Profit Rate by the Total Project Cost pursuant to the Exemption Law.

iv. **Allowable Profit Rate (also referred to as the "APR")** – The greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the annual interest percentage rate payable on the Entity's permanent mortgage financing for the Project. If the initial permanent mortgage is insured or guaranteed by a Governmental Agency, the mortgage insurance premium or similar charge shall be considered as interest for this purpose. If there is no permanent mortgage financing or if the financing is internal or undertaken by a related party, the APR shall be the greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the prevailing per annum interest rate on mortgage financing on comparable mixed-use projects within Morris County.

v. **Annual Gross Revenue (also referred to as the "AGR")** – Annual gross revenue for the Project, as determined pursuant to the Exemption Law and the terms of this Financial Agreement.

vi. **Annual Service Charge (also referred to as the "ASC")** – The total annual amount that the Entity has agreed to pay the Town for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements pursuant to the Exemption Law. The Annual Service Charge shall be calculated pursuant to Article IV hereof.

vii. **Annual Audited Statement** – Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of the Total Project Cost, Net Profit, and Annual Gross Revenue, prepared annually by the Entity's certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles or in accordance with cash basis accounting principles, and this Financial Agreement

viii. **Applicable Law** – Shall mean any and all federal, state and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project, the Project Premises and the Long Term Tax Exemption.

ix. **Application** – Shall have the meaning specified in the preamble of this Financial Agreement.

x. **ASC Commencement Date** – The date of issuance of a Certificate of Occupancy for the Project.

xi. **Certificate of Occupancy** – A temporary or permanent certificate of occupancy issued by the appropriate Town official, pursuant to **N.J.S.A. 52:27D-133**, authorizing the occupancy of a building or any portion thereof.

xii. **Certificate of Completion** – A written certificate issued by the Town, pursuant to the Redevelopment Agreement, acknowledging that the Redeveloper has performed all of its duties and obligations pursuant to the Redevelopment Agreement with regard to the Project, and the issuance of which shall release the Project, and the Project Premises, from the obligations, liabilities and covenants and restrictions contained in the Redevelopment Agreement, the Redevelopment Plan and Applicable Law.

xiii. **Days** – Whenever the word "Days" is used to denote time, it shall mean calendar days.

xiv. **Debt Service** – The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for the Exemption Term.

xv. **Default** – A breach or failure of the Town or the Entity to perform any obligation imposed by the terms of this Financial Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Financial Agreement.

xvi. **Effective Date** – The Date of this Agreement.

xvii. **Entity** – Shall mean the entity specified in the preamble of this Financial Agreement, which shall be qualified as an urban renewal entity under the Exemption Law. Unless the context provides otherwise, it shall also include any Transferee.

xviii. **Excess Net Profits** – The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.

xix. **Exemption Law** – Shall have the meaning specified in Section 1.1 of this Financial Agreement.

xx. **Exemption Term** – The period beginning on the ASC Commencement Date and ending on the Termination Date.

xxi. **Financial/Fiscal Plan** – The statement attached and annexed hereto as **Exhibit D**, which outlines the proposed sources of funding and capital contributions for the Project.

xxii. **Governing Body** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxiii. **Improvements** – Shall mean any building, structure or fixture permanently affixed to the Project Premises to be constructed and exempt under this Agreement.

xxiv. **Land Taxes** – Shall mean the amount of real estate taxes levied on the Project Premises, exclusive of any Improvements related thereto.

xxv. **Land Tax Payments** – Quarterly payments made on the due dates, including approved grace periods, if any, for the Land Taxes as determined by Applicable Law.

xxvi. **Long Term Tax Exemption** – The long term tax exemption granted in accordance with the Exemption Law pursuant to this Financial Agreement.

xxvii. **Minimum Annual Service Charges** – The amount of the land taxes levied against the Project Premises in the last full tax year in which the Project Premises was subject to taxation.

xxviii. **Net Profit** – "Net profit" defined by N.J.S.A. 40A:20-3(c) summarized as the Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of the Exemption Law; where such operating and non-operating expenses and costs shall include but not be limited to the Debt Service and an annual amount sufficient to amortize (utilizing straight line methodology), the Total Project Cost over the life of the long term tax exemption granted herein but shall exclude depreciation and obsolescence, income taxes, and salaries, bonuses and other compensation paid to directors, officers and stockholders of the Entity as set forth in the Exemption Law.

xxix. **Ordinance** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxx. **Party or Parties** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxxi. **Project** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxxii. **Project Premises** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxxiii. **Redeveloper** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxxiv. **Redevelopment Agreement** – Shall have the meaning specified in the preamble of this Financial Agreement.

xxxv. **Redevelopment Area** – Shall have the meaning defined in the preamble of this Financial Agreement.

xxxvi. **Redevelopment Law** – Shall have the meaning defined in the preamble of this Financial Agreement.

xxxvii. **Redevelopment Plan** – Shall have the meaning defined in the preamble of this Financial Agreement.

xxxviii. **Rental Units** – A unit of space within the Project designed to be used as a home or residence and made available for rent to the public.

xxxix. **Reserve** – Shall have the meaning defined in Section 6.2 of this Financial Agreement.

xl. **Tenant** – Any tenant of the Rental Units.

xli. **Termination Date** – The earlier to occur of (i) the thirty-fifth (35th) anniversary of the Effective Date; (ii) the thirtieth (30th) anniversary date of the ASC Commencement Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

xlii. **Total Project Cost (also referred to as "TPC")** – The total cost of developing the Project in accordance with the Exemption Law.

xliii. **Town** – Shall have the meaning specified in the preamble of this Financial Agreement.

xliv. **Transfer** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.

xlv. **Transferee** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.

ARTICLE II – PROJECT AND PROJECT PREMISES

Section 2.1 Town's Findings

Pursuant to the Exemption Law, the Town finds that the Long Term Tax Exemption granted pursuant to this Financial Agreement will benefit the Town and the community by assuring the success of the redevelopment of the Redevelopment Area, which has exhibited the statutorily recognized redevelopment criteria for several years. The benefits of granting the Long Term Tax Exemption will substantially outweigh the costs, if any, associated with the Long Term Tax Exemption. The Long Term Tax Exemption is important to the Town, the Entity and the Tenants because without the incentive of the Long Term Tax Exemption, it is unlikely that the Project or the Project would be undertaken. The Long Term Tax Exemption is expected to attract future occupants to the Project and it will help to offset the extraordinary costs of developing and constructing the Project. The high costs associated with the development and construction of the Project and the real estate taxes that would otherwise be levied upon the Project would operate as a disincentive to the redevelopment of the Redevelopment Area, and would therefore frustrate the objectives and goals of the Redevelopment Plan and would make the Project materially less competitive in the marketplace.

Section 2.2 Approval of Agreement

The Town hereby approves the Long Term Tax Exemption for the Project, which is to be constructed and maintained on the Project Premises in accordance with the terms and conditions set forth herein and the provisions of the Exemption Law.

Section 2.3 Approval of the Entity

The Town hereby approves of the Entity based on the Entity's representation that its Certificate of Formation, attached to the Application as Exhibit J thereof, contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the Department of Community Affairs, and has been filed with, as appropriate, the Department of Treasury, all in accordance with **N.J.S.A. 40A:20-5**.

Section 2.4 Redevelopment of the Project Premises

The Entity represents that it will develop and construct the Project in accordance with the terms of the Redevelopment Agreement and the Redevelopment Plan.

Section 2.5 Entity's Relationship to the Project Premises

The Entity currently owns or will own prior to construction of the Project, the Project Premises in fee simple.

ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL

Section 3.1 Entity's Representation

The Entity represents that, after the Entity acquires fee title to the Project Premises, it shall remain the fee simple owner of record of the Project Premises throughout the development and construction of same, subject to its right of Transfer in accordance with Section 8.1 hereof.

Section 3.2 Financial/Fiscal Plan

Attached and annexed hereto as **Exhibit D** is a copy of the Financial/Fiscal Plan for the Project. The Financial Plan sets forth (a) the estimated Total Project Cost, (b) the anticipated source of funds for the construction of the Project, (c) the anticipated interest rate to be paid and the amounts representing capital investment and (d) the term of any mortgage amortization. The Parties hereto acknowledge and agree that the Entity reserves the right to modify and/or amend the Financial Plan in any reasonable manner allowed in accordance with the Redevelopment Agreement.

Section 3.3 Projected Annual Gross Revenue and Annual Service Charge

The Entity sets forth in **Exhibit E** attached and annexed hereto (a) its good faith projections of the rental prices and lease terms of the Rental Units, and (b) the method of computing Annual Gross Revenue for the Entity and the Annual Service Charge.

ARTICLE IV – TAX EXEMPTION

Section 4.1 Duration of Tax Exemption

The Improvements proposed for development and construction within and upon the Project Premises shall be exempt from taxation during the Exemption Term.

Section 4.2 Calculation of Annual Service Charge

In consideration of the Town granting the Entity the exemption set forth in Section 4.1 of this Financial Agreement, during the Exemption Term, the Entity shall pay to the Town for municipal services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(a) Stage One: From the ASC Commencement Date until the Fourteenth (14th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be 12% of AGR;

(b) Stage Two: From the first day after the 14th anniversary of the ASC Commencement Date until the eighteenth (18th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 12% of AGR or twenty (20%) percent of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(c) Stage Three: From the first day after the 18th anniversary of the ASC Commencement Date until the Twenty-two (22nd) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 12% of AGR or forty (40%) percent of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(d) Stage Four: From the first day after the 22nd anniversary of the ASC Commencement Date until the Twenty-sixth (26th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 12% of AGR or sixty (60%) percent of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(e) **Final Stage**: From the first day after the 26th anniversary of the ASC Commencement Date until the Thirtieth (30th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 12% of AGR or eighty (80%) percent of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements.

Section 4.3 Minimum Annual Service Charge

Notwithstanding anything to the contrary in this Financial Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

Section 4.4 Administrative Fee

The Entity shall pay annually an Administrative Fee to the Town in addition to the Annual Service Charge. The Administrative Fee shall be computed as two percent (2%) of the Annual Service Charge or Minimum Annual Service Charge, as applicable. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.5 Land Tax Credit Against Respective Annual Service Charges

The Entity, or its Transferee, shall pay the Annual Service Charge or the Minimum Annual Service Charge in accordance with the terms of this Financial Agreement. The Entity, or its Transferee, shall be entitled to a credit against the Annual Service Charge for the amount, without interest, of the pro rata portion of the Land Tax payments made in the last Four (4) preceding quarterly installments.

Section 4.6 Quarterly Installments

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, shall be paid in quarterly installments on those dates when ad valorem real estate tax payments on other properties within the Town are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year.

Section 4.7 Rights and Obligations Related to Long Term Tax Exemption

All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Financial Agreement shall be in lieu of taxes and the Town shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law just as if said payments constituted regular real property tax obligations on other real properties within the Town.

If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of the ASC for such period shall be based on the per diem assessment for such quarter.

ARTICLE V – DISPUTE RESOLUTION AND DEFAULT

Section 5.1 Agreement to Arbitrate

If the Town or the Entity breaches this Financial Agreement, or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to the American Arbitration Association in the State of New Jersey, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Financial Agreement. The costs of arbitration shall be borne equally by the Parties involved in the arbitration. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with Applicable Law in any court having jurisdiction.

Section 5.2 Covenant to Make Payments

The Entity agrees that the timely payment of the Land Taxes, and the Minimum Annual Service Charge or the Annual Service Charge, to the Town, as well as continued compliance with the Applicable Laws, are material conditions of this Financial Agreement. The failure to make any of the aforesaid payments in timely fashion shall constitute both a breach of this Financial Agreement and a tax payment delinquency under Applicable Law.

Section 5.3 [Intentionally Omitted]

Section 5.4 Notification of Breach Required

The Town shall notify the Entity in writing of any breach relating to the terms of this Financial Agreement. If the Entity fails to cure the breach identified within sixty (60) Days after the actual delivery of such notice by the Town, or within any additional periods to which the Parties may agree to, in writing, the Town may move to invalidate the Long Term Tax Exemption upon (60) Days final written notice to the Entity, which shall inform the Entity that the Long Term Tax Exemption shall terminate due to the breach of the terms of this Financial Agreement. The Town shall not unreasonably refuse to grant a reasonable extension of the cure period. If the Parties agree that the breach is not reasonably capable of cure within sixty (60) Days from the mailing or delivery of the default notice, the Parties shall agree in writing to extend the cure period for an appropriate period of time.

Section 5.5 Town's Remedies Upon Default

The Town's remedies upon its declaration of default shall be cumulative and concurrent. No determination under this Financial Agreement shall deprive the Town of its right to proceed against the Entity for the nonpayment of the applicable Land Taxes, Minimum Annual Service Charge or Annual Service Charge, as the case may be, including any arrearage that would accrue in the absence of such determination.

Section 5.6 Force Majeure

Neither Party shall be liable to the other for failure to perform its obligations under this Agreement due to fire, flood, strikes, or other industrial disturbances, accidents, war, riot, insurrection, or other causes beyond the reasonable control of the Parties.

ARTICLE VI – LIMITATION ON PROFITS

Section 6.1 Entity's Covenant of Limitation on Profits

During the Exemption Term, the Entity's profits shall be limited, according to the provisions of the Exemption Law and the definitions set forth therein. For any period, taken as one accounting period, commencing on the ASC Commencement Date, and terminating at the end of the last full fiscal year of the Exemption Term, in which the Entity's Net Profits exceed the Allowable Net Profit, the Excess Net Profits shall be paid to the Town as an additional Annual Service Charge within One Hundred Twenty (120) Days of the close of the Entity's fiscal year.

There is expressly excluded from calculation of the Entity's Annual Gross Revenue ("AGR") and from Net Profit as set forth in N.J.S.A. 40A:20-3 for the purpose of determining compliance with N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16, any gain realized by the Entity on the sale of all or a portion of the Project, whether or not taxable under Applicable Law.

Section 6.2 Permitted Reserves

During the term of this Financial Agreement, the Entity may maintain a separate reserve against vacancies, unpaid rents and other contingencies in an amount not to exceed ten (10%) percent of the Entity's AGR for the last full fiscal year and the Entity may retain such part of the Excess Net Profits as is necessary to eliminate any deficiency in the reserve as provided in the Exemption Law (hereinafter referred to as the "Reserve").

ARTICLE VII – TERMINATION OF AGREEMENT AND INSPECTIONS

Section 7.1 Voluntary Termination of the Financial Agreement by Entity

Pursuant to the Exemption Law, the Entity or any Transferee may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Town that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity, or Transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate.

Section 7.2 Termination and Final Accounting

Within Ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this Financial Agreement, the Entity shall provide a final accounting and pay to the Town the Reserve, if any, pursuant to **N.J.S.A. 40A:20-15**, as well as any Excess Net Profits, if any are payable as of that date. For purposes of rendering a final accounting, the termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 7.3 Taxes After Termination Date

After the Termination Date, the Long Term Tax Exemption shall expire, and the relevant portion of the Project Premises and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Town.

Section 7.4 Rights of Inspection

Pursuant to a reasonable written request, the Entity shall authorize the Town or its representatives to examine (a) the Project Premises and equipment and other facilities of the Entity, and (b) the Entity's books, contracts, records and documents, related to the Project. Such examination shall be made during reasonable business hours, in the presence of a member or agent of the Entity. The Parties agree that ten (10) Days written notice shall constitute a reasonable request for inspection. Notwithstanding the foregoing, the Entity may request an extension of time for such examination and the Town shall consent to any reasonable request. Except to the extent required by Applicable Law, all information and documentation provided hereunder shall remain confidential and not subject to public disclosure.

ARTICLE VIII – SALE OR LEASE OF PROJECT

Section 8.1 Conveyance of Project and/or Interest in Entity

The Town and the Entity acknowledge and agree that the Town will consent to the transfer and/or assignment of the Project to another urban renewal entity, qualified and organized under the Exemption Law (hereinafter referred to as a "Transferee"), provided such Transferee owns no other project subject to the Exemption Law at the time of the transfer, and provided that the Transferee assumes the Entity's obligations under this Financial Agreement (a "Transfer"). A Transfer under this Section 8.1 shall not include the leasing of any Rental Units to any third-party. Upon a Transferee's assumption of the Entity's obligations under this Financial Agreement, the Long Term Tax Exemption shall continue to the benefit of the Transferee and any of its Transferees. If the Entity transfers the Project to a Transferee pursuant to this Section 8.1, then upon such transfer the Entity shall pay an administrative fee to the Town equal to two percent (2%) of the ASC for the processing of such request for the continuation of the Long Term Tax Exemption to the benefit of the Transferee and any of its Transferees.

Section 8.2 Obligations of Entity and Transferee After Conveyance

If the Entity Transfers the Project to a Transferee pursuant to Section 8.1 hereof, then the Entity shall be absolutely discharged from any further obligations regarding the Project and shall be qualified to undertake another project pursuant to the Exemption Law. Within ninety (90) Days after the date of a Transfer, the Entity shall pay to the Town any Reserve maintained by it pursuant to this Financial Agreement, as well as any Excess Net Profits payable to the Town pursuant to this Financial Agreement and the Exemption Law.

Section 8.3 Transfer of Ownership Interest of Entity

The preceding clauses to the contrary notwithstanding, (i) nothing herein shall prohibit any transfer of an ownership interest in the Entity itself provided that the transfer, if greater than ten percent (10%), is disclosed in writing to the municipal governing body sent to the Town in advance of the transfer and (ii) the Entity shall be permitted to transfer all or any portion of the Project to another urban renewal entity pursuant to Section 8.1.

Section 8.4 Subordination of Fee Title

It is expressly understood and agreed that the Entity has the right, subordinate to the lien of the Annual Service Charges, and to the rights of the Town hereunder to encumber and/or assign the lease to the Land and/or Improvements, and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement.

Section 8.5 Transfer of Title to Condominium Units and Fee Simple Units

As permitted under N.J.S.A. 40A:20-10(b), in the event Entity sells Units or components of Units of the Project that are condominium units, the Borough hereby consents to a sale of such Units or components thereof in the Project to bona fide purchasers of the condominium units, and to their successors and assigns. Upon assumption by the condominium unit purchaser of the transferor's obligations under this Agreement, the tax exemption for such Unit or component thereof shall continue and inure to the purchaser, his respective successors or assigns.

As permitted under N.J.S.A. 40A:20-10(c), in the event that one or more Units of the Project are air rights parcels or otherwise able to be owned as separate fee simple parcels, the Town hereby consents to a sale of one or more of such Units in the Project to bona fide purchasers of such Units in fee simple and to their successors, assigns, all owning no other fee simple unit of the Project at the time of the transfer. Upon assumption by the fee simple unit purchaser of the transferor's obligations under this Agreement, the tax exemption of the Unit shall continue and inure to the fee simple unit purchaser, his respective successors or assigns. The provisions of this subsection shall not be construed to authorize the sale of a Unit between the Entity and another urban renewal entity, which sale shall be governed by Section 8.1 hereof.

In the event that the Entity sells Units pursuant to N.J.S.A. 40A:20-10, the Annual Gross Revenue for each such condominium Unit shall be determined by the formula set forth in N.J.S.A. 40A20-14(a) and (b).

ARTICLE IX – ENTITY'S COVENANTS AND REPRESENTATIONS

Section 9.1 Management and Operation

Subject to its right to Transfer pursuant to Section 8.1 of this Financial Agreement, the Entity represents and covenants that the Entity will manage and operate the Project as three (3) stacked-townhouse/apartment buildings with ten (10) dwelling units in each building to be used for multi-family residential housing for a total of thirty (30) dwelling units, and demolition of an existing structure and building a new seven (7) dwelling unit building to be used for multi-family residential housing, four (4) of which shall be affordable housing units, together with such common area amenities, infrastructure and ancillary improvements as are commonly associated with projects of this nature, in a manner consistent with the Redevelopment Agreement and the Redevelopment Plan, or will contract with a third party management company to perform same. The Entity shall be free to enter into leases for the Rental Units, without the consent of the Town. The construction will take place in phases with each of the four buildings being completed and leased as a separate phase.

Section 9.2 Computation of Gross Revenue

The Entity shall calculate the Annual Gross Revenue in accordance with this Financial Agreement and shall be shown on the Entity's Annual Audit Statement.

Section 9.3 Annual Audit Report

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Financial Agreement shall continue in effect, the Entity shall submit to the Mayor of the Town, the Governing Body and the New Jersey Division of Local Government Services within the New Jersey Department of Community Affairs, its Annual Audited Statement for the preceding fiscal or calendar year in accordance with the Exemption Law. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal year. The Entity assumes all costs associated with preparation of the Annual Audited Statements. Except to the extent required by Applicable Law, all financial information provided hereunder shall remain confidential and not subject to public disclosure.

The Town acknowledges that professional standards imposed on a certified public accountant preparing the Annual Audit may require such document to state the profits of the Entity in a manner that is not consistent with the definition of Net Profit in the Long Term Tax Exemption Law. As such, the Town agrees to accept from the Entity a separate certification prepared by its certified public accountant as to the amount of the Entity's Net Profit in accordance with the Long Term Tax Exemption Law and this Agreement.

Section 9.4 Total Project Cost Audit

Within ninety (90) days after a Certificate of Completion is issued for the Project, the Entity shall submit to the Mayor and Governing Body, an audit of Total Project Cost, certified as to actual construction costs by the Entity's architect.

Section 9.5 Entity Bound by the Exemption Law

The Entity shall, at all times prior to the Termination Date, remain bound by the provisions of the Exemption Law.

ARTICLE X – MISCELLANEOUS PROVISIONS

Section 10.1 Governing Law and Conflicts

This Financial Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law. The Parties agree that in the event of a conflict between this Financial Agreement and the Application, the language contained in this Financial Agreement shall govern and prevail.

Section 10.2 Oral Representation

Neither Party hereto has made any oral representation that is not contained in this Financial Agreement. This Financial Agreement and the Application, including all of the Exhibits attached and annexed thereto, constitute the entire Financial Agreement by and between the Parties.

Section 10.3 Modification

There shall be no modification of this Financial Agreement except by virtue of a written instrument executed by and between both Parties.

Section 10.4 Notices

All notices required hereunder shall be sent by certified mail, return receipt requested, or by recognized overnight courier, with proof of delivery, addressed as follows:

a) When sent by the Town to the Entity:

Leona Morris Street Urban Renewal Associates, LLC
c/o Mr. Peter Cipollini
201 Mendham Road
Morristown, NJ 07960

with a copy to:

Windels Marx Lane & Mittendorf, LLP
120 Albany Street Plaza
6th Floor
New Brunswick, NJ 08901
Attention: Charles B. Liebling, Esq.

b) When sent by the Entity to the Town:

Honorable Mayor Timothy Dougherty
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

with a copy to:

Vijayant Pawar, Esq., Town Attorney
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

with a copy to:

Michael Rogers, Business Administrator
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

and a copy to:

John P. Inglesino, Esq.
Dean Donatelli, Esq.
Inglesino, Wyciskala & Taylor, LLC
600 Parsippany Road, Suite 204
Parsippany, New Jersey 07054

In addition, if the Entity delivers formal written notice to the Town in accordance with this Agreement, of the name and address of Entity's mortgagee, then the Town shall provide such mortgagee with a copy of any notice required to be sent to the Entity.

Section 10.5 Indemnification

If the Town becomes named as a party defendant in any action brought against the Entity by reason of any breach, default, or violation of any provision of this Financial Agreement and/or the Exemption Law, but not including any taxpayer actions brought against the Town or the Entity, the Entity shall defend, indemnify and hold the Town harmless to the extent that the Entity is found to be liable in the action, except for any negligence or misconduct by the Town or any of its officers, officials, employees, consultants or agents, and the Entity agrees to defend the suit and indemnify the Town as set forth herein at its own expense.

Section 10.6 Severability

If any term, covenant or condition of this Financial Agreement shall be judicially declared to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

If any portion of this Financial Agreement shall be judicially declared to be invalid and unenforceable and provided that a default has not been declared pursuant to this Financial Agreement, the Parties shall cooperate with each other to take the actions reasonably required to restore the Financial Agreement in an manner contemplated by the Parties, including, but not limited to the authorization and amendment of this Financial Agreement in a form reasonably drafted to effectuate the original intent of the Parties.

Section 10.7 Good Faith

The Entity and the Town agree to act in good faith in all of their dealings with each other.

Section 10.8 Certification

The Town Clerk shall certify to the Town Tax Assessor, pursuant to the Exemption Law, that this Financial Agreement entered into by the Town and the Entity has been lawfully entered into and is in effect pursuant to the Exemption Law. The delivery by the Town Clerk to the Town Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon the delivery of the certification as required hereunder, the Town Tax Assessor shall implement the Long Term Tax Exemption and continue to enforce the Long Term Tax Exemption without further certification by the Town Clerk until the Termination Date. Further, upon the adoption of this Financial Agreement, the Ordinance shall be transmitted to the Director of the Division of Local Government Services State of New Jersey Department of Community Affairs by the Town Clerk.

Section 10.9 Exhibits

This Financial Agreement in its proposed form appears as an attachment to the Application for Long Term Tax Exemption as Exhibit B. This Financial Agreement along with each Exhibit attached and annexed hereto is incorporated into the Application.

Section 10.10 Recording

This Agreement, or a memorandum of this Agreement, may be filed and recorded with the Morris County Clerk by the Entity, and same may be discharged by the Entity or the Town upon the Termination Date.

Section 10.11 Counterparts

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

Section 10.12 Estoppel Certificate

Within thirty (30) days following written request therefore by the Entity, or any mortgagee, purchaser, tenant or other party having an interest in the Project, but no more than once per year and at no expense to the Town, the Town shall issue a signed estoppel certificate in reasonable form stating that (i) this Financial Agreement is in full force and effect, (ii) to the best of the Town's knowledge, no default has occurred under this Agreement (nor any event which, with the passage of time and the giving of notice would result in the occurrence of a default) or stating the nature of any default; and (iii) stating any such other reasonable information as may be requested. In the event the estoppel certificate discloses a default, it shall also state the manner in which such default may be cured.

[The Remainder of this Page Intentionally Left Blank]

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

WITNESS:

Janie Christensen

LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

By: ______________________________
Name: Peter J. Cipollini
Title: Sole Member

ATTEST:

____
Town Clerk

TOWN OF MORRISTOWN

____
Timothy Dougherty, Mayor

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
) SS.:
COUNTY OF MORRIS)

Be it remembered that on the 6, day of July, 2015, Peter J. Cipollini personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

(a) he is the sole member of Leona Morris Street Urban Renewal Associates, LLC, the limited liability company named as Entity in the attached Financial Agreement;

(b) he is authorized to execute the attached Financial Agreement on behalf of the Entity;

(c) he executed the attached Financial Agreement on behalf of and as the act of the Entity; and

(d) the attached Financial Agreement was signed and made by the Entity as its duly authorized and voluntary act.

JANICE CHRISTENSEN
NOTARY PUBLIC OFNEW JERSEY
My Commission Expires 02/10/2019

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
) SS:
COUNTY OF MORRIS)

BE IT REMEMBERED, that on this 7th day of July, 2015 before me, the subscriber, personally appeared **Timothy Dougherty**, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the Mayor of the **Town of Morristown**, the Town named in the within Instrument; that the execution, as well as the making of this Instrument, have been duly authorized by the Town, that deponent well knows the seal of said Town; and that the seal affixed to said Instrument is the proper seal and was hereto affixed by ~~Matthew Stechauner,~~ Kevin Harris Town Clerk, and said Instrument was signed and delivered by said Mayor as and for the voluntary act and deed of said Town.

Dean J. Donatelli
Attorney at Law
State of New Jersey

EXHIBIT A

PLANNING BOARD RESOLUTION

[Attached]

RESOLUTION OF THE MORRISTOWN PLANNING BOARD
ETEP REALTY
APPLICATION NO. 13-13
APPLICATION FOR PRELIMINARY AND FINAL SITE PLAN AND MINOR SUBDIVISION APPROVAL WITH RELATED VARIANCES AND DEVIATIONS
BLOCK 3701, LOT 11 (AND A PORTION OF LOT 10)
185 MORRIS STREET, MORRISTOWN, NEW JERSEY

WHEREAS, ETEP Realty ("Applicant") has applied to the Town of Morristown Planning Board ("Board") for preliminary and final site plan and minor subdivision approval with related variances and deviations for property commonly known as 185 Morris Street and designated as Block 3701, Lot 11 (and a portion of Lot 10) on the official tax map of the Town of Morristown, Morris County, New Jersey (the "Property"); and

WHEREAS, in accordance with the provision of the New Jersey Local Redevelopment and Housing Law (the "LRHL"), N.J.S.A. 40:12A-1 et seq., the Town Council of the Town of Morristown (the "Council") designated the Property as an area in need of redevelopment; and

WHEREAS, the Council adopted the Morris Street Redevelopment Plan for the Property, as well as adjacent and/or nearby property, in accordance with the provisions of the LRHL (the "Redevelopment Plan"); and

WHEREAS, the Council conditionally designated the Leona Developers, LLC, an affiliate of the Applicant ("Leona"), as the redeveloper of the Property, subject to certain conditions stated in the resolution; and

WHEREAS, the Applicant (the Owner and Leona) have agreed to use the Property for the purpose of implementing the Redevelopment Plan and proposes to construct three (3) stacked-townhouse/apartment (wherever the term townhouse is used herein, it shall mean a townhouse or apartment) buildings on the Property to be used for multi-family residential housing to include a total of thirty (30) dwelling units, and the renovation of an existing structure on the Property to be used for multi-family residential housing to include a total of seven (7) dwelling units (four (4) of which shall be affordable housing units) on a newly created lot, and to include construction of the on-site parking and related improvements; and

WHEREAS, the proposal includes certain shared parking and access drive aisles with the thirty seven (37)-unit residential development proposed by Mountain Center Realty, LLC ("Mountain Center") on 10 Ford Avenue, Lot 10 in Block 3701 ("Lot 10") in Application No. 13-11, and as such, the Applicant and Mountain Center presented their applications jointly (but as separate applications) to the Board during the proceedings more specifically described herein; and

WHEREAS, the Planning Board considered the Applicant's development proposal as depicted in the following plans and documents:

1. Planning and Zoning Application Form, filed October 22, 2013 of twelve (12) pages;

2. Survey of Property – Lot 11, Block 3701, prepared by Richard F. Smith, updated through March 5, 2013;

3. Preliminary and Final Site Plan – Block 3701, Lot 10, prepared by Paul Anderson, PE of Anderson Consulting Services, LLC, dated April 16, 2013 (including minor subdivision plan);

4. Drainage Reports, Morris Street Redevelopment – prepared by Anderson Consulting Services, dated April 15, 2013;

5. Traffic Impact Statement for 185 Morris Street, dated July 11, 2013, prepared by Staigar and Peregoy, LLC;

6. Architectural Plans for Stacked Townhomes, dated October 1, 2011, consisting of six (6) sheets, prepared by John B. Van Lenten, AIA;

7. Architectural Plans for Addition and Rehabilitation of 185 Morris Street, consisting of three (3) sheets, dated August 5, 2013;

8. Colorized Architectural Renderings, prepared by John Van Lenten, dated October 1, 2013;

9. Contract for the Joint Installation of Certain Improvements and the Issuance of an Access/Egress, Shared Parking and Underground Utility Easement Agreement, by and between Peter J. Cipollini (the "Owner") and Mountain Center, consisting of twelve (12) pages, signed November 1, 2013 (the "Shared Parking/Access Agreement"), and a form Access/Egress, Shared Parking and Underground Utility Easement Agreement attached thereto (the "Cross Access/Parking Easement"); and

WHEREAS, the Planning Board has also considered all testimony, reports, exhibits and other evidence submitted in connection with the application as well as the comments of the Boards' professionals and the public; and

WHEREAS, the Board is in receipt of the following reports from its consultants and outside agencies:

1. Completeness Review Memorandum, prepared by Board Engineer Michael Cristaldi, PE of Alaimo Group, dated July 9 , 2013;

2. Review Memorandum Concerning Easements with Colorized Map, prepared by Board Engineer Michael Cristaldi, PE of Alaimo Group, dated January 16, 2014;

3. Planning Report, dated December 5, 2013, prepared by Board Planner Phil Abramson of Jonathan Rose Companies, in association with William R. Mikesell, P.P., of Mikesell & Associates;

4. Landscape Architecture Review Memorandum, prepared by Evan Stone of T&M Associates, dated August 6, 2013;

5. Traffic Review Memorandum, prepared by Bruce Klein, PE P.T.O.E. of T&M Associates, consisting of two (2) pages, dated July 31, 2013;

6. Site Plan Report, prepared by Morris County Planning Board, consisting of two (2) pages, dated June 18, 2013;

7. Site Plan Report, prepared by Morris County Planning Board, consisting of two (2) pages, dated November 4, 2013;

8. Site Plan Report, prepared by Morris County Planning Board, consisting of two (2) pages, dated December 5, 2013; and

WHEREAS, the application was the subject of a duly noticed public hearings held on December 5, 2013 and January 16, 2014; and

WHEREAS, the Board has made the following findings and conclusions based upon the evidence submitted:

1. The Applicant is an affiliate of the Owner of the subject Property (Peter Cipollini, who consented to the application) and has standing to bring this matter before the Board, and further the Owner has entered into the Shared Parking/Access Agreement concerning shared parking and access with Lot 10 as more specifically described herein.

2. The Applicant was represented by Jay Delaney, Esq.

3. The Applicant presented testimony to the Board from Paul Anderson, PE of Anderson Consulting Services, LLC; Joseph Staiger of Staiger and Peregoy, LLC; and John B. Van Lenten, AIA.

4. The Property is located in the Town's Morris Street Redevelopment Plan area as set forth in the Morris Street Redevelopment Plan, prepared by Jonathan Rose Companies, dated October 5, 2012.

5. The following items were marked into evidence:

A-1 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-2 Aerial photograph, colorized site plan and colorized utility plan (containing three (3) sheets).
A-3 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-4 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-5 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-6 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-7 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-8 *(this Exhibit relates to the Mountain Center application no. 13-11).*
A-9 Photographs of neighborhood.
A-10 Photographs of neighborhood.
A-11 Samples of exterior brick and clapboard siding with corner board.
A-12 Sample of roofing and raised seam metal roofing.
A-13 Cut sheet of exterior lighting.

6. The Applicant's engineer and planner, Paul Anderson, described the proposed site plan by use of Exhibit A-2, and described the relationship of the Applicant's and Mountain Center's projects; and

7. Mr. Anderson further described the proposed three (3) stacked-townhouse buildings on the Property to be used for multi-family residential housing to include a total of thirty (30) dwelling units (each containing ten (10) units), and the renovation of an existing structure on the Property to be used for multi-family residential housing to include a total of seven (7) dwelling units on a lot to be created by the proposed minor subdivision.

8. Mr. Anderson stated that bollards would be installed at the Morris Street entrance drive to ensure that it is used only for emergency ingress and egress while the Ford Avenue entrance drives would be used for ingress and egress by the residents and visitors of both the Property and Lot 10.

9. With respect to the subdivision, the emergency access drive on the newly created lot would be finished with pavers on a concrete base of an adequate design to support the weight of emergency vehicles.

10. Further, the Applicant agreed as a condition of approval that it would secure from the Owner the preparation and the recordation of cross-easements to Morris Street over, upon and across the newly created lot for the benefit of inter alia, the Property and Lot 10 to address utilities, pedestrian circulation and emergency vehicles to be in a form acceptable to the Board Attorney and Board Planner.

11. Mr. Anderson agreed with the testimony provided by the engineer for Mountain Center stating that a total of ninety seven (97) spaces are proposed for the Applicant's project and the project proposed by Mountain Center on Lot 10.

12. Mr. Anderson further stated that forty five (47) parking spaces are proposed for use by the Applicant's project, where forty three (43) parking spaces are required for the Applicant's project.

13. Mr. Anderson further described the proposed storm water management and utilities for the project by reference to Exhibit A-2.

14. Mr. Anderson confirmed and agreed as a condition of approval that the Applicant shall secure from the Owner the preparation and the recordation of a shared parking/access easement between the Owner and Mountain Center to address parking and access.

15. With respect to the retaining wall located on the Property, Mr. Anderson stated that the Applicant will communicate with New Jersey Transit (and any other party that may have any rights to such wall) and confirm that such retaining wall is within the control and ownership of the Applicant and/or Owner and that New Jersey Transit (and any other party that may have any rights to such wall) does not have jurisdiction or ownership over same.

16. In listing the deviations requested by the Applicant, Mr. Anderson agreed with the Board Planner that deviations from the requirements of the Redevelopment Plan may be justified in a

manner similar to "(c)(1)" and "(c)(2)" variances under the Municipal Land Use Law, and he testified that the following deviations from the requirements of the Redevelopment Plan are sought:

Bldg. setback to off-street parking:	Minimum of 4'/maximum of 10' – 25' proposed.
Bldg. setback to off-street lane:	Minimum of 4'/maximum of 10' – 25' proposed.
Off-street parking setback:	10' minimum required – 0' proposed
Minimum loading space:	1 minimum required – none proposed.

17. Mr. Anderson testified that the requested variances/deviations are justified under both the "(c)(1)" and "(c)(2)" in that they help the Applicant to preserve/reuse the existing building on an odd-shaped lot (and thus alleviating a hardship) and allow for better circulation and maneuverability on the Property and also further some of the goals of the Redevelopment Plan, such as shared parking, with little or no impairment to same.

18. Mr. Anderson testified that there are certain existing easements on the Property which would need to be discussed further with the Board Engineer; and later in the proceedings, the Applicant agreed as a condition of approval that it would comply with the terms and requirements contained in the Review Memorandum Concerning Easements, prepared by the Board Engineer, dated January 16, 2014.

19. The next person to testify on behalf of the Applicant was Mr. Staiger (whose testimony was also provided to support of Mountain Center's application), who confirmed that the Morris Street entrance drive would be used only for emergency ingress and egress while the Ford Avenue entrance drives would be used for ingress and egress by the residents and visitors of both the Property and Lot 10.

20. The Applicant's project will have one-way vehicular circulation on three (3) sides of the buildings with adequate clearance for passage and maneuvering of a fire truck.

21. Mr. Staiger further testified that because the Property has the nature of transit village location being proximate to the train station, the parking demand for, and traffic trip generation from, these projects will be reduced.

22. With respect to peak trip generation for both the Applicant's project and the project proposed on Lot 10, Mr. Staiger stated that the combined AM peak hour would be 30 trips, and the combined PM peak hour would be 36 trips.

23. Mr. Staiger further testified that the traffic signal at the intersection of Ford Avenue and Morris Street operates at approximately 40 cycles per hour and could handle the additional trips with only nominal impact.

24. With respect to traffic circulation, Mr. Staiger stated that the proposed parking aisles widths are adequate given the low-intensity and low-volume of the residential uses proposed.

25. In response to the Board's concerns regarding parking for moving vans and loading vehicles, the Applicant agreed as a condition of approval to implement and enforce written rules and regulations (and distribute same to the occupant of the building) as to when moving in/out and loading is to occur, which will only be at times of low parking demand.

26. Mr. Staiger stated that there are no sight distance issues, and that the handicapped accessible parking spaces are compliant with all applicable laws. The Applicant will install no parking/tow away signs and enforce same to address illegal parking.

27. The Applicant agreed as a condition of approval secure from the Owner the recordation of (subjecting the Property to) an easement in a form substantially similar to the Cross Access/Parking Easement and in accordance with the Shared Parking/Access Agreement, which Cross Access/Parking Easement shall address, inter alia, shared parking, and the repair and maintenance (snow plowing) of the shared parking and drive aisles and shall be in a form acceptable to the Board Attorney, Engineer and Planner.

28. The next witness to testify on behalf of the Applicant was John B. Van Lenten, AIA, an architect, who described the character of the neighborhood by reference to the photographs shown on Exhibits A-9 and A-10, and then he described the three (3) proposed residential structures and the renovations to the existing building (located on the newly created lot) by reference to Exhibits A-11 and A-12.

29. Mr. Van Lenten stated that the three (3) proposed residential structures would contain a total of thirty (30) residential units (each containing ten (10) units) and the adapted building (located on the newly created lot) would contain seven (7) residential units (including four (4) affordable housing units), and the design of same strives to maintain the fabric of the neighborhood (shown on Exhibit A-9 and A-10) by incorporating clapboard siding, brick exteriors and a variety of roofing materials (including metal roofing).

30. Mr. Van Lenten further described the bedroom count and distribution of each of the structures as shown in detail on the architectural plans submitted with the application.

31. Mr. Van Lenten and the Applicant agreed as conditions of approval that it would coordinate and work with the Board Planner to agree on exterior color/finish combinations for all of the exterior building finishes (and submit samples of same for review and approval by the Board Planner) and to further coordinate and work with the Board Planner to agree on the architectural treatment of the two (2) windows and niche at the porch on the front elevation of the seven (7)-unit building.

32. The exterior lighting proposed for the project was described by Mr. Van Lenten by reference to Exhibit A-13, which he described as eco-friendly florescent lighting.

33. With respect to exterior site lighting, the Applicant agreed as conditions of approval that it would coordinate and work with the Board Planner to agree on the exterior lighting on the Property and that the exterior lighting on the ten (10)-unit buildings would be shielded from the public, all to the satisfaction of the Board Planner.

34. The Applicant further agreed as a condition of approval that bike racks would be provided and maintained on the Property in a manner and location to be approved by the Board Planner.

35. For the reasons set forth above, the Board finds and concludes that the Applicant has met the requirements of the Municipal Land Use Law and local ordinances for the granting of the preliminary and final site plan and minor subdivision approval with related variances and deviations.

NOW, THEREFORE, BE IT RESOLVED that the application of ETEP Realty for preliminary and final site plan and minor subdivision approval with related variances and deviations is hereby granted subject to the following conditions:

1. The Applicant must comply with all applicable Town, County, State and Federal Laws, ordinances, regulations and directives, including without limitation, obtaining all applicable local, state and federal approvals and permits. The Applicant shall confirm, in writing, the necessary agency approvals required as part of the project that is the subject of this application and shall provide a certification, in writing, that all such permits and/or requests for said approvals have been applied for and/or obtained. All required permit applications and/or requests to other agencies having jurisdictional oversight with respect to this project shall be submitted to such agencies for review within sixty (60) days from the date of this resolution. Prior to the signing of any approved site plans and the minor subdivision deed or plat, the Applicant shall submit proof to the Board Engineer that it has obtained all required governmental approvals and permits required for the project.

2. The Applicant shall be responsible for the submission of any and all revised plans, payment of all fees, charges, escrows, liens, taxes as may be owed to the Town of Morristown, and proof of all permits, approvals, and/or waivers of such agencies having jurisdiction thereof.

3. All construction, use and development of the Property shall be in conformance with the plans approved herein, all representations of the Applicant and its witnesses during the public hearing, all exhibits introduced by the Applicant, and all terms and conditions of this Resolution. Prior to the commencement of any land disturbance or construction permitted by this approval, the Applicant shall have submitted and received approval for all corrections, amendment and/or additions to the filed plan and reports required by this approval.

4. One set of the revised plans and reports incorporating all additions, amendments and corrections made a part of this approval as indicated during testimony and as required by the Board, the Board's professionals and/or any other agency having jurisdiction in the matter shall be submitted to each of the Board's Administrative Officer, [illegible]

delivered to the Board's Administrative Officer no later than sixty (60) days from the date of said written confirmation for signatures by the Board.

6. The Applicant shall comply with the terms and requirements contained in the Review Memorandum Concerning Easements, prepared by the Board Engineer Michael Cristaldi, PE of Alaimo Group, dated January 16, 2014.

7. The Applicant shall comply with the terms and requirements contained in the Reports referenced herein, prepared by the Board Engineer, Board Planner, Board traffic consultant and the Board landscaping consultant.

8. The Applicant shall secure from the Owner the preparation and the recordation of cross-easements to Morris Street over, upon and across the newly created lot for the benefit of inter alia, the Property and Lot 10 to address utilities, pedestrians and emergency vehicles to be in a form acceptable to the Board Attorney and Board Planner.

9. The Applicant shall pay the Applicant's fair-share of the costs associated with the installation of pedestrian exterior lighting at the railroad underpass at the Ford Avenue southerly driveway, which lighting shall be to the satisfaction of the Board Planner and Board Engineer.

10. The Applicant shall communicate with New Jersey Transit (and any other party that may have any rights to the retaining wall on the Property) and confirm that such retaining wall is within the control and ownership of the Applicant and/or Owner, and that New Jersey Transit (and any other party that may have any rights to such wall) does not have jurisdiction or ownership over same.

11. The Applicant shall implement and enforce written rules and regulations (and distribute same to all occupants of the building) as to when moving in/out and loading is to occur, which will be at times of low parking demand.

12. The Applicant shall secure from the Owner the recordation of (and subject the Property to) an easement in a form substantially similar to the Cross Access/Parking Easement and in accordance with the Shared Parking/Access Agreement, which Cross Access/Parking Easement shall address, inter alia, shared parking, and the repair and maintenance (snow plowing) of the shared parking and drive aisles and shall be in a form acceptable to the Board Attorney and Board Planner.

13. The Applicant shall ensure that the ongoing maintenance and operation of the Property includes removal of excessive snow from the Property as necessary to minimize the loss of the use of parking spaces and pedestrian ways.

14. The Applicant shall coordinate and work with the Board Planner to agree on exterior color/finish combinations for all of the exterior building finishes (and submit samples of the same for review and approval by the Board Planner).

15. The Applicant shall coordinate and work with the Board Planner to agree on the architectural treatment of the two (2) windows and niche at the porch on the front elevation of the seven (7)-unit building, all to the satisfaction of the Board Planner.

16. The Applicant shall coordinate and work with the Board Planner to agree on the exterior lighting on the Property and to ensure that the exterior lighting on the ten (10)-unit buildings would be shielded from the public, all to the satisfaction of the Board Planner.

17. The Applicant shall provide and maintain bike racks on the Property in a manner and location to be approved by the Board Planner.

18. The Applicant shall ensure that Leona shall enter into a formal Redevelopment Agreement with the Town of Morristown, which shall address, inter alia, the timing of the recording of the Cross Access/Parking Easement (and any modifications thereto), the process and timing for establishing the amount of the escrow required to be posted to ensure completion of the common improvements for the projects of Mountain Center and the Applicant, the distribution of same, and which party completes such common improvements as referenced in the Shared Parking/Access Agreement.

19. The site plan drawings shall be revised to depict the area of the Property to be subject to the Cross Access/Parking Easement.

20. The Board's approval is expressly subject to the agreement of the Applicant that it will comply with all of the conditions set forth above, and will cooperate in good faith with the Town to comply with the spirit and intent of the approval of this Resolution.

21. If the Applicant desires to make any further changes to the plans, regardless of whether any such changes is material or non-material, the Applicant shall request approval of the change(s) by written application to the Board's Administrative Officer, which application shall clearly identify each change proposed. The Administrative Officer shall determine whether each such change is "material" or "non-material". Changes determined by the Administrative Officer to be non-material may be approved by the Administrative Officer. Changes determined to be material by the Administrative Officer shall require an application for amended approval to be filed with the Board. Failure to comply with this condition will subject the Applicant to a fine pursuant to Chapter XXX, Land Use Regulations, Section #30-4109, Violations and Penalties and may be sufficient grounds for withholding any certificate of occupancy or revocation of any previously issued certificate of occupancy pursuant to N.J.A.C. 5:23, Uniform construction Code of New Jersey."

22. The Applicant shall be bound to comply with the representations made before this Board by the Applicant and its professionals and the conditions imposed by the Board at the public hearing and the same are incorporated herein and are representations upon which this Board has relied in granting the approval set forth herein and shall be enforceable as if those representations were made conditions of this approval.

23. The Applicants shall perfect this subdivision by filing with the County Recording Officer, the Town Engineer and the Tax Assessor, either a Minor Subdivision Plat in conformity with the approval and in accordance with the provisions of the New Jersey Municipal Land Use Law and the New Jersey Map Filing Law, or, in the alternative, a Minor Subdivision Deed.

24. The Minor Subdivision Plat and/or Minor Subdivision Deed shall be submitted to the Board Engineer and Board Attorney for review and approval prior to execution.

25. The Chairman and Secretary of the Board shall not sign the Minor Subdivision Plat or Deed until notified by the Board Attorney and Board Engineer that all conditions, approvals and requirements as set forth in this Resolution have been satisfied. Furthermore, the Minor Subdivision Plat or Deed shall not be signed unless a certification from the Town Tax Collector has been provided indicating that all taxes have been paid through the quarter in which the Plat or Deed is to be signed and from the Town Treasurer that all applicable fees for this development payable to date of such filing have been paid.

26. The Board adopts its findings of fact and conclusions as set forth above, and adopts and incorporates herein by reference all specific conditions of approval set forth therein.

ALL NOTES INCLUDED IN THE APPROVED PLANS, INCLUDING NOTES REQUIRED BY THIS RESOLUTION, SHALL BE DEEMED TO BE CONDITIONS OF APPROVAL HAVING THE SAME FORCE AND EFFECT AS CONDITIONS EXPRESSLY SET FORTH IN THIS RESOLUTION.

I HEREBY CERTIFY that this is a true copy of a Resolution of the Town of Morristown Planning Board duly adopted at the regular public meetings held on December 5, 2013 and January 16, 2014.

Pursuant to N.J.S.A. 40:55D-10(g)(2), this Resolution memorizes the action taken by the Board at the public meeting of the Board held on February 27, 2014.

On motion of : Tighe

Seconded by: Cardona

The vote on the Resolution was as follows:

AYES: Cardona, Tighe, Murphy, Mayor Dougherty, Stanley

NAYS: ——

ABSTAINING: Gottsleben

ABSTAINING: Gottsleben

ABSENT: Arrington, Gandy
Kane, Pooler

Administrative Officer
Morristown Planning Board

Date: 2/27/14

EXHIBIT B

APPLICATION

[Attached]

APPLICATION FOR TAX EXEMPTION

OF

LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

May 20, 2015

In accordance with the requirements of the Long Term Exemption Law, **N.J.S.A. 40A:20-1, et seq.**, (the "Exemption Law"), Leona Morris Street Urban Renewal Associates, LLC (the "Applicant" or the "Entity") respectfully submits to the Mayor and Governing Body of the Town of Morristown (the "Town") this Application for Long Term Tax Exemption along with those documents attached and annexed hereto.

Applicant's Name and Address:

Leona Morris Street Urban Renewal Associates, LLC
c/o Mr. Peter J. Cipollini
201 Mendham Road
Morristown, NJ 07960

Project Name:

Morris Street Redevelopment Project (Cipollini portion)

1. Identification of Project Premises:

The Project Premises is located within the Morris Street Redevelopment Area and consists of a series of parcels of property containing approximately 0.7321acres of real property identified on the Town Tax Map as Tax Block 3701, Lot 11 and a portion of the former Delaware Street right-of-way (the "Project Premises").

2. General Statement of Nature of Redevelopment Project:

This proposed portion of the Morris Street Redevelopment Project consists of the development, construction and operation of a mid-rise apartment building containing not more than thirty seven (37) residential units, four (4) of which will be affordable units for low and moderate income households, together with such parking, common area amenities, infrastructure and ancillary improvements as are commonly associated with residential projects of this nature (the "Project"). The Applicant's undertaking of the Project pursuant to the Morris Street Redevelopment Plan and the Redevelopment Agreement by and between Leona Developers, LLC, and the Town (the "RDA"), conforms to all applicable municipal ordinances. The Project consists of a portion of the Morris Street Redevelopment Project and accords with the Morris Street Redevelopment Plan and the Master Plan of the Town.

3. Description of the Project:

Set forth as **Exhibit A** are the Site Plans and Architectural Floor Plans and Elevations depicting and describing the Project area and the proposed apartment units in the Project.

4. Type of Tax Exemption Requested:

Pursuant to the Exemption Law, the Entity seeks a long-term tax exemption for the Project. The Applicant requests that the Annual Service Charge for the Project be calculated at 12% of the Annual Gross Revenue.

5. Term of Exemption:

The Applicant requests that the term of the long-term tax exemption be for a period of Thirty (30) years from the date of the Town's issuance of a Certificate of Occupancy for the Project.

6. Financial Agreement:

The proposed Financial Agreement between the Town and the Applicant (therein referred to as the Entity) is attached and annexed hereto as **Exhibit B**.

7. Estimation of Total Project Cost:

Pursuant to the Exemption Law, **N.J.S.A 40A:20-3(h)**, the statement prepared by an architect or engineer licensed in the State of New Jersey setting forth the estimated Total Project Cost for the Project (the Project does not include fee simple units) is set forth in the schedule attached and annexed hereto as **Exhibit C**.

8. Redevelopment Process Timeline:

Attached and annexed hereto as **Exhibit D** is a copy of the Applicant's proposed Redevelopment Project Timeline containing information relevant to the development and construction of the Project. The proposed Redevelopment Process Timeline also appears as an attachment to the RDA and is subject to the terms thereof.

9. Financial/Fiscal Plan:

A proposed Financial/Fiscal Plan for the Project outlining the schedule of annual gross revenue, the estimated expenditure for operation and maintenance of the Project, payments for interest, amortization of debt and reserves, and payments to be made to the Town pursuant to the Financial Agreement is annexed hereto and made a part hereof as **Exhibit E**.

10 Sources, Method and Amount of Financing For Project:

The Applicant will finance the development and construction of the Project through a combination of debt financing secured by the Project Premises and the Project and private equity from Leona Developers, LLC.

The estimated amount of financing for the Project to be obtained by the Applicant through each method of financing set forth above and the security, collateral and/or any mortgage or guaranty to be granted or pledged in connection therewith is set forth in the proposed Financial/Fiscal Plan attached hereto.

11. Applicant's Relationship to Project Premises:

The Applicant is the contract purchaser of the Project Premises.

12. Minimum Annual Service Charges and Annual Service Charges:

Commencing upon the Effective Date of the Financial Agreement attached hereto the Applicant shall pay the Minimum Annual Service Charge.

Upon the Town's issuance of a Certificate of Occupancy for the Project, the Applicant shall pay the Minimum Annual Service Charge or the Annual Service Charge or pro rata share thereof, whichever is greater.

(A) Minimum Annual Service Charge

The Minimum Annual Service Charge for the Project shall be equal to the amount of Land Taxes levied against the real property upon which the Project is constructed in the last full tax year in which such real property was subject to taxation.

(B) Annual Service Charge

The Annual Service Charge shall be calculated as 12% of the Annual Gross Revenue from the Project. Attached and annexed hereto as **Exhibit F** is a projection of the Annual Gross Revenue and the Annual Service Charge for the Project.

13. Zoning Information:

The Project Premises are situated within the Morris Street Redevelopment Area, designated as an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law. The redevelopment of the Project Premises is subject to the terms, conditions and restrictions contained within the Morris Street Redevelopment Plan, as adopted by the Governing Body, and as may be subsequently amended, and the RDA.

14. Real Estate Taxes:

The total real property taxes paid on the Project Premises for the 2014 Tax Year were nine thousand two hundred eighty-three and 30/100 Dollars ($9,283.30). Attached and annexed hereto as **Exhibit G** is true copy of the online Tax Bill for the Project Premises for 2014 Tax Year.

15. Municipal Tax Assessment:

The total real property aggregate assessed value of the Project Premises is three hundred fifty-seven thousand six hundred Dollars ($357,600) for the 2015 Tax Year. Attached and annexed hereto as **Exhibit H** is a copy of the assessed value for 2015 Real Estate Property Taxes for the Project Premises. The Town has not yet provided the estimated property taxes for the 2015 Tax Year.

16. Disclosure Statement:

The Applicant is an urban renewal limited liability company formed and operated pursuant to the laws of the State of New Jersey. Its status as an urban renewal entity has been duly qualified by the Commissioner of the State of New Jersey Department of Community Affairs. Attached and annexed hereto as **Exhibit I** is a true copy of the Disclosure Statement for the Applicant.

17. Certification as to Commencement of Construction:

The Applicant hereby certifies that it has not and will not commence vertical construction of the Project prior to adoption by the Town's Governing Body of a Resolution approving this Application and an appropriate Ordinance approving and making effective this Long Term Tax Exemption and Financial Agreement and authorizing the Mayor or other appropriate official to execute the Financial Agreement, unless the Applicant withdraws this Application.

18. Compliance with State Law:

The Project Premises are situated within the Morris Street Redevelopment Area. As such the Project Premises meets the requirements of the Exemption Law for consideration for long term tax exemption. In addition, the Applicant is lawfully established as an urban renewal entity and approved as such by the Commissioner of the State of New Jersey Department of Community Affairs. As a result thereof, it is or will be entitled to receive the benefits of the long term tax exemption under the Exemption Law. The proposed Project will be developed and constructed in accordance with the guidelines, goals and objectives set forth in the Morris Street Redevelopment Plan.

19. Certificate of Formation:

Attached and annexed hereto as **Exhibit J** is a true copy of the filed Certificate of Formation of Leona Morris Street Urban Renewal Associates, LLC reviewed and approved by the Commissioner of the State of New Jersey Department of Community Affairs.

20. Exhibits:

The following exhibits are attached and annexed to this Application for Long Term Tax Exemption and are hereto incorporated herein:

Exhibit A: Description of Project

Exhibit B: Financial Agreement

Exhibit C: Total Project Cost

Exhibit D: Development Process Timeline

Exhibit E: Financial/Fiscal Plan

Exhibit F: Projected Annual Gross Revenue and Annual Service Charge

Exhibit G: 2014 Real Estate Taxes

Exhibit H: Assessed Value of Property

Exhibit I: Disclosure Statement

Exhibit J: Certificate of Formation

I hereby certify to the best of my knowledge and belief, that all of the information contained in this application is true and correct.

Leona Morris Street Urban Renewal Associates, LLC

By: ______________________________
Name: Peter J. Cipollini
Title: m.member

Dated: 5/20/15

Exhibit A

Description of Project

Attached are the Site Plans and Architectural Floor Plans and Elevations depicting and describing the Project.

RADON HAZARD CRITERIA

1.) VAPOR BARRIER – CONTINUOUS 6 MIL POLY-VINYL CHLORIDE OR POLYETHYLENE. SEAMS OVERLAPPED A MINIMUM OF 12 INCHES.

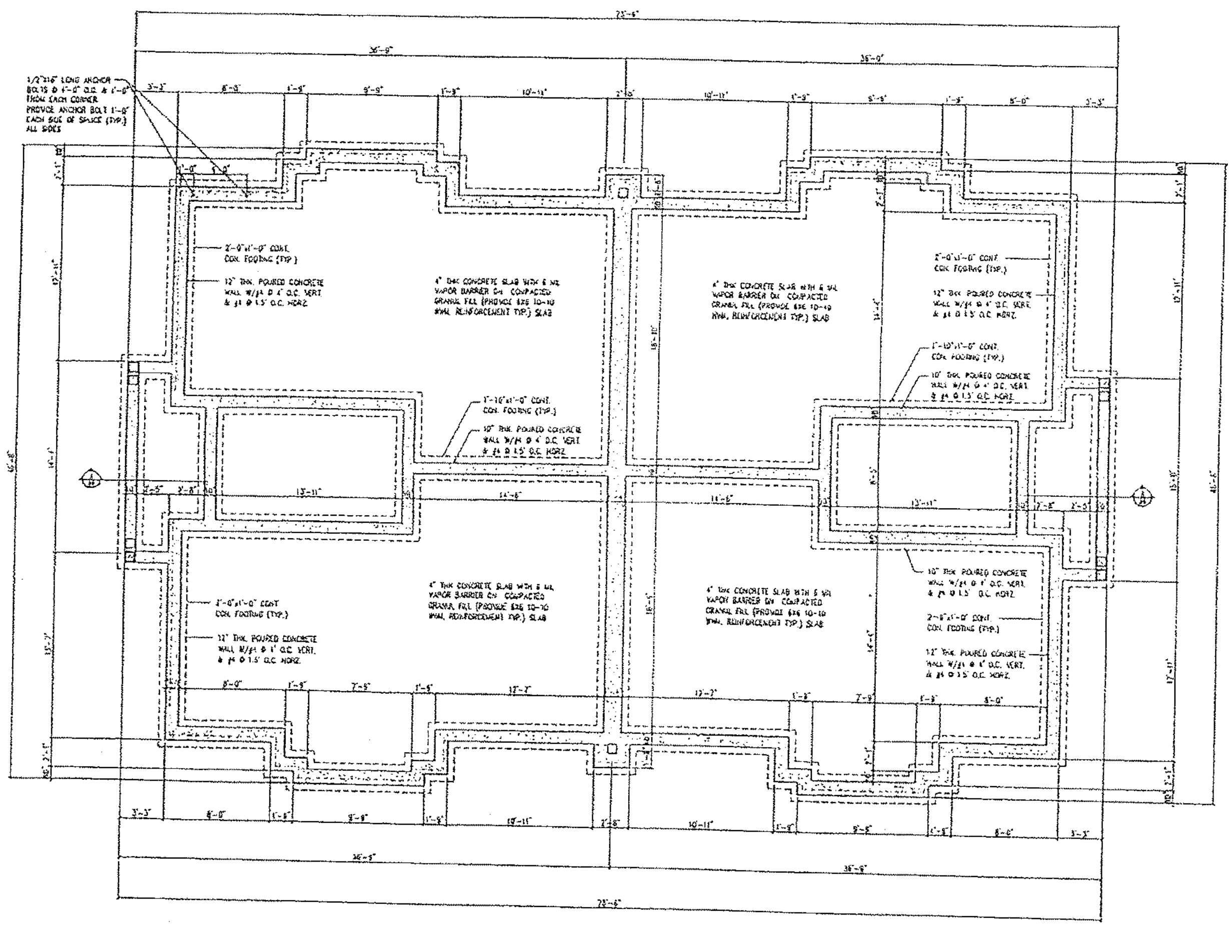
2.) BASE COURSE – NOT LESS THAN 4 INCHES IN THICKNESS. GRAVEL OR CRUSHED STONE CONTAINING NOT MORE THAN 10% OF MATERIAL PASSING A #4 SIEVE.

3.) SEALANT MATERIAL – NON-CRACKING POLY-URETHANE OR SIMILAR CAULK OR EQUIVALENT.

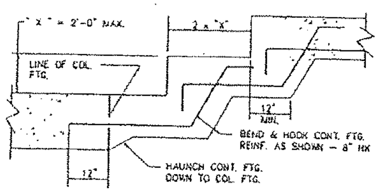
4.) ALL SLABS W/ INTERIOR FOUNDATION PIPE DRAINS –3 INCH DIAMETER (MIN.) SOLID VENT TYPE CONNECTING DRAINAGE SYSTEM, TERMINATING 6-12 INCHES ABOVE THE SLAB & CAPPED OR CONNECTED TO AN INDEPENDENT VENT STACK PIPE.

GENERAL CONSTRUCTION NOTES:

1.) ALL FOOTINGS SHALL BE SET ON FIRM, UNDISTURBED SOIL OR BEST COMPACTED EARTH.
2.) FOOTING BOTTOMS SHALL BE A MINIMUM OF 3'-6" BELOW FINISHED GRADE.
3.) PRESUMPTIVE SOIL BEARING CAPACITY IS 2500 POUNDS PER SQUARE FOOT.
4.) CONCRETE DESIGN MIX TO HAVE ULTIMATE COMPRESSIVE STRENGTH OF 3000 P.S.I. AT 28 DAYS.
5.) DESIGN CRITERIA FOR ALL LUMBER 2" X 6" OR GREATER TO BE: E= 1,400,000 F= 1150 SPECIES= HEM-FIR



FOUNDATION PLAN
SCALE: 1/4" = 1'-0"



TYPICAL STEPPED FOOTING DETAILS
SCALE: N.T.S.

JOHN B. VAN LENTEN AIA
ARCHITECT

JOHN B. VAN LENTEN
N.J. LICENSE No.

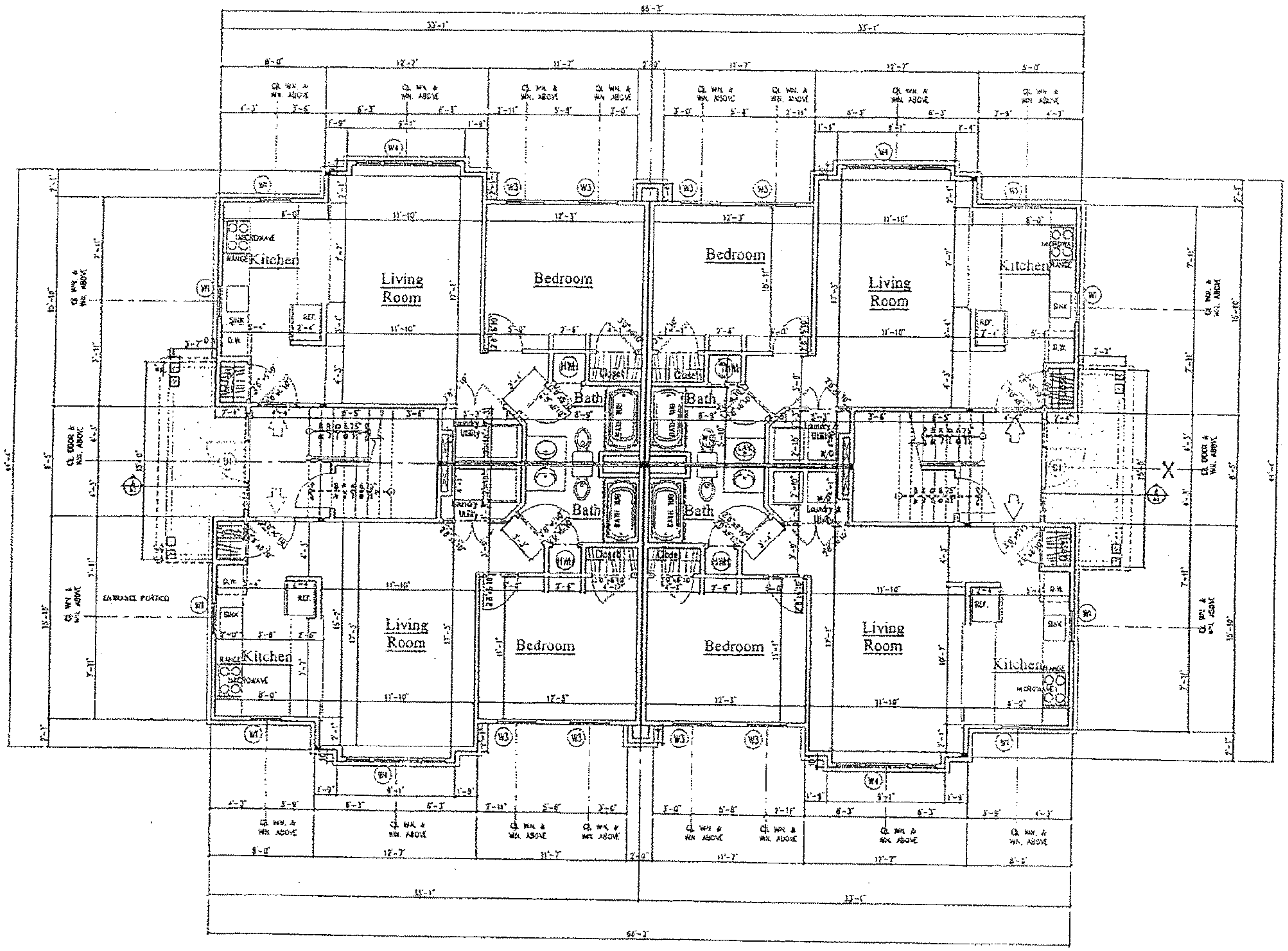
PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -1
UNIT # 1-10
ISSUED FOR FOOTING & FOUNDATION PERMIT

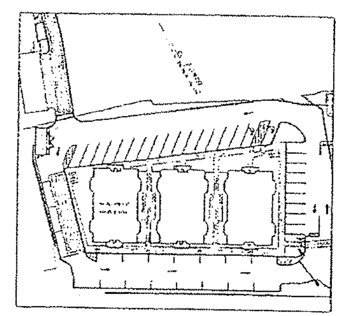
FOUNDATION PLAN

DRAWING NO.

A-1



FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"



KEY PLAN
SCALE: 1/4" = 1'-0"

JOHN B. VAN LENTEN AIA
ARCHITECT

JOHN B. VAN LENTEN
N.J. LICENSE No. 21AI01343300

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -1
UNIT # 1-10
ISSUED FOR FOOTING
& FOUNDATION PERMIT

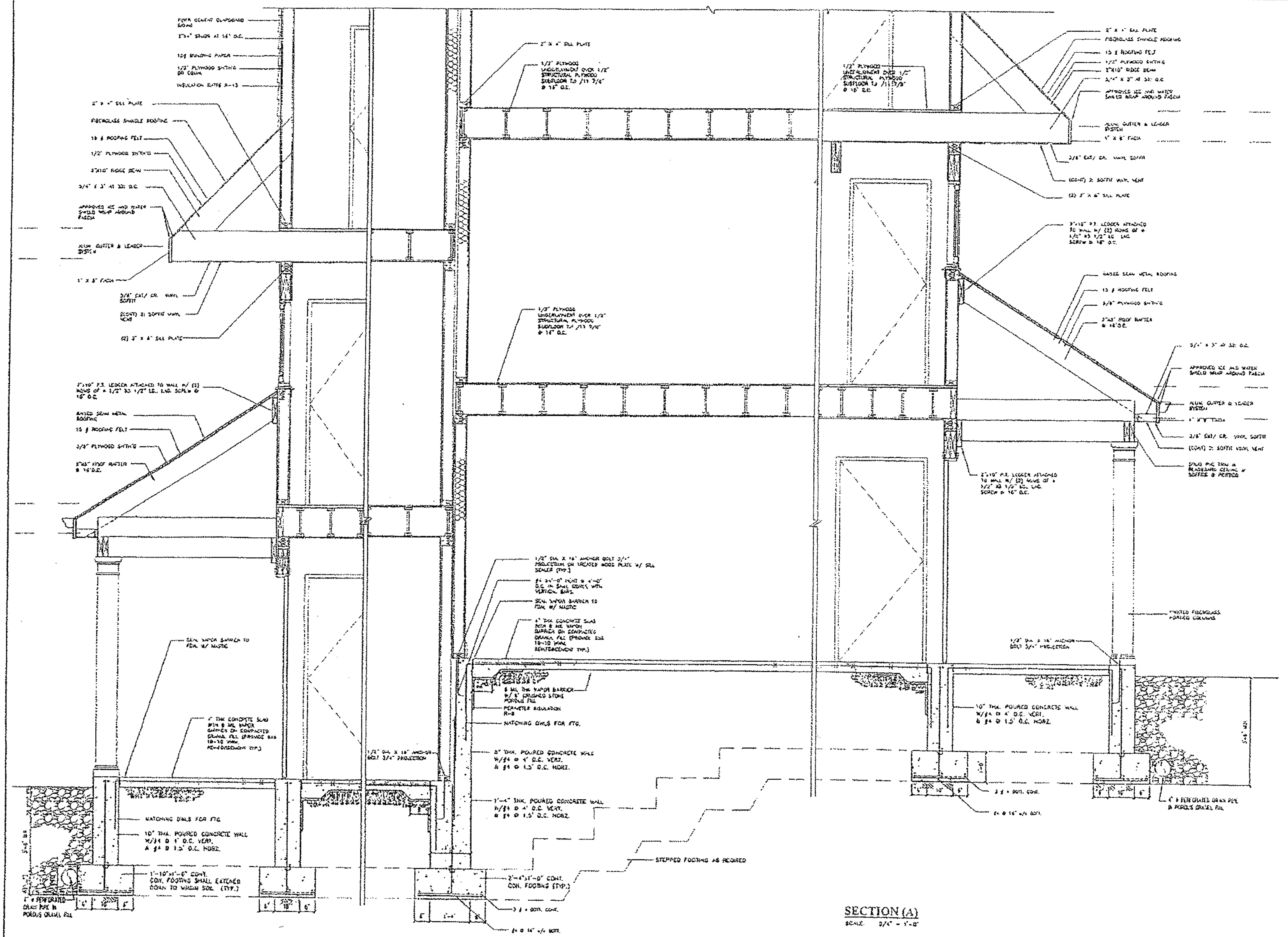
FIRST FLOOR PLAN

DRAWN BY	DATE
CHECKED BY	SCALE
	AS NOTED

DRAWING No.

A-2

PROJ. NO. SHEET OF



SECTION (A)

SCALE: 3/4" = 1'-0"

JOHN B. VAN LENTEN AIA

ARCHITECT

JOHN B. VAN LENTEN

N.J. LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING

FOR

LEONA DEVELOPERS

AT

1, LEONA DRIVE

MORRISTOWN

NEW JERSEY 07960

BUILDING -1

UNIT # 1-10

ISSUED FOR FOOTING & FOUNDATION PERMIT

SECTION

DRAWN BY	DATE
CHECKED BY	SCALE
	AS NOTED

DRAWING No.

A-3

GENERAL NOTES

01. THE ARCHITECT HAS NOT BEEN RETAINED TO ADMINISTER THE CONSTRUCTION PHASE OF THIS PROJECT. THE ARCHITECT WILL BE AVAILABLE TO THE CONTRACTOR FOR MATTERS INVOLVING QUESTIONS REGARDING DISCREPANCIES AND/OR CLARIFICATIONS TO THE DRAWINGS AND SPECIFICATIONS.

02. UNLESS OTHERWISE STIPULATED IN THE OWNER/CONTRACTOR AGREEMENT, THE GENERAL CONDITIONS A.I.A. DOCUMENT A201, LATEST EDITION, SHALL BECOME FULLY A PART OF THE OWNER/CONTRACTOR AGREEMENT FOR ALL STIPULATIONS THEREIN CONTAINED. SUCH DOCUMENT IS READILY AVAILABLE TO THE GENERAL PUBLIC OR MAY BE INSPECTED AT THE ARCHITECT'S OFFICE.

03. WHEN SUBMITTING A BID, THE CONTRACTOR'S BASE BID PRICE MUST BE FOR THE ITEMS OF WORK AS SHOWN OR INDICATED ON THE DRAWINGS AND SPECIFICATIONS. THE CONTRACTOR MAY PROPOSE TO THE OWNER, SUBSTITUTIONS FOR ITEMS OF WORK SUCH AS FINISHES, COLORS, FIXTURES ETC... AND/OR FOR METHODS OF CONSTRUCTION, TOGETHER WITH AN ALTERNATE PRICE, FOR THE OWNER'S CONSIDERATION.

04. THESE DRAWINGS PRESENT AN OVERALL DESIGN CONCEPT. THEY ARE PREPARED WITH THE INTENT OF DEMONSTRATING THE OVERALL DESIGN ARRANGEMENT AND METHOD OF ASSEMBLY OF THE VARIOUS COMPONENTS. THE DRAWINGS DO NOT INDICATE EVERY DETAIL. IT IS ASSUMED THAT THE CONTRACTOR HAS REVIEWED THESE PLANS AND HAS VISITED AND INSPECTED THE SUBJECT PROPERTY, FAMILIARIZED HIM/HERSELF WITH ALL CONDITIONS AND IS CAPABLE OF EXECUTING THE DETAIL WORK NECESSARY TO ACHIEVE THE INTENDED RESULT IN A MANNER CONSISTENT WITH QUALITY WORKMANSHIP WITHIN THE REGION. PRIOR TO SUBMISSION OF BIDS, IT IS INCUMBENT UPON THE CONTRACTORS TO REPORT IN WRITING TO THE ARCHITECT ANY QUESTIONABLE DISCREPANCY, APPARENT OMISSION OR ERROR IN THE METHODS OF CONSTRUCTION.

05. ALL CONTRACTORS SHALL MAINTAIN CONTRACTORS LIABILITY, PROPERTY DAMAGE AND WORKMAN'S COMPENSATION INSURANCE. ALL CONTRACTOR'S INSURANCE POLICIES SHALL NAME THE OWNER AND THE ARCHITECT AS ADDITIONAL INSUREDS. CERTIFICATES OF INSURANCE, THEREFORE, SHALL BE FILED WITH THE OWNER PRIOR TO COMMENCEMENT OF THE WORK. THE OWNER AND THE ARCHITECT SHALL BE HELD HARMLESS AS DEFINED IN THE A.I.A. GENERAL CONDITIONS DOCUMENT A201, LATEST EDITION AND SHALL HOLD THE ARCHITECT HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES AND LOSSES AND EXPENSES INCLUDING ATTORNEY'S FEES, RESULTING FROM THE PERFORMANCE OF THE WORK BY THE CONTRACTOR. ALL WORK OPERATIONS SHALL CONFORM TO ALL FEDERAL, LOCAL AND STATE SAFETY CODE REGULATIONS.

06. ALL WORK SHALL BE EXECUTED IN FIRST CLASS WORKMANSHIP METHODS AND ALL WORK IS TO COMPLY WITH APPLICABLE LOCAL CODES, THE NJ IRC 2009 CODE AND ALL LOCAL TOWNSHIP ORDINANCES.

07. IT IS UNDERSTOOD THAT THE ARCHITECT WILL NOT BE HELD RESPONSIBLE FOR ANY ADDITIONAL CONSTRUCTION COSTS DUE TO UNFORESEEN CONDITIONS DURING THE CONSTRUCTION. THESE DRAWINGS WERE PREPARED RELYING ON INFORMATION SUPPLIED BY THE OWNER SUCH AS AS-BUILT DRAWINGS, SURVEYS AND APPARENT EXISTING CONDITIONS.

08. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS AT THE JOB SITE AND SHALL IMMEDIATELY REPORT IN WRITING TO THE ARCHITECT, ANY DISCREPANCIES FOUND. THE CONTRACTOR SHALL TAKE ALL NECESSARY PROTECT THE WORK FROM DAMAGE AT ALL TIMES. STEPS TO PROTECT THE WORK FROM DAMAGE AT ALL TIMES.

09. THE CONTRACTOR SHALL CHECK AND VERIFY ALL THE PLANS AND WRITTEN DIMENSIONS AGAINST SITE CONDITIONS BEFORE PROCEEDING WITH THE WORK. DO NOT SCALE THE DRAWINGS. ALL WRITTEN DIMENSIONS SHALL GOVERN. NOTIFY THE ARCHITECT OF ANY DEVIATIONS IN THE PLANS BEFORE PROCEEDING WITH THE WORK.

10. THE CONTRACTOR SHALL PAY FOR AND OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE TOWNSHIP AND ALL OTHER AUTHORITIES HAVING JURISDICTION OVER THE WORK.

11. THE ARCHITECT WILL NOT BE RESPONSIBLE WHERE ANY CONSTRUCTION DEVIATES FROM THAT SHOWN ON THESE DRAWINGS OR FROM WRITTEN RECOMMENDATIONS FROM THE CONTRACTOR. ANY CHANGES REQUIRED AND/OR SUGGESTED, REQUIRE WRITTEN AUTHORIZATION AND/OR CLARIFICATION DRAWINGS FROM THE ARCHITECT PRIOR TO PERFORMING THE WORK.

12. IT IS INTENDED THAT THE CONSTRUCTION SHOWN AND SPECIFIED IN THE DRAWINGS CONFORMS WITH ALL APPLICABLE BUILDING CODES AND LAWS. WHERE THERE IS A CONFLICT WITH THE INFORMATION ON THESE DRAWINGS AND BUILDING LAWS, THE REQUIREMENTS OF THE CODE AND/OR BUILDING LAW SHALL TAKE PRECEDENCE.

13. THE LIABILITY OF THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FOR LOSSES INCURRED BY A PERSON UTILIZING THESE DRAWINGS BY REASON OF THE ARCHITECT'S ERRORS OR OMISSIONS, NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE RESPECTIVE AMOUNTS OF INSURANCE COVERAGE AVAILABLE TO THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES TO COVER THE LOSS, OF \$5,000-00, WHICHEVER IS LESSER.

14. THE CONTRACTOR AND/OR ANY OTHER PERSON PERFORMING WORK OUTLINED IN THESE PLANS, DRAWINGS AND/OR ANY RELATED SPECIFICATIONS SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES AND EXPENSES INCURRED, INCLUDING ATTORNEYS FEES AND FROM ANY AND ALL LIABILITY FOR BODILY INJURY OR DAMAGE TO PROPERTY CAUSED BY OR RESULTING FROM EITHER THE PERFORMANCE OF THE WORK OR FROM THE USE OF THE PLANS AND/OR RELATED SPECIFICATIONS.

15. THE OBLIGATION TO INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES AS PROVIDED BY THE PRECEDING PARAGRAPH, SHALL ARISE, WITHOUT DEMAND, UPON THE OCCURRENCE OF EVENTS UPON WHICH A CLAIM AGAINST THE OWNER, THE ARCHITECT, ETC... MAY BE MADE. THE CONTRACTOR SHALL ADVANCE ALL COSTS TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE OWNER, THE ARCHITECT, ETC... SUBJECT TO A RIGHT OF REIMBURSEMENT PROVIDED THE INDEMNITY OBLIGATION DOES NOT APPLY. THE RIGHT OF REIMBURSEMENT MUST BE ASSERTED IN A SEPARATE ACTION AGAINST THE OWNER, THE ARCHITECT, ETC..

16. ALL PIPING, DUCTWORK, CONDUITS ETC... ARE TO BE INSTALLED CONCEALED BEHIND WALLS AND PARTITIONS. WHERE IT IS NOT POSSIBLE FOR ANY SUCH ITEMS TO BE CONCEALED, SUCH ITEMS ARE TO BE FURRED-OUT AND/OR CONCEALED WITH GYPSUMBOARD, METAL OR WOOD FRAMING STRIPS AS REQUIRED. ANY EXPOSED COLUMNS, BEAMS ETC... ARE TO BE SIMILARLY ENCLOSED.

17. ALL WORK IS INCLUDED UNLESS OTHERWISE NOTED N.I.C. (NOT IN CONTRACT) OR INDICATED "EXISTING TO REMAIN", TYPICAL FOR ALL TRADES. ANY SUBSTITUTIONS SHALL BE APPROVED BY THE OWNER.

18. ALL TRADES, ARCHITECTURAL, STRUCTURAL, MECHANICAL, PLUMBING AND ELECTRICAL SHALL STRICTLY COMPLY WITH LOCAL CODES AND BUILDING LAWS, THE U.C.C. 2009 CODE AND ANY AND ALL LOCAL TOWNSHIP ORDINANCES.

19. FIRECODE COMPOUND "TREMCO WHL-1600", OR APPROVED EQUAL SHALL BE USED AT ALL VERTICAL TO HORIZONTAL JOINTS OF WALLS AND PARTITIONS.

20. FURNISH AND INSTALL CONTINUOUS WOOD BLOCKING AT ALL BATHROOMS, OFFICES HALLWAYS, ROOMS AND OTHER AREAS WHERE MOUNTING OF FIXTURES IS REQUIRED. COORDINATE WITH MANUFACTURER, THE OWNER(S) AND OTHER TRADES, TYPICAL.

21. UNLESS OTHERWISE DETAILED OR CALLED FOR, ALL BEAMS, JOISTS ETC... SHALL BE LEVEL WITH ADJACENT FRAMING MEMBERS. FURNISH AND INSTALL ALL NECESSARY JOIST HANGERS, BRIDGING AND ANY OTHER ACCESSORIES REQUIRED TO COMPLETE THE SYSTEM. ALL NAILING, ANCHORING AND METHODS TO SECURE ETC., SHALL BE AS PER REQUIREMENTS OF CODES HAVING JURISDICTION OVER THE WORK.

22. STRUCTURAL MATERIAL/DESIGN FOR WOOD CONSTRUCTION SHALL COMPLY WITH AFPA NDS. (IRC 2009).

23. ALL MASONRY WORK SHALL CONFORM TO THE REQUIREMENTS OF IBC- 2009 8" CONCRETE BLOCK ASTM-C-90 FILL SOLID W/ 3000 PSI PEA GRAVEL CONCRETE (TYP.).

24. COLD WEATHER CONSTRUCTION MASONRY LAID IN TEMPERATURES OF THE OUTSIDE AIR BELOW 40 DEGREES F. (4 DEGREES C.) SHALL BE PROTECTED IN ACCORDANCE WITH THE PROVISIONS OF ACI 530/ASCE 5 LISTED IN APPENDIX A (I.R.C. 2009). FROZEN MATERIALS SHALL NOT BE USED, NOR SHALL FROZEN MASONRY BE BUILT UPON.

25. FROST: ALL CONCRETE MATERIALS AND ALL REINFORCEMENT, FORMS, FILLERS AND GROUND WITH WHICH CONCRETE IS TO COME IN CONTACT WITH, SHALL BE FREE FROM FROST.

26. ICE: FROZEN MATERIALS OR MATERIALS CONTAINING ICE SHALL NOT BE USED.

27. HOT-WEATHER REQUIREMENTS: DURING HOT WEATHER, ATTENTION SHALL BE GIVEN TO INGREDIENTS, PRODUCTION METHODS, HANDLING, PLACING, PROTECTION AND CURING TO PREVENT EXCESSIVE CONCRETE TEMPERATURES OR WATER EVAPORATION THAT WOULD IMPAIR REQUIRED STRENGTH OR SERVICEABILITY OF THE MEMBER OF THE STRUCTURE.

28. CONTRACTOR TO PREPARE COMPLETE SHOP DRAWINGS FOR APPROVAL ON ALL STRUCTURAL MEMBERS PRIOR TO FABRICATION. SHOP DRAWINGS SHALL INCLUDE ALL CONNECTION DETAILS. GENERALLY, THE CONTRACTOR SHALL SUBMIT TO THE OWNER FOR APPROVAL, PRIOR TO CONSTRUCTION AND/OR INSTALLATION: STRUCTURAL STEEL WORK, WOOD FRAMING WORK, ELECTRIC SERVICE (IF APPLICABLE), ANY OTHER REQUESTED.

29. ANY RAMP DESIGNED TO BE USED BY THE HANDICAPPED, SHALL BE FINISHED WITH A SLIP-RESISTANT FINISHED SURFACE. FOR ALL SLOPES EXCEEDING ONE UNIT VERTICAL IN 12 UNITS HORIZONTAL (1:12), AND WHENEVER THE USE IS SUCH AS TO INVOLVE DANGER OF SLIPPING, THE RAMP SHALL BE SURFACED SLIP-RESISTANT MATERIALS (I.R.C. 2009). WITH APPROVAL.

30. PROVIDE & INSTALL SOUND BATTEN INSULATION IN ALL BATHROOMS - IN WALLS & CEILING UNDER BATHROOMS.

31. USE MORTAR TYPE-S THROUGHOUT.

32. ALL CONCRETE BLOCK TO COMPLY W/ ASTM C-90

SYMBOLS & MATERIAL LEGEND

- ROUGH WOOD
- ROUGH WOOD INTERMITTENT
- FINISH WOOD
- PLYWOOD
- PROJECT NORTH
- SECTION OR DETAIL
- ELEVATION REFERENCE
- PLAN DETAIL
- DETAIL REFERENCE
- PROFILE SECTION

PROJECT DATA

PROJECT NAME : PROPOSED APARTMENT BUILDING FOR LEONA DEVELOPERS AT 1, LEONA DRIVE MORRIS TOWN NJ 07960

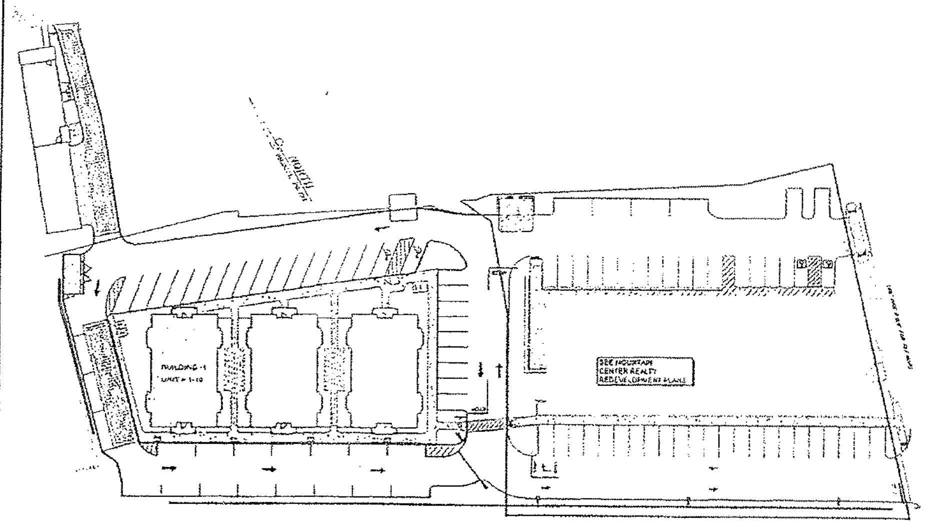
CONSTRUCTION TYPE : 5-A

USE GROUP : R-2 (APARTMENT BUILDING)

BUILDING CODE : IBC- 2009

SHEET INDEX

ARCHITECTURAL DRAWINGS
T1 TITLE SHEET
A1 FOUNDATION PLAN
A2 FIRST FLOOR PLAN
A3 SECTION



KEY PLAN
SCALE: 3/8" = 1'-0"

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JOHN B. VAN LENTEN
N.J. LICENSE No. 21AI01363300

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -1
UNIT # 1-10
ISSUED FOR FOOTING
& FOUNDATION PERMIT

TITLE SHEET

DRAWN BY	DATE
J.A.	8.20.13
CHECKED BY	SCALE
J.A.	AS NOTED

DRAWING No.

T-1

PROJ. NO. SHEET OF

RADON HAZARD CRITERIA

1.) VAPOR BARRIER – CONTINUOUS 6 MIL POLY-VINYL CHLORIDE OR POLYETHYLENE. SEAMS OVERLAPPED A MINIMUM OF 12 INCHES.

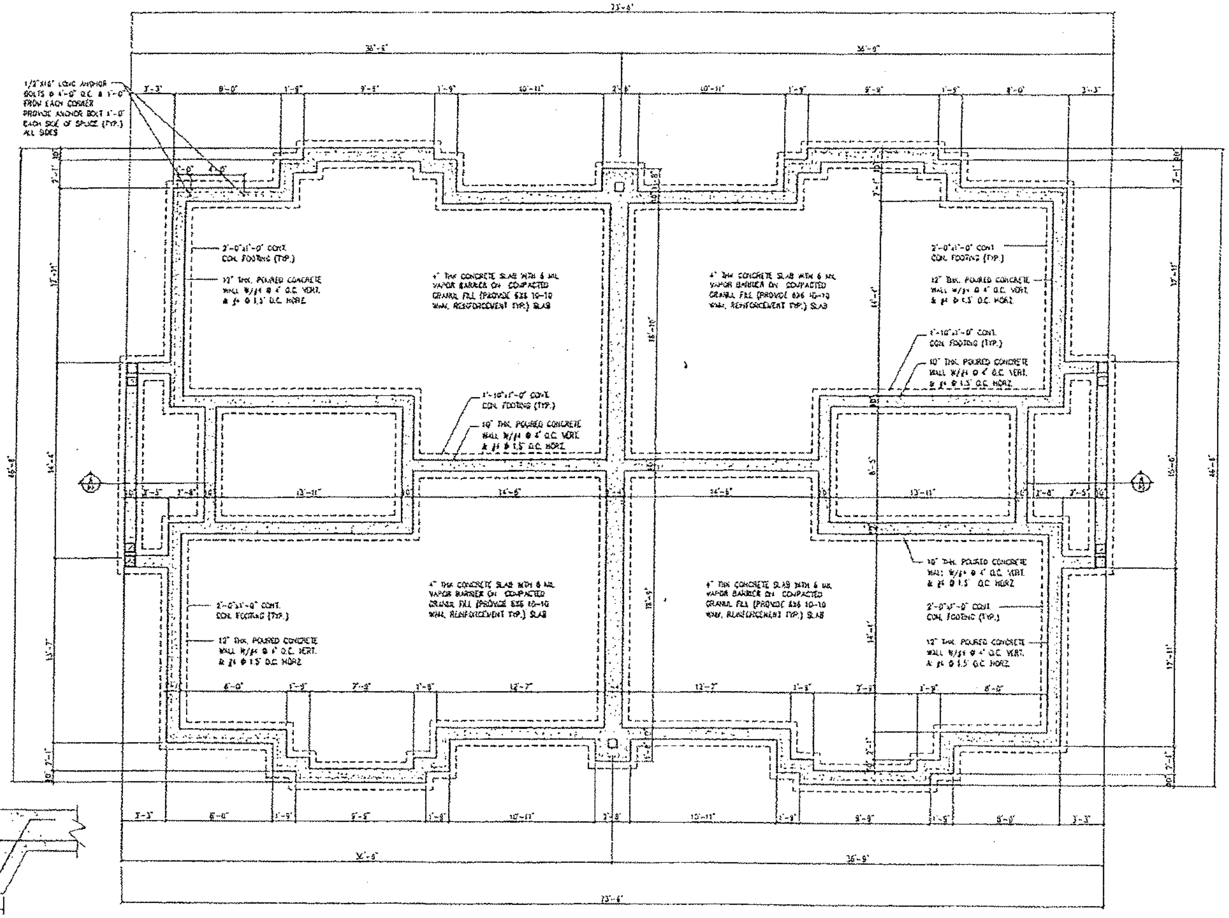
2.) BASE COURSE – NOT LESS THAN 4 INCHES IN THICKNESS GRAVEL OR CRUSHED STONE CONTAINING NOT MORE THAN 10% OF MATERIAL PASSING A #4 SIEVE.

3.) SEALANT MATERIAL – NON-CRACKING POLY-URETHANE OR SIMILAR CAULK OR EQUIVALENT.

4.) ALL SLABS W/ INTERIOR FOUNDATION PIPE DRAINS – 3 INCH DIAMETER (MIN.) SOLID VENT TYPE CONNECTING DRAINAGE SYSTEM, TERMINATING 6-12 INCHES ABOVE THE SLAB & CAPPED OR CONNECTED TO AN INDEPENDENT VENT STACK PIPE.

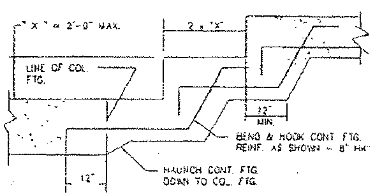
GENERAL CONSTRUCTION NOTES:

1.) ALL FOOTINGS SHALL BE SET ON FIRM, UNDISTURBED SOIL OF 95% COMPACTED EARTH.
2.) FOOTING BOTTOMS SHALL BE A MINIMUM OF 3'-6" BELOW FINISHED GRADE.
3.) PRESUMPTIVE SOIL BEARING CAPACITY IS 2500 POUNDS PER SQUARE FOOT.
4.) CONCRETE DESIGN MIX TO HAVE ULTIMATE COMPRESSIVE STRENGTH OF 3000 P.S.I. AT 28 DAYS.
5.) DESIGN CRITERIA FOR ALL LUMBER 2" X 6" OR GREATER TO BE: E= 1,400,000 F= 1150 SPECIES= HEM-FIR



FOUNDATION PLAN

SCALE: 1/4" = 1'-0"



TYPICAL STEPPED FOOTING DETAILS

SCALE: N.T.S.

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N.J. LICENSE No. 21AI01343500

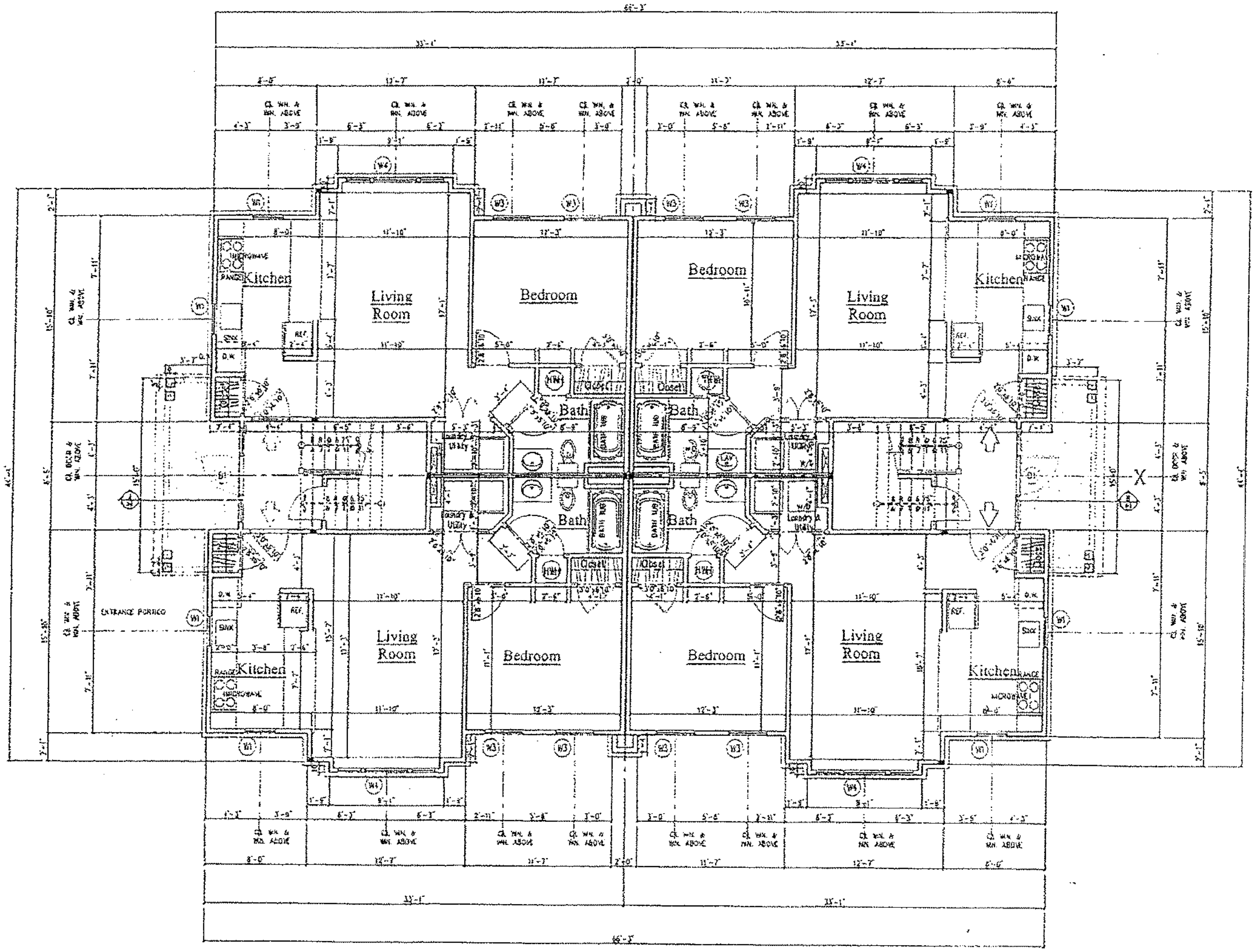
PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -2
UNIT # 11-20
ISSUED FOR FOOTING & FOUNDATION PERMIT

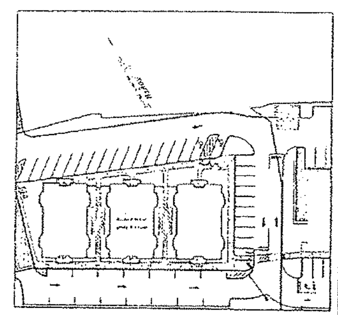
FOUNDATION PLAN

DRAWING No.

A-1



FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"



KEY PLAN
SCALE: 1/4" = 1'-0"

JOHN B. VAN LENTEN AIA
ARCHITECT

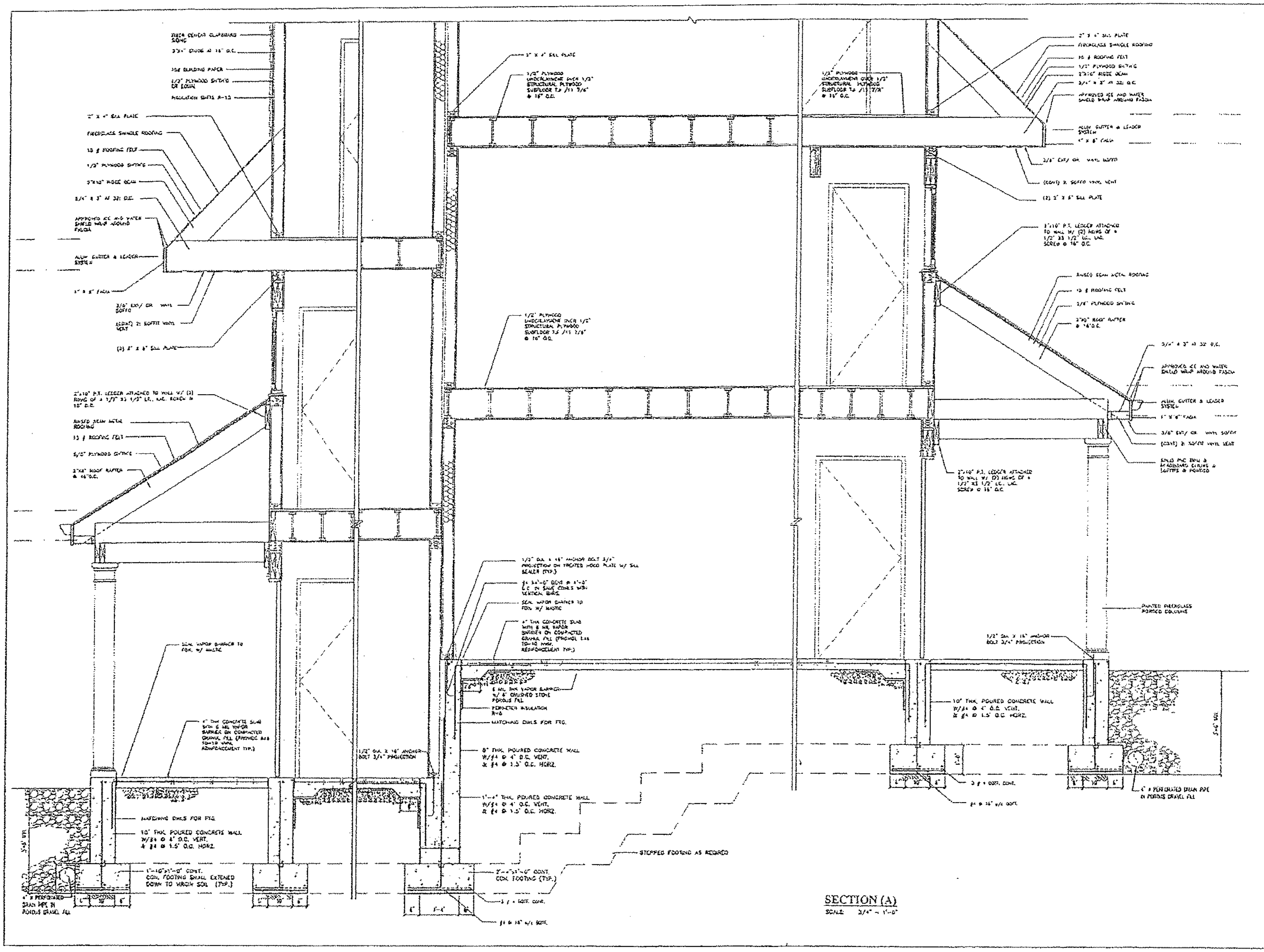
JOHN B. VAN LENTEN
NJ LICENSE No. 21A01343500

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -2
UNIT # 11-20
ISSUED FOR FOOTING
& FOUNDATION PERMIT

FIRST FLOOR PLAN

A-2



SECTION (A)
SCALE: 3/4" = 1'-0"

JOHN B. VAN LENTEN AIA
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N.J. LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -2
UNIT # 11-20
ISSUED FOR FOOTING
& FOUNDATION PERMIT

SECTION

DRAWN BY	DATE
JVL	
CHECKED BY	SCALE
JVL	AS NOTED

DRAWING No.

A-3

PROJ. NO. SHEET OF

GENERAL NOTES

01. THE ARCHITECT HAS NOT BEEN RETAINED TO ADMINISTER THE CONSTRUCTION PHASE OF THIS PROJECT. THE ARCHITECT WILL BE AVAILABLE TO THE CONTRACTOR FOR MATTERS INVOLVING QUESTIONS REGARDING DISCREPANCIES AND/OR CLARIFICATIONS TO THE DRAWINGS AND SPECIFICATIONS.

02. UNLESS OTHERWISE STIPULATED IN THE OWNER/CONTRACTOR AGREEMENT, THE GENERAL CONDITIONS A.I.A. DOCUMENT A201, LATEST EDITION, SHALL BECOME FULLY A PART OF THE OWNER/CONTRACTOR AGREEMENT FOR ALL STIPULATIONS THEREIN CONTAINED. SUCH DOCUMENT IS READILY AVAILABLE TO THE GENERAL PUBLIC AND MAY BE INSPECTED AT THE ARCHITECT'S OFFICE.

03. WHEN SUBMITTING A BID, THE CONTRACTOR'S BASE BID PRICE MUST BE FOR THE ITEMS OF WORK AS SHOWN OR INDICATED ON THE DRAWINGS AND SPECIFICATIONS. THE CONTRACTOR MAY PROPOSE TO THE OWNER SUBSTITUTIONS FOR ITEMS OF WORK SUCH AS FINISHES, COLORS, FIXTURES ETC., AND/OR FOR METHODS OF CONSTRUCTION, TOGETHER WITH AN ALTERNATE PRICE, FOR THE OWNER'S CONSIDERATION.

04. THESE DRAWINGS PRESENT AN OVERALL DESIGN CONCEPT. THEY ARE PREPARED WITH THE INTENT OF DEMONSTRATING THE GENERAL DESIGN ARRANGEMENT AND METHOD OF ASSEMBLY OF THE VARIOUS COMPONENTS. THE DRAWINGS DO NOT INDICATE EXTENSIVE DETAILS. IT IS ASSUMED THAT THE CONTRACTOR HAS REVIEWED THESE PLANS AND HAS VISITED AND INSPECTED THE SUBJECT PROPERTY, FAMILIARIZED HIMSELF WITH ALL CONDITIONS AND IS CAPABLE OF EXECUTING THE DESIGN WORK NECESSARY TO ACHIEVE THE REQUIRED RESULT IN A MANNER CONSISTENT WITH QUALITY WORKMANSHIP WITHIN THE ACCEPTED PRACTICE [illegible] IT IS INCUMBENT UPON THE CONTRACTOR TO PROPOSE IN WRITING TO THE ARCHITECT ANY QUESTIONABLE DISCREPANCY, APPARENT OMISSION OR ERROR IN THE METHODS OF CONSTRUCTION.

05. ALL CONTRACTORS SHALL MAINTAIN CONTRACTORS LIABILITY, PROPERTY DAMAGE AND WORKMEN'S COMPENSATION INSURANCE. ALL CONTRACTOR'S INSURANCE POLICIES SHALL NAME THE OWNER AND THE ARCHITECT AS ADDITIONAL INSUREDS. CERTIFICATES OF INSURANCE, THEREFORE, SHALL BE FILED WITH THE OWNER PRIOR TO COMMENCEMENT OF THE WORK. THE OWNER AND THE ARCHITECT SHALL BE HELD HARMLESS AS DEFINED IN THE A.I.A. GENERAL CONDITIONS DOCUMENT A201, LATEST EDITION AND SHALL HOLD THE ARCHITECT HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES AND LOSSES AND EXPENSES INCLUDING ATTORNEY'S FEES, RESULTING FROM THE PERFORMANCE OF THE WORK BY THE CONTRACTOR. ALL WORK OPERATIONS SHALL CONFORM TO ALL FEDERAL, LOCAL AND STATE SAFETY CODE REGULATIONS.

06. ALL WORK SHALL BE EXECUTED IN FIRST CLASS WORKMANSHIP METHODS AND ALL WORK IS TO COMPLY WITH APPLICABLE LOCAL CODES, THE NJ UCC 2009 CODE AND ALL LOCAL TOWNSHIP ORDINANCES.

07. IT IS UNDERSTOOD THAT THE ARCHITECT WILL NOT BE HELD RESPONSIBLE FOR ANY ADDITIONAL CONSTRUCTION COSTS DUE TO UNCOVERED CONDITIONS DURING THE CONSTRUCTION. THESE DRAWINGS WERE PREPARED RELYING ON INFORMATION SUPPLIED BY THE OWNER SUCH AS AS-BUILT DRAWINGS, SURVEYS AND APPARENT EXISTING CONDITIONS.

08. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS AT THE JOB SITE AND SHALL IMMEDIATELY REPORT IN WRITING TO THE ARCHITECT ANY DISCREPANCIES FOUND. THE CONTRACTOR SHALL TAKE ALL NECESSARY PROTECT THE WORK FROM DAMAGE AT ALL TIMES. STEPS TO PROTECT THE WORK FROM DAMAGE AT ALL TIMES.

09. THE CONTRACTOR SHALL CHECK AND VERIFY ALL THE PLANS AND WRITTEN DIMENSIONS AGAINST SITE CONDITIONS BEFORE PROCEEDING WITH THE WORK. DO NOT SCALE THE DRAWINGS. ALL WRITTEN DIMENSIONS SHALL GOVERN. NOTIFY THE ARCHITECT ON ANY DEVIATIONS IN THE PLANS BEFORE PROCEEDING WITH THE WORK.

10. THE CONTRACTOR SHALL PAY FOR AND OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE TOWNSHIP AND ALL OTHER AUTHORITIES HAVING JURISDICTION OVER THE WORK.

11. THE ARCHITECT WILL NOT BE RESPONSIBLE WHERE ANY CONSTRUCTION DEVIATES FROM THAT SHOWN ON THESE DRAWINGS OR FROM WRITTEN RECOMMENDATIONS FROM THE CONTRACTOR. ANY CHANGES REQUIRED AND/OR SUGGESTED, REQUIRE WRITTEN AUTHORIZATION AND/OR CLARIFICATION DRAWINGS FROM THE ARCHITECT PRIOR TO PERFORMING THE WORK.

12. IT IS INTENDED THAT THE CONSTRUCTION SHOWN AND SPECIFIED IN THE DRAWINGS CONFORM WITH ALL APPLICABLE BUILDING CODES AND LAWS. WHERE THERE IS A CONFLICT WITH THE INFORMATION ON THESE DRAWINGS AND BUILDING LAWS THE REQUIREMENTS OF THE CODE AND/OR BUILDING LAW SHALL TAKE PRECEDENCE.

13. THE LIABILITY OF THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FOR LOSSES INCURRED BY A PERSON UTILIZING THESE DRAWINGS BY REASON OF THE ARCHITECT'S ERRORS OR OMISSIONS, NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE REMAINING AMOUNTS OF INSURANCE COVERAGE AVAILABLE TO THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES TO COVER THE LOSS, OR \$5,000.00 WHICHEVER IS LESSER.

14. THE CONTRACTOR AND/OR ANY OTHER PERSON PERFORMING WORK OUTLINED IN THESE PLANS, DRAWINGS AND/OR ANY RELATED SPECIFICATIONS, SHALL TO THE FULLEST EXTENT PERMITTED BY LAW, INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES AND EXPENSES INCLUDING, INCLUDING ATTORNEYS FEES AND FROM ANY AND ALL LIABILITY FOR BODILY INJURY OR DAMAGE TO PROPERTY CAUSED BY OR RESULTING FROM EITHER THE PERFORMANCE OF THE WORK OR FROM THE USE OF THE PLANS AND/OR RELATED SPECIFICATIONS.

15. THE OBLIGATION TO INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES AS PROVIDED BY THE PRECEDING PARAGRAPH, SHALL ARISE, WITHOUT DEMAND, UPON THE OCCURRENCE OF EVENTS UPON WHICH A CLAIM AGAINST THE OWNER, THE ARCHITECT, ETC... CAN BE MADE. THE INDEMNITOR SHALL ADVANCE ALL COSTS TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE OWNER, THE ARCHITECT, ETC... SUBJECT TO A RIGHT OF REIMBURSEMENT PROVIDED THE INDEMNITY OBLIGATION DOES NOT APPLY. THE RIGHT OF REIMBURSEMENT MUST BE ASSERTED IN A SEPARATE ACTION AGAINST THE OWNER, THE ARCHITECT, ETC..

16. ALL PIPING, DUCTWORK, CONDUITS ETC... ARE TO BE INSTALLED CONCEALED BEHIND WALLS AND PARTITIONS. WHERE IT IS NOT POSSIBLE FOR ANY SUCH ITEMS TO BE CONCEALED, SUCH ITEMS ARE TO BE FURRED-OUT AND/OR COVERED WITH GYPSUMBOARD, METAL OR WOOD FURRING STRIPS AS REQUIRED. ANY EXPOSED COLUMNS, BEAMS ETC... ARE TO BE SIMILARLY ENCLOSED.

17. ALL WORK IS INCLUDED UNLESS OTHERWISE NOTED N.I.C. (NOT IN CONTRACT) OR INDICATED "EXISTING TO REMAIN", TYPICAL FOR ALL TRADES. ANY SUBSTITUTIONS SHALL BE APPROVED BY THE OWNER.

18. ALL TRADES, ARCHITECTURAL, STRUCTURAL, MECHANICAL, PLUMBING AND ELECTRICAL SHALL STRICTLY COMPLY WITH LOCAL CODES AND BUILDING LAWS, THE U.C.C. 2009 CODE AND ANY AND ALL LOCAL TOWNSHIP ORDINANCES.

19. FIRECODE COMPOUND, "TYPACO [illegible]", OR APPROVED EQUAL, SHALL BE USED AT ALL VERTICAL TO HORIZONTAL JOINTS OF WALLS AND PARTITIONS.

20. FURNISH AND INSTALL CONTINUOUS WOOD BLOCKING AT ALL BATHROOMS, OFFICES, [illegible] ROOMS AND OTHER AREAS WHERE MOUNTING OF FIXTURES IS REQUIRED. COORDINATE WITH MANUFACTURER, THE OWNER(S) AND OTHER TRADES. TYPICAL.

21. UNLESS OTHERWISE DETAILED OR CALLED FOR, ALL BEAMS, GIRDERS ETC... SHALL BE LEVEL WITH OTHER FRAMING MEMBERS. FURNISH AND INSTALL ALL NECESSARY JOIST HANGERS, BRIDGING AND ANY OTHER ACCESSORIES REQUIRED TO COMPLETE THE SYSTEM. ALL NAILING, ANCHORING AND METHODS TO SECURE ETC... SHALL BE AS PER REQUIREMENTS OF CODES HAVING JURISDICTION OVER THE WORK.

22. STRUCTURAL MATERIAL/DESIGN FOR WOOD CONSTRUCTION SHALL COMPLY WITH NFPA NDS (IBC 2009).

23. ALL MASONRY WORK SHALL CONFORM TO THE REQUIREMENTS OF IBC- 2009 12" CONCRETE BLOCK ASTM-C-90 FILL SOLID W/ 3000 PSI PEA GRAVEL CONCRETE.(TYP.)

24. COLD WEATHER CONSTRUCTION: MASONRY LAID IN TEMPERATURES OF THE OUTSIDE AIR BELOW 40 DEGREES F. (4 DEGREES C.), SHALL BE PROTECTED IN ACCORDANCE WITH THE PROVISIONS OF ACI 530/ASCE 5 (CITED IN APPENDIX A B.R.C. 2009). FROZEN MATERIALS SHALL NOT BE USED, NOR SHALL FROZEN MASONRY BE LAID UPON.

25. FROST: ALL CONCRETE MATERIALS AND ALL REINFORCEMENT, FORMS, FILLERS AND GROUND WITH WHICH CONCRETE IS TO COME IN CONTACT WITH, SHALL BE FREE FROM FROST.

26. NO FROZEN MATERIALS OR MATERIALS CONTAINING ICE SHALL NOT BE USED.

27. HOT-WEATHER REQUIREMENTS: DURING HOT WEATHER, ATTENTION SHALL BE GIVEN TO INGREDIENTS, PRODUCTION METHODS, HANDLING, PLACING, PROTECTION AND CURING TO PREVENT EXCESSIVE CONCRETE TEMPERATURES OR WATER EVAPORATION THAT WOULD IMPAIR REQUIRED STRENGTH OR SERVICEABILITY OF THE MEMBER OF THE STRUCTURE.

28. CONTRACTOR TO PREPARE COMPLETE SHOP DRAWINGS FOR APPROVAL ON ALL STRUCTURAL MEMBERS PRIOR TO FABRICATION. SHOP DRAWINGS SHALL INCLUDE ALL CONNECTION DETAILS. GENERALLY, THE CONTRACTOR SHALL SUBMIT TO THE OWNER FOR APPROVAL PRIOR TO CONSTRUCTION AND/OR INSTALLATION: STRUCTURAL STEEL WORK, WOOD FRAMING WORK, ELECTRIC SERVICE (IF APPLICABLE), ANY OTHER REQUESTED.

29. ANY RAMP DESIGNED TO BE USED BY THE HANDICAPPED, SHALL BE FINISHED WITH A SLIP-RESISTANT FINISHED SURFACE. FOR ALL SLOPES EXCEEDING ONE UNIT VERTICAL IN 12 UNITS HORIZONTAL (1:12), AND WHEREVER THE USE IS SUCH AS TO INVOLVE DANGER OF SLIPPING, THE RAMP SHALL BE SURFACED SLIP-RESISTANT MATERIALS (I.B.C.2009), WITH APPROVED.

30. PROVIDE & INSTALL SOUND BATTEN INSULATION IN ALL BATHROOMS - IN WALLS & CEILING UNDER BATHROOMS.

31. USE MORTAR TYPE-S THROUGHT

32. ALL CONCRETE BLOCK TO COMPLY W/ ASTM C-90

PROJECT DATA

PROJECT NAME : PROPOSED APARTMENT BUILDING FOR LEONA DEVELOPERS AT 1, LEONA DRIVE MORRIS TOWN NJ 07960

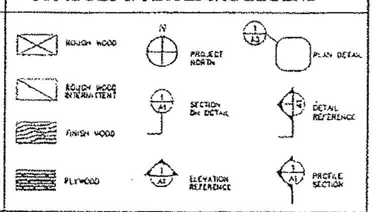
CONSTRUCTION TYPE : 5-A

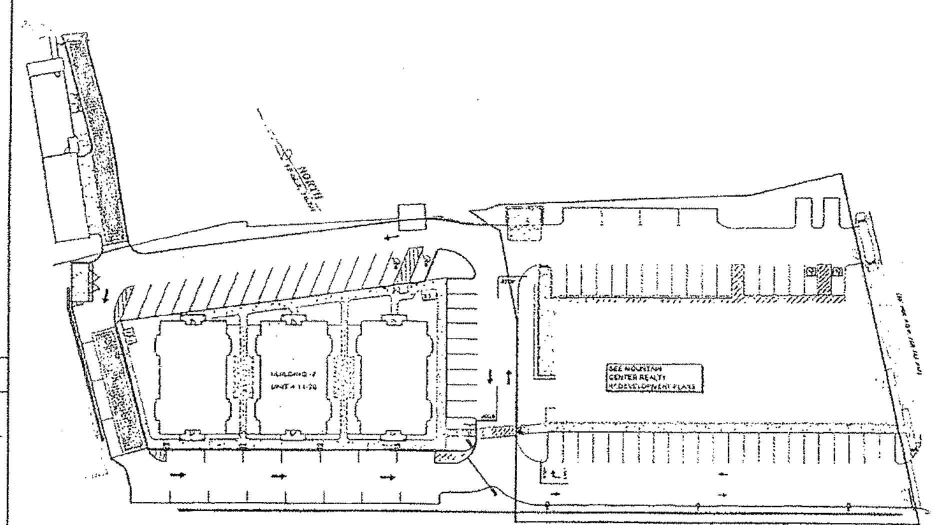
USE GROUP : R-2 (APARTMENT BUILDING)

BUILDING CODE : IBC- 2009

SHEET INDEX

SYMBOLS & MATERIAL LEGEND





KEY PLAN
SCALE 3/8" = 1'-0"

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JOHN B. VAN LENTEN
NJ LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -2
UNIT # 11-20
ISSUED FOR FOOTING & FOUNDATION PERMIT

TITLE SHEET

DRAWN BY	DATE
JVL	3-20-14
CHECKED BY	SCALE
JVL	AS NOTED

DRAWING No.

T-1

PROJ. NO. SHEET 01

RADON HAZARD CRITERIA

1.) VAPOR BARRIER - CONTINUOUS 6 MIL POLY-VINYL CHLORIDE OR POLYETHYLENE, SEAMS OVERLAPPED A MINIMUM OF 12 INCHES.

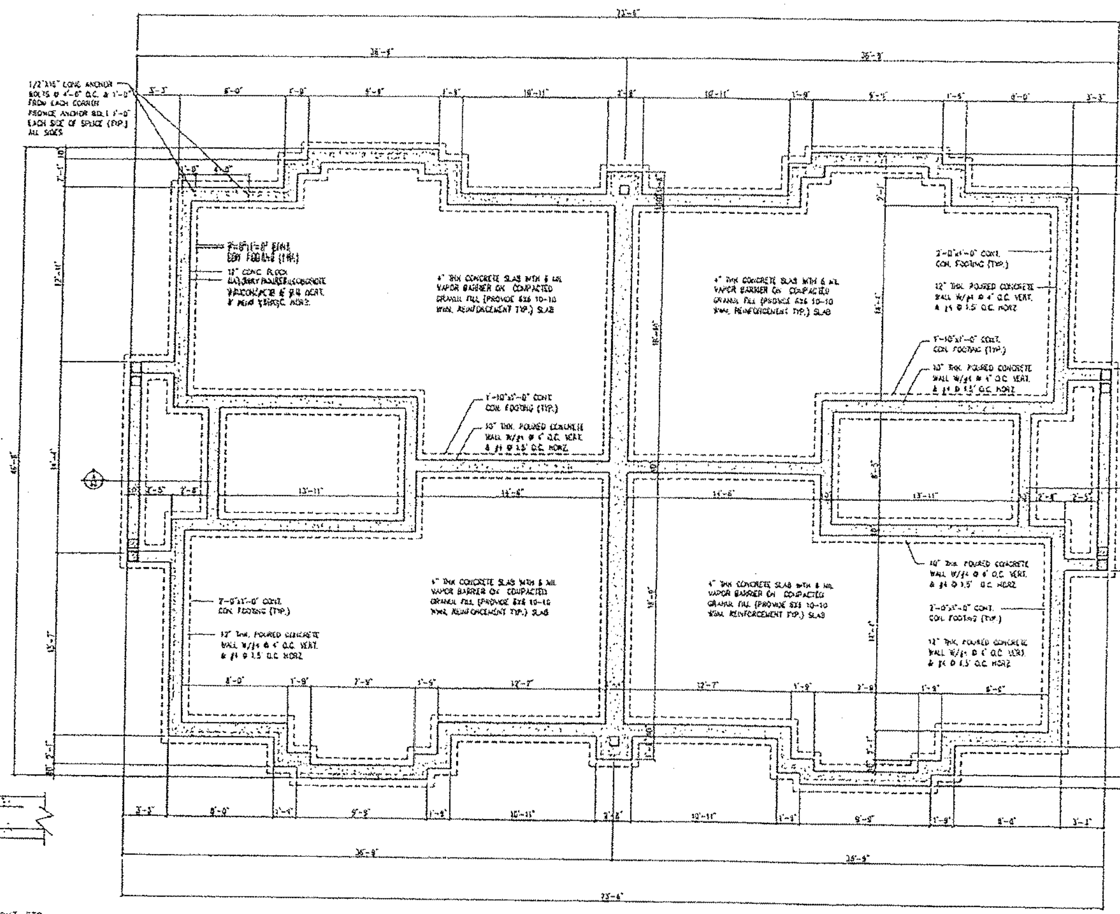
2.) BASE COURSE - NOT LESS THAN 4 INCHES IN THICKNESS, GRAVEL OR CRUSHED STONE CONTAINING NOT MORE THAN 10% OF MATERIAL PASSING A #4 SIEVE.

3.) SEALANT MATERIAL - NON-CRACKING POLY-URETHANE OR SIMILAR CALK OR EQUIVALENT

4.) ALL SLABS W/ INTERIOR FOUNDATION PIPE DRAINS -3 INCH DIAMETER (MIN.) SOLID VENT TYPE CONNECTING DRAINAGE SYSTEM TERMINATING 6-12 INCHES ABOVE THE SLAB & CAPPED OR CONNECTED TO AN INDEPENDENT VENT STACK PIPE.

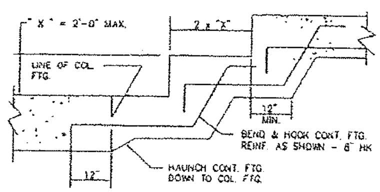
GENERAL CONSTRUCTION NOTES:

1.) ALL FOOTINGS SHALL BE SET ON FIRM, UNDISTURBED SOIL OR 95% COMPACTED EARTH.
2.) FOOTING BOTTOMS SHALL BE A MINIMUM OF 3'-6" BELOW FINISHED GRADE
3.) PRESUMPTIVE SOIL BEARING CAPACITY IS 2500 POUNDS PER SQUARE FOOT.
4.) CONCRETE DESIGN MIX TO HAVE ULTIMATE COMPRESSIVE STRENGTH OF 3000 P.S.I. AT 28 DAYS.
5.) DESIGN CRITERIA FOR ALL LUMBER 2" X 8" OR GREATER TO BE: E= 1,100,000 F= 1150 SPECIES- HEM-FIR



FOUNDATION PLAN

SCALE: 1/4" = 1'-0"



TYPICAL STEPPED FOOTING DETAILS

SCALE: N.T.S.

JOHN B. VAN LENTEN AIA
ARCHITECT

JOHN B. VAN LENTEN
N.J. LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

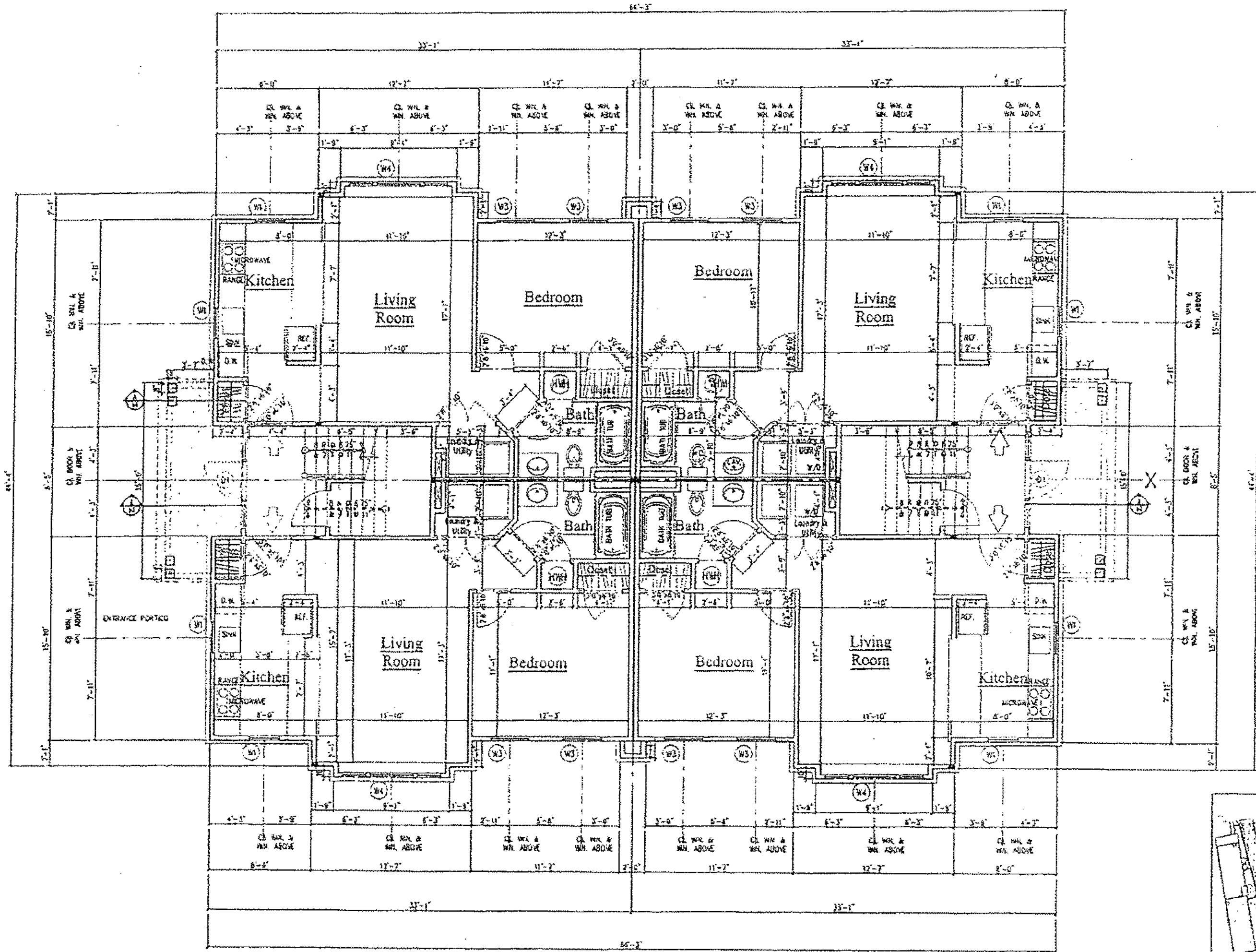
BUILDING -3
UNIT # 21-30
ISSUED FOR FOOTING & FOUNDATION PERMIT

FOUNDATION PLAN

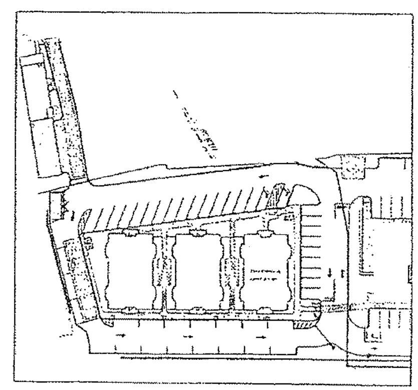
DRAWN BY	DATE
CHECKED BY	SCALE AS NOTED

DRAWING No.

A-1



FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"



KEY PLAN
SCALE: 1/4" = 1'-0"

JOHN B. VAN LENTEN AIA
ARCHITECT

JOHN B. VAN LENTEN
N.J. LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING
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NEW JERSEY 07960

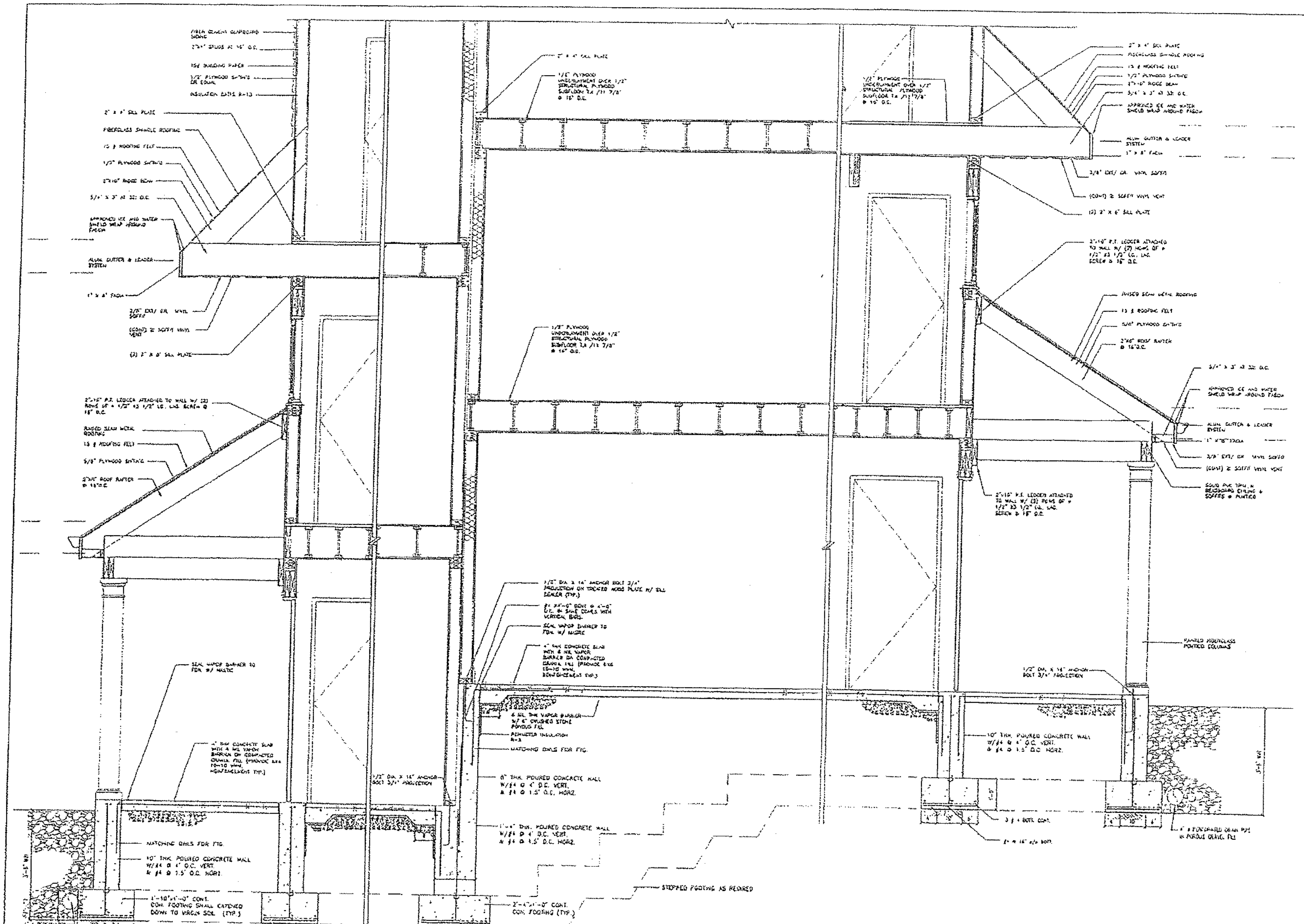
BUILDING -3
UNIT # 21-30
ISSUED FOR FOOTING
& FOUNDATION PERMIT

FIRST FLOOR PLAN

DRAWN BY JVL	DATE
CHECKED BY JVL	SCALE AS NOTED

DRAWING No.

A-2



SECTION (A)

SCALE: 3/4" = 1'-0"

JOHN B. VAN LENTEN AIA

ARCHITECT

JOHN B. VAN LENTEN

NJ LICENSE No.

PROPOSED APARTMENT BUILDING

FOR

LEONA DEVELOPERS

AT

1, LEONA DRIVE

MORRISTOWN

NEW JERSEY 07960

BUILDING -3

UNIT # 21-30

ISSUED FOR FOOTING

& FOUNDATION PERMIT

SECTION

A-3

GENERAL NOTES

01. THE ARCHITECT HAS NOT BEEN RETAINED TO ADMINISTER THE CONSTRUCTION PHASE OF THIS PROJECT. THE ARCHITECT WILL BE AVAILABLE TO THE CONTRACTOR FOR MATTERS INVOLVING QUESTIONS REGARDING DISCREPANCIES AND/OR CLARIFICATIONS TO THE DRAWINGS AND SPECIFICATIONS.

02. UNLESS OTHERWISE STIPULATED IN THE OWNER/CONTRACTOR AGREEMENT, THE GENERAL CONDITIONS A.I.A. DOCUMENT A201, LATEST EDITION, SHALL BECOME FULLY A PART OF THE OWNER/CONTRACTOR AGREEMENT FOR ALL STIPULATIONS THEREIN CONTAINED. SUCH DOCUMENT IS READILY AVAILABLE TO THE GENERAL PUBLIC OR MAY BE INSPECTED AT THE ARCHITECT'S OFFICE.

03. WHEN SUBMITTING A BID, THE CONTRACTOR'S BASE BID PRICE MUST BE FOR THE ITEMS OF WORK AS SHOWN OR INDICATED ON THE DRAWINGS AND SPECIFICATIONS. THE CONTRACTOR MAY PROPOSE TO THE OWNER, SUBSTITUTIONS FOR ITEMS OF WORK SUCH AS FINISHES, COLORS, FIXTURES ETC... AND/OR FOR METHODS OF CONSTRUCTION, TOGETHER WITH AN ALTERNATE PRICE, FOR THE OWNER'S CONSIDERATION.

04. THESE DRAWINGS PRESENT AN OVERALL DESIGN CONCEPT. THEY ARE PREPARED WITH THE INTENT OF DEMONSTRATING THE OVERALL DESIGN ARRANGEMENT AND METHOD OF ASSEMBLY OF THE VARIOUS COMPONENTS. THE DRAWINGS DO NOT INDICATE EXTENSIVE DETAILS. IT IS ASSUMED THAT THE CONTRACTOR HAS REVIEWED THESE PLANS AND HAS VISITED AND INSPECTED THE SUBJECT PROPERTY, FAMILIARIZED HIM/HERSELF WITH ALL CONDITIONS AND IS CAPABLE OF EXECUTING THE DETAIL WORK NECESSARY TO ACHIEVE THE INTENDED RESULT IN A MANNER CONSISTENT WITH QUALITY WORKMANSHIP WITHIN THE TRADES. PRIOR TO SUBMISSION OF BIDS, IT IS INCUMBENT UPON THE CONTRACTORS TO REPORT IN WRITING TO THE ARCHITECT ANY QUESTIONABLE DISCREPANCY, APPARENT OMISSION OR ERRORS IN THE METHODS OF CONSTRUCTION.

05. ALL CONTRACTORS SHALL MAINTAIN CONTRACTORS LIABILITY, PROPERTY DAMAGE AND WORKMEN'S COMPENSATION INSURANCE. ALL CONTRACTOR'S INSURANCE POLICIES SHALL HAVE THE OWNER AND THE ARCHITECT AS ADDITIONAL INSUREDS. CERTIFICATES OF INSURANCE, THEREFORE, SHALL BE FILED WITH THE OWNER PRIOR TO COMMENCEMENT OF THE WORK. THE OWNER AND THE ARCHITECT SHALL BE HELD HARMLESS AS DEFINED IN THE A.I.A. GENERAL CONDITIONS DOCUMENT A201, LATEST EDITION AND SHALL HOLD THE ARCHITECT HARMLESS FROM AND AGAINST ALL CLAIMS, DAMAGES AND LOSSES AND EXPENSES INCLUDING ATTORNEY'S FEES, RESULTING FROM THE PERFORMANCE OF THE WORK BY THE CONTRACTOR. ALL WORK OPERATIONS SHALL CONFORM TO ALL FEDERAL, LOCAL AND STATE SAFETY CODE REGULATIONS.

06. ALL WORK SHALL BE EXECUTED IN FIRST CLASS WORKMANSHIP MANNER AND ALL WORK IS TO COMPLY WITH APPLICABLE LOCAL CODES, THE NJ IBC 2009 CODE AND ALL LOCAL TOWNSHIP ORDINANCES.

07. IT IS UNDERSTOOD THAT THE ARCHITECT WILL NOT BE HELD RESPONSIBLE FOR ANY ADDITIONAL CONSTRUCTION COSTS DUE TO UNEXPECTED CONDITIONS DURING THE CONSTRUCTION. THESE DRAWINGS WERE PREPARED RELYING ON INFORMATION SUPPLIED BY THE OWNER SUCH AS AS-BUILT DRAWINGS, SURVEYS AND APPARENT EXISTING CONDITIONS.

08. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS AT THE JOB SITE AND SHALL IMMEDIATELY REPORT IN WRITING TO THE ARCHITECT, ANY DISCREPANCIES FOUND. THE CONTRACTOR SHALL TAKE ALL NECESSARY PROTECT THE WORK FROM DAMAGE AT ALL TIMES. STEPS TO PROTECT THE WORK FROM DAMAGE AT ALL TIMES.

09. THE CONTRACTOR SHALL CHECK AND VERIFY ALL THE PLANS AND WRITTEN DIMENSIONS AGAINST SITE CONDITIONS BEFORE PROCEEDING WITH THE WORK. DO NOT SCALE THE DRAWINGS. ALL WRITTEN DIMENSIONS SHALL GOVERN. NOTIFY THE ARCHITECT OF ANY DEVIATIONS IN THE PLANS BEFORE PROCEEDING WITH THE WORK.

10. THE CONTRACTOR SHALL PAY FOR AND OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE TOWNSHIP AND ALL OTHER AUTHORITIES HAVING JURISDICTION OVER THE WORK.

11. THE ARCHITECT WILL NOT BE RESPONSIBLE WHERE ANY CONSTRUCTION DEVIATES FROM THAT SHOWN ON THESE DRAWINGS OR FROM WRITTEN RECOMMENDATIONS FROM THE CONTRACTOR. ANY CHANGES REQUIRED AND/OR SUGGESTED, REQUIRE WRITTEN AUTHORIZATION AND/OR CLARIFICATION DRAWINGS FROM THE ARCHITECT PRIOR TO PERFORMING THE WORK.

12. IT IS INTENDED THAT THE CONSTRUCTION SHOWN AND SPECIFIED IN THE DRAWINGS, CONFORMS WITH ALL APPLICABLE BUILDING CODES AND LAWS. WHERE THERE IS A CONFLICT WITH THE INFORMATION ON THESE DRAWINGS AND BUILDING LAWS, THE REQUIREMENTS OF THE CODE AND/OR BUILDING LAW SHALL TAKE PRECEDENCE.

13. THE LIABILITY OF THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FOR LOSSES INCURRED BY A PERSON UTILIZING THESE DRAWINGS BY REASON OF THE ARCHITECT'S ERRORS OR OMISSIONS, NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE RESPECTIVE AMOUNTS OF INSURANCE COVERAGE AVAILABLE TO THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES TO COVER THE LOSS, OR $1,000.00, WHICHEVER IS LESSER.

14. THE CONTRACTOR AND/OR ANY OTHER PERSON PERFORMING WORK OUTLINED IN THESE PLANS, DRAWINGS AND/OR ANY RELATED SPECIFICATIONS SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES AND EXPENSES INCURRED, INCLUDING ATTORNEYS FEES AND FROM ANY AND ALL LIABILITY FOR BODILY INJURY OR DAMAGE TO PROPERTY CAUSED BY OR RESULTING FROM EITHER THE PERFORMANCE OF THE WORK OR FROM THE USE OF THE PLANS AND/OR RELATED SPECIFICATIONS.

15. THE OBLIGATION TO INDEMNIFY, DEFEND AND OTHERWISE HOLD HARMLESS THE OWNER, THE ARCHITECT, THEIR AGENTS, SERVANTS AND EMPLOYEES AS PROVIDED BY THE PRECEDING PARAGRAPH, SHALL ARISE, WITHOUT DEMAND, UPON THE OCCURRENCE OF EVENTS UPON WHICH A CLAIM AGAINST THE OWNER, THE ARCHITECT, ETC... CAN BE MADE. THE INDEMNITOR SHALL ADVANCE ALL COSTS TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE OWNER, THE ARCHITECT, ETC., SUBJECT TO A RIGHT OF REIMBURSEMENT PROVIDED THE INDEMNITY OBLIGATION DOES NOT APPLY. THE RIGHT OF REIMBURSEMENT MUST BE ASSERTED IN A SEPARATE ACTION AGAINST THE OWNER, THE ARCHITECT, ETC.

16. ALL PIPING, DUCTWORK, CONDUITS ETC... ARE TO BE INSTALLED CONCEALED BEHIND WALLS AND PARTITIONS. WHERE IT IS NOT POSSIBLE FOR ANY SUCH ITEMS TO BE CONCEALED, SUCH ITEMS ARE TO BE FURRED-OUT AND/OR COVERED WITH GYPSUMBOARD, METAL OR WOOD FRAMING STRAPS AS REQUIRED. ANY EXPOSED COLUMNS, BEAMS ETC... ARE TO BE SIMILARLY ENCLOSED.

17. ALL WORK IS INCLUDED UNLESS OTHERWISE NOTED N.I.C. (NOT IN CONTRACT) OR INDICATED "EXISTING TO REMAIN". TYPICAL FOR ALL TRADES. ANY SUBSTITUTIONS SHALL BE APPROVED BY THE OWNER.

18. ALL TRADES, ARCHITECTURAL, STRUCTURAL, MECHANICAL, PLUMBING AND ELECTRICAL SHALL STRICTLY COMPLY WITH LOCAL CODES AND BUILDING LAWS, THE I.B.C. 2009 CODE AND ANY AND ALL LOCAL TOWNSHIP ORDINANCES.

19. FIRESTOP COMPOUND, TREMCO W-2-1020", OR APPROVED EQUAL SHALL BE USED AT ALL VERTICAL TO HORIZONTAL JOINTS OF WALLS AND PARTITIONS.

20. FURNISH AND INSTALL CONTINUOUS WOOD BLOCKING AT ALL BATHROOMS, OFFICES, KITCHENS, HOODS AND OTHER AREAS WHERE MOUNTING OF FIXTURES IS REQUIRED. COORDINATE WITH MANUFACTURER, THE OWNER(S) AND OTHER TRADES. TYPICAL.

21. UNLESS OTHERWISE DETAILED OR CALLED FOR, ALL BEAMS, GIRDERS ETC... SHALL BE LEVEL WITH OTHER FRAMING MEMBERS. FURNISH AND INSTALL ALL NECESSARY JOIST HANGERS, BRIDGE IRONS AND ANY OTHER ACCESSORIES REQUIRED TO COMPLETE THE SYSTEM. ALL NAILING, ANCHORING AND METHODS TO SECURE ETC... SHALL BE AS PER REQUIREMENTS OF CODES HAVING JURISDICTION OVER THE WORK.

22. STRUCTURAL MATERIAL/DESIGN FOR WOOD CONSTRUCTION, SHALL COMPLY WITH NFPA NDS (IBC 2009).

23. ALL MASONRY WORK SHALL CONFORM TO THE REQUIREMENTS OF IBC - 2009 12" CONCRETE BLOCK ASTM-C-90 FILL SOLID W/ 3000 PSI PEA GRAVEL CONCRETE (TYP.).

24. COLD WEATHER CONSTRUCTION: MASONRY LAID IN TEMPERATURES OF THE OUTSIDE AIR BELOW 40 DEGREES F. (4 DEGREES C.) SHALL BE PROTECTED IN ACCORDANCE WITH THE PROVISIONS OF ACI 530/ASCE 5 LISTED IN APPENDIX A (I.B.C. 2009). FROZEN MATERIALS SHALL NOT BE USED, NOR SHALL FROZEN MASONRY BE BUILT UPON.

25. FROST: ALL CONCRETE MATERIALS AND ALL REINFORCEMENT, FORMS, FILLERS AND GROUND WITH WHICH CONCRETE IS TO COME IN CONTACT WITH, SHALL BE FREE FROM FROST.

26. ICE: FROZEN MATERIALS OR MATERIALS CONTAINING ICE SHALL NOT BE USED.

27. HOT-WEATHER REQUIREMENTS: DURING HOT WEATHER, ATTENTION SHALL BE GIVEN TO INGREDIENTS, PRODUCTION METHODS, HANDLING, PLACING, PROTECTION AND CURING TO PREVENT EXCESSIVE CONCRETE TEMPERATURES OR WATER EVAPORATION THAT WOULD IMPAIR REQUIRED STRENGTH OR SERVICEABILITY OF THE MEMBER OF THE STRUCTURE.

28. CONTRACTOR TO PREPARE COMPLETE SHOP DRAWINGS FOR APPROVAL ON ALL STRUCTURAL MEMBERS PRIOR TO FABRICATION. SHOP DRAWINGS SHALL INCLUDE ALL CONNECTION DETAILS. GENERALLY, THE CONTRACTOR SHALL SUBMIT TO THE OWNER FOR APPROVAL PRIOR TO CONSTRUCTION AND/OR INSTALLATION: STRUCTURAL STEEL, WOOD FRAMING, ELECTRIC SERVICE (IF APPLICABLE), ANY OTHER REQUESTED.

29. ANY RAMP DESIGNED TO BE USED BY THE HANDICAPPED, SHALL BE FINISHED WITH A SLIP-RESISTANT FINISHED SURFACE FOR ALL SLOPES EXCEEDING ONE UNIT VERTICAL IN 12 UNITS HORIZONTAL (1:12), AND WHEREVER THE USE IS SUCH AS TO INVOLVE DANGER OF SLIPPING, THE RAMP SHALL BE SURFACED SLIP-RESISTANT MATERIALS (I.B.C.2009), WITH APPROVED.

30. PROVIDE & INSTALL SOUND BATTEN INSULATION IN ALL BATHROOMS - IN WALLS & CEILING UNDER BATHROOMS.

31. USE MORTAR TYPE-S THROUGHOUT

32. ALL CONCRETE BLOCK TO COMPLY W/ ASTM C-90

PROJECT DATA

PROJECT NAME : PROPOSED APARTMENT BUILDING FOR LEONA DEVELOPERS AT 1, LEONA DRIVE MORRIS TOWN NJ 07960

CONSTRUCTION TYPE : 5-A

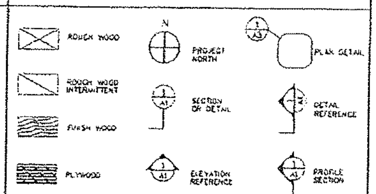
USE GROUP : R-2 (APARTMENT BUILDING)

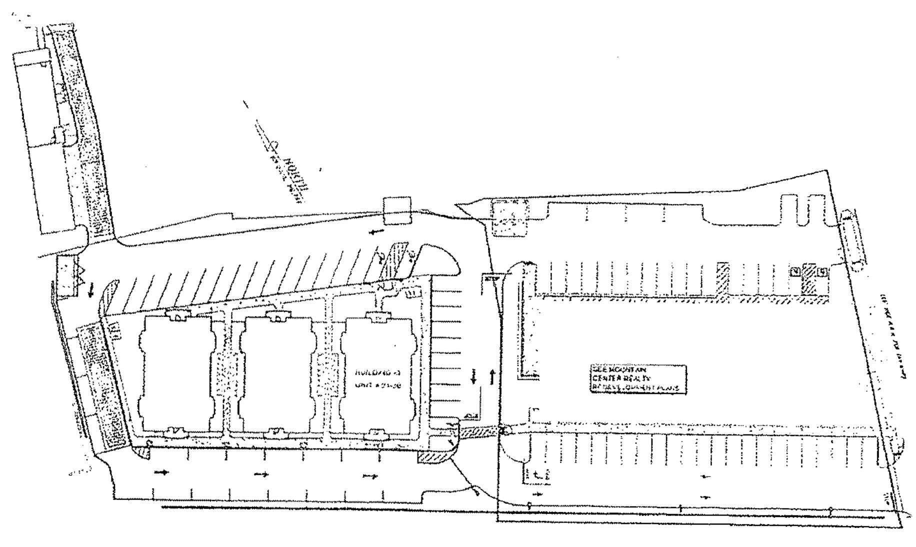
BUILDING CODE : IBC 2009

SHEET INDEX

ARCHITECTURAL DRAWINGS
T1 TITLE SHEET
A1 FOUNDATION PLAN
A2 FIRST FLOOR PLAN
A3 SECTION

SYMBOLS & MATERIAL LEGEND





KEY PLAN
SCALE: 3/8" = 1'-0"

JOHN B. VAN LENTEN AIA
ARCHITECT

P.O. BOX 99, NEW VERNON, NEW JERSEY 07976

JOHN B. VAN LENTEN
N.J. LICENSE No. 21AI01343500

PROPOSED APARTMENT BUILDING
FOR
LEONA DEVELOPERS
AT
1, LEONA DRIVE
MORRISTOWN
NEW JERSEY 07960

BUILDING -3
UNIT # 21-30
ISSUED FOR FOOTING & FOUNDATION PERMIT

TITLE SHEET

DRAWN BY	DATE
CHECKED BY	SCALE
	AS NOTED

DRAWING No.

T-1

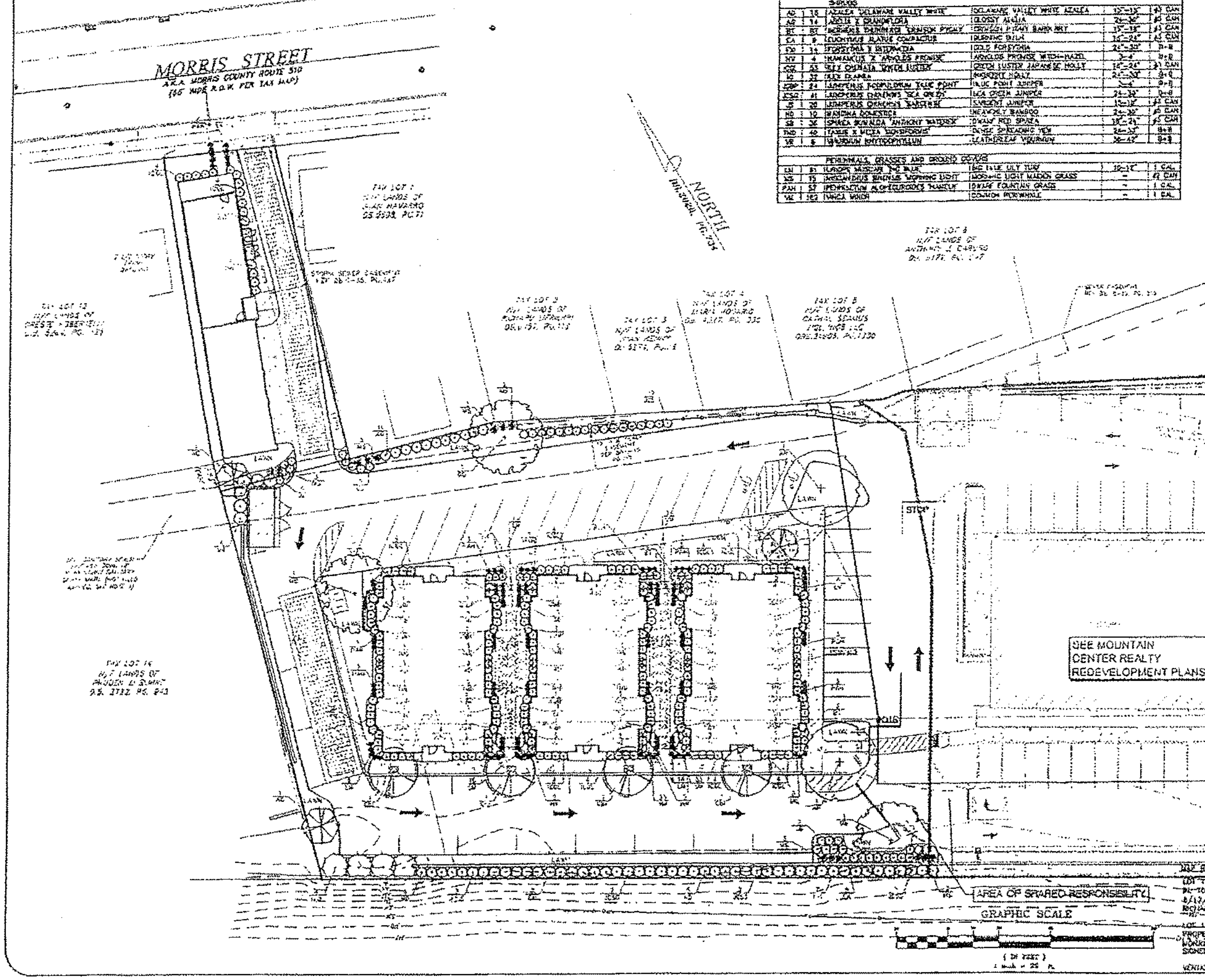
PROJ. NO. SHEET OF

LANDSCAPING SCHEDULE

KEY	QTY.	BOTANICAL NAME	COMMON NAME	SIZE	ROOT
		SHADE TREES			
AR	2	ACER RUBRUM 'OCTOBER GLORY'	OCTOBER GLORY RED MAPLE	2-2½" CAL.	B+B
CBF	4	CARPINUS BETULUS 'FASTIGIATA'	UPRIGHT EUROPEAN HORNBEAM	2-2½" CAL.	B+B
GB	3	GINKGO BILOBA 'AUTUMN GOLD'	AUTUMN GOLD GINKGO	2-2½" CAL.	B+B
		ORNAMENTAL TREES			
AC	2	AMELANCHIER CANADENSIS	SERVICEBERRY	8-10' HT.	B+B
PKO	5	PRUNUS X OKAME	OKAME CHERRY	8-10' HT.	B+B
		EVERGREEN TREES			
IXO	4	ILEX OPACA	AMERICAN HOLLY	6-8'	B+B
		SHRUBS			
AD	35	AZALEA 'DELAWARE VALLEY WHITE'	DELAWARE VALLEY WHITE AZALEA	15"-18"	#3 CAN
AG	14	ABELIA X GRANDIFLORA	GLOSSY ABELIA	24"-30"	#5 CAN
BT	87	BERBERIS THUNBERGII 'CRIMSON PYGMY'	CRIMSON PYGMY BARBERRY	15"-18"	#3 CAN
EA	8	EUONYMUS ALATUS COMPACTUS	BURNING BUSH	18"-24"	#5 CAN
FXI	14	FORSYTHIA X INTERMEDIA	GOLD FORSYTHIA	24"-30"	B+B
HV	4	HAMAMELIS X 'ARNOLDS PROMISE'	ARNOLDS PROMISE WITCH-HAZEL	3'-4'	B+B
ICG	53	ILEX CRENATA 'GREEN LUSTER'	GREEN LUSTER JAPANESE HOLLY	18"-24"	#3 CAN
IG	32	ILEX GLABRA	INKBERRY HOLLY	24"-30"	B+B
JCBP	24	JUNIPERUS SCOPULORUM 'BLUE POINT'	BLUE POINT JUNIPER	3'-4'	B+B
JCSG	41	JUNIPERUS CHINENSIS 'SEA GREEN'	SEA GREEN JUNIPER	24"-30"	B+B
JS	20	JUNIPERUS CHINENSIS 'SARGENTII'	SARGENT JUNIPER	15"-18"	#3 CAN
ND	10	NANDINA DOMESTICA	HEAVENLY BAMBOO	24"-30"	#5 CAN
SB	36	SPIRAEA BUMALDA 'ANTHONY WATERER'	DWARF RED SPIREA	18"-24"	#5 CAN
TMD	40	TAXUS X MEDIA 'DENSIFORMIS'	DENSE SPREADING YEW	24"-30"	B+B
VR	6	VIBURNUM RHYTIDOPHYLLUM	LEATHERLEAF VIBURNUM	36"-42"	B+B
		PERENNIALS, GRASSES AND GROUND COVERS			
LM	81	LIRIOPE MUSCARI 'BIG BLUE'	BIG BLUE LILY TURF	10"-12"	1 GAL.
MS	15	MISCANTHUS SINENSIS 'MORNING LIGHT'	MORNING LIGHT MAIDEN GRASS	–	#2 CAN
PAH	57	PENNISETUM ALOPECUROIDES 'HAMELN'	DWARF FOUNTAIN GRASS	–	1 GAL.
VM	182	VINCA MINOR	COMMON PERIWINKLE	–	1 GAL.

LANDSCAPE NOTES

1. THIS PLAN SHALL BE USED FOR LANDSCAPE PLANTING PURPOSES ONLY. EXAMINE ALL ENGINEERING DRAWINGS AND FIELD CONDITIONS FOR SPECIFIC LOCATIONS OF UTILITIES, STRUCTURES, ETC. AND NOTIFY THE DESIGN ARCHITECT IN REFERENCE TO ANY DISCREPANCIES OR LOCATIONS CONFLICTS PRIOR TO PLANTING INSTALLATION.
2. ALL PLANT MATERIAL SHALL CONFORM TO THE STANDARDS OF THE AMERICAN ASSOCIATION OF NURSERYMEN OR THE PLANT MATERIAL WILL BE UNACCEPTABLE ALL PLANT MATERIAL SHALL BE TRUE TO SPECIES, VARIETY, SIZE AND BE CERTIFIED DISEASE AND INSECT FREE.
3. NO PLANT SUBSTITUTIONS SHALL BE PERMITTED WITH REGARDS TO SIZE, SPECIES VARIETY, ETC. WITHOUT WRITTEN PERMISSION OF THE DESIGN ARCHITECT. WRITTEN PROOF OF PLANT MATERIAL UNAVAILABILITY MUST BE DOCUMENTED.
4. LOCATION AND SPACING FOR PROPOSED VEGETATION IS AS SHOWN ON LANDSCAPE PLANS.
5. ALL STREET TREES AND SHADE TREES PLANTED NEAR PEDESTRIAN OR VEHICULAR ACCESS SHOULD NOT HAVE HORIZONTAL BRANCHES LOWER THAN 7' ABOVE GRADE.
6. THE PLANTING PLAN SHALL TAKE PRECEDENCE OVER THE PLANT SCHEDULE SHOULD ANY PLANT QUANTITY DISCREPANCIES OCCUR.
7. ALL PLANT MATERIAL SHALL BE PROPERLY GUYED, STAKED, WRAPPED AND PLANTED IN CONFORMANCE WITH THE TYPICAL PLANTING DETAILS. GUY WIRES SHALL BE ATTACHED TO THE TREE AT A HEIGHT OF TWO-THIRDS THE HEIGHT OF THE TREE AND SHOULD BE LOCATED AT POINTS SO NOT TO SPLIT THE TRUNKS OF MULTI-STEMMED TREES. PROVIDE THREE TREE STAKES PER TREE UNLESS NOTED OTHERWISE. INSTALL ALL PLANT MATERIAL ON UNDISTURBED GRADE. PROVIDE BURLAP WRAPPING WITH A 50% OVERLAP. CUT AND REMOVE BURLAP FROM TOP ONE-THIRD OF THE ROOT BALL.
8. ALL TREE SUPPORTS SHALL BE COMPLETELY REMOVED AFTER ONE (1) YEAR.
9. PROVIDE PLANTING PITS AS INDICATED ON PLANTING DETAILS. BACKFILL PLANT PITS ONE PART EACH OF TOPSOIL, PEAT MOSS AND PARENT MATERIAL. IF WET SOIL CONDITIONS EXIST THEN PLANT PITS SHALL BE EXCAVATED AN ADDITIONAL 12" AND FILLED WITH SAND.
10. TOPSOIL SHALL BE NATURAL, FRIABLE, FERTILE, PRODUCTIVE SOIL OF A GOOD LOAM TYPE IT SHALL BE FREE OF STONES OR OTHER FOREIGN MATTER. IT SHALL NOT BE WORKED IN MUDDY OR WET CONDITIONS.
11. ALL PLANT MATERIAL SHALL BEAR THE SAME RELATION TO FINISHED GRADE AS IT BORE TO EXISTING GRADE.
12. NEWLY INSTALLED PLANT MATERIAL SHALL BE WATERED AT THE TIME OF INSTALLATION. REGULAR WATERING SHALL BE PROVIDED FOR TWO YEARS TO ENSURE THE ESTABLISHMENT, GROWTH AND SURVIVAL OF PLANTS.
13. COMMERCIAL FERTILIZER TO BE USED SHALL BE COMPLETE FERTILIZER AND SHALL BE A STANDARD PRODUCT COMPLYING WITH STATE AND FEDERAL FERTILIZER LAWS.
14. ALL PLANT MATERIAL SHALL BE GUARANTEED FOR 2 YEARS AFTER THE DATE OF FINAL ACCEPTANCE BY THE DESIGN ARCHITECT.
15. ALL PLANTING BEDS SHALL RECEIVE 4" OF SHREDDED HARDWOOD BARK.
16. ALL DISTURBED AREAS SHALL BE SEEDED PER EROSION CONTROL SPECIFICATIONS.
17. CONTRACTOR SHALL BE RESPONSIBLE FOR WATERING OF THE PLANTS FOR (2) TWO YEARS AFTER INSTALLATION AND SHALL REPLACE ANY TREES OR SHRUBS WHICH MAY DIE DURING THAT PERIOD. LAWN AREAS MUST HAVE A 90% AREA COVER IN ORDER TO ASSURE FINAL ACCEPTANCE BY OWNER.
18. ALL OTHER LAWN AREAS ARE TO BE SEEDED WITH LOFT'S SEED, ECOLOGY MIXTURE (170 lb. PER ACRE).



PAUL W. ANDERSON
N.J. PROFESSIONAL ENGINEER
LIC. NO. 33410

ACS

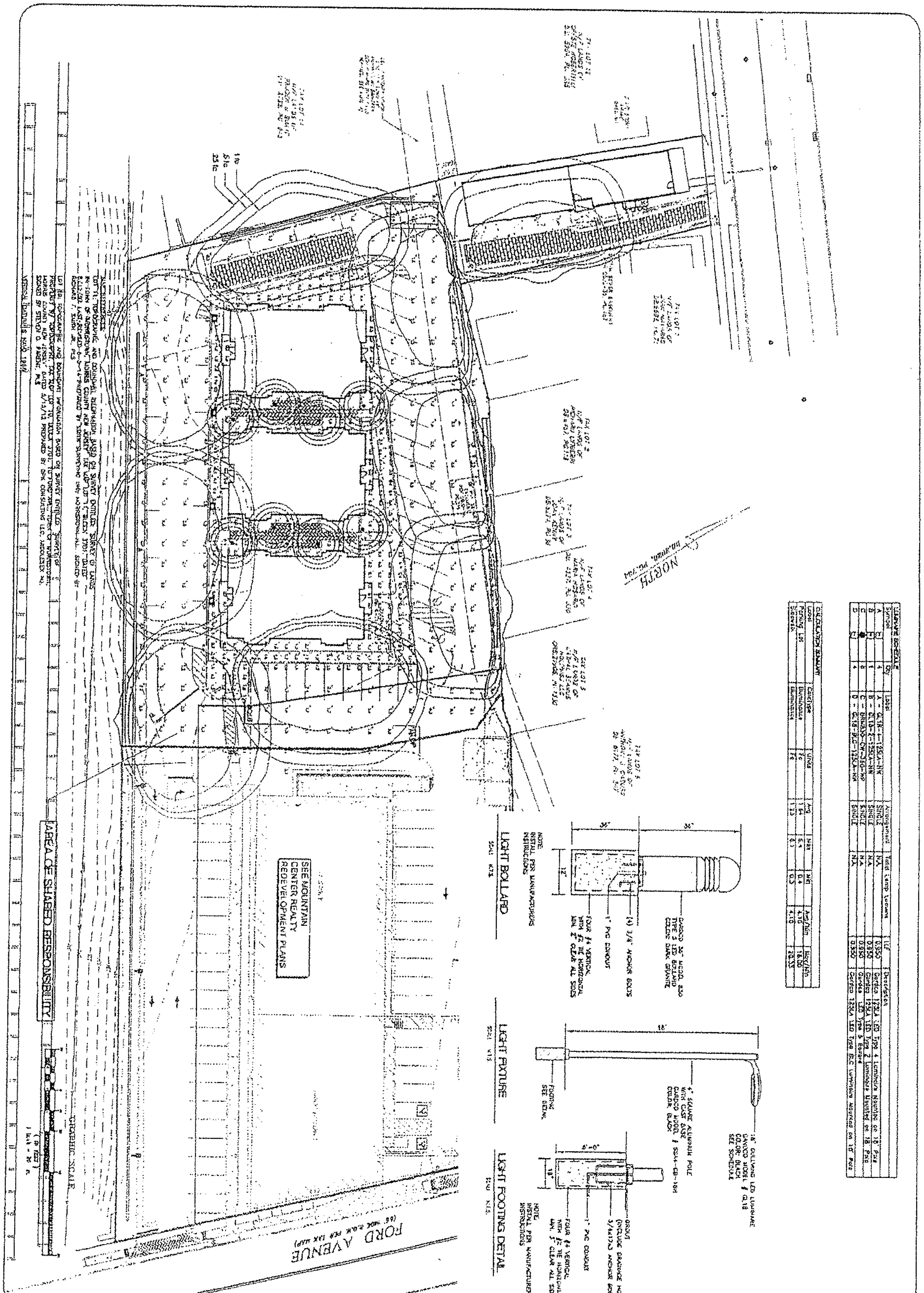
CERTIFICATE OF AUTHORIZATION

MORRISTOWN REDEVELOPMENT
55 MORRIS STREET
BLOCK 3701, LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

LANDSCAPE PLAN

SP-6

SHEET 6 OF 12



MORRISTOWN REDEVELOPMENT
165 MORRIS STREET
BLOCK 5701, LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

LIGHTING PLAN

SP-7

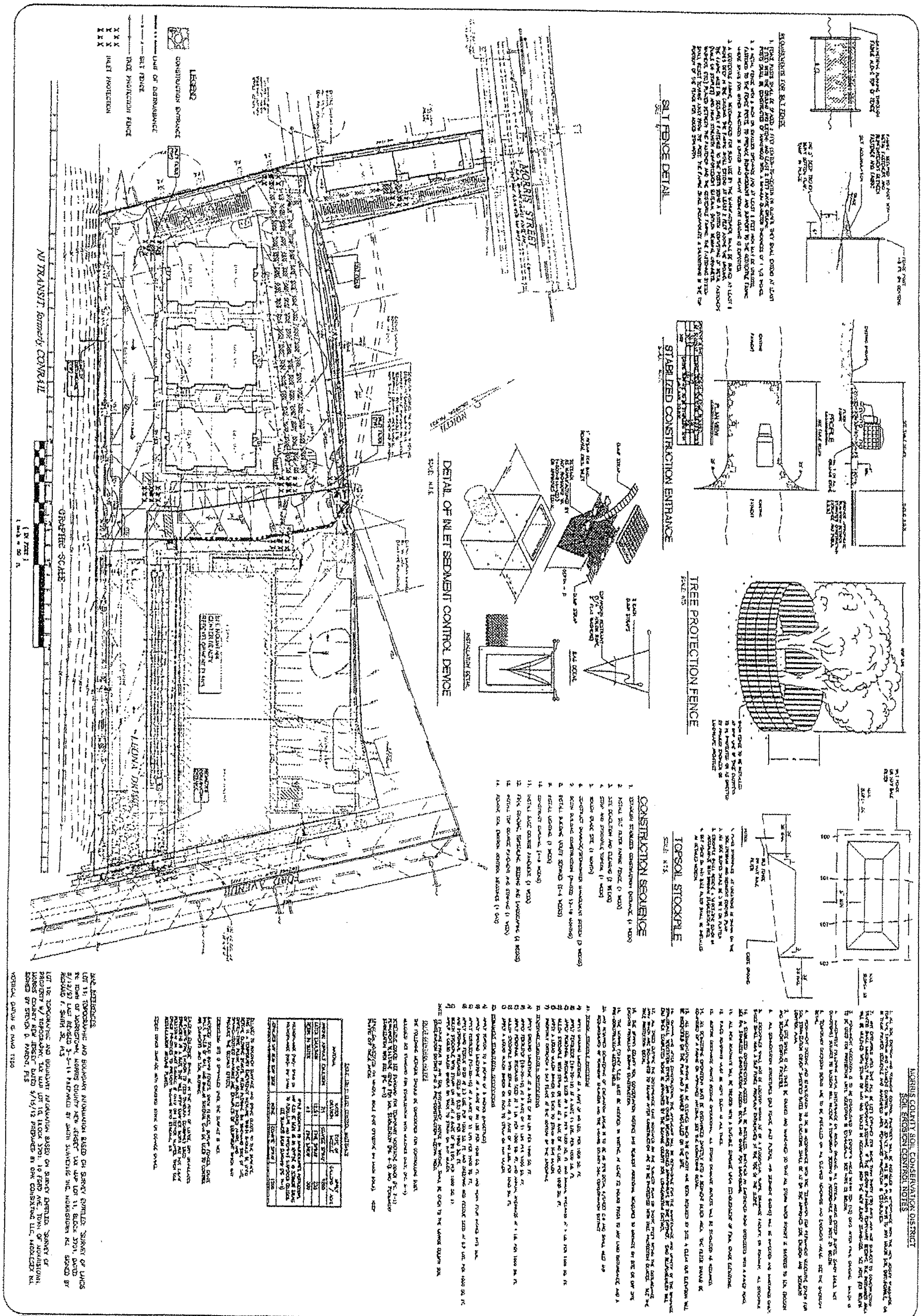
SHEET 7 OF 12

ACS

10 Miller Drive
Boonton, NJ 07005
TEL 973.975.0701

CERTIFICATE OF AUTHORIZATION

PAUL W. ANDERSON
NJ PROFESSIONAL ENGINEER
LIC. NO. 33410



SP-8

SHEET 8 OF 12

MORRISTOWN REDEVELOPMENT
165 MORRIS STREET
BLOCK 3701 LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

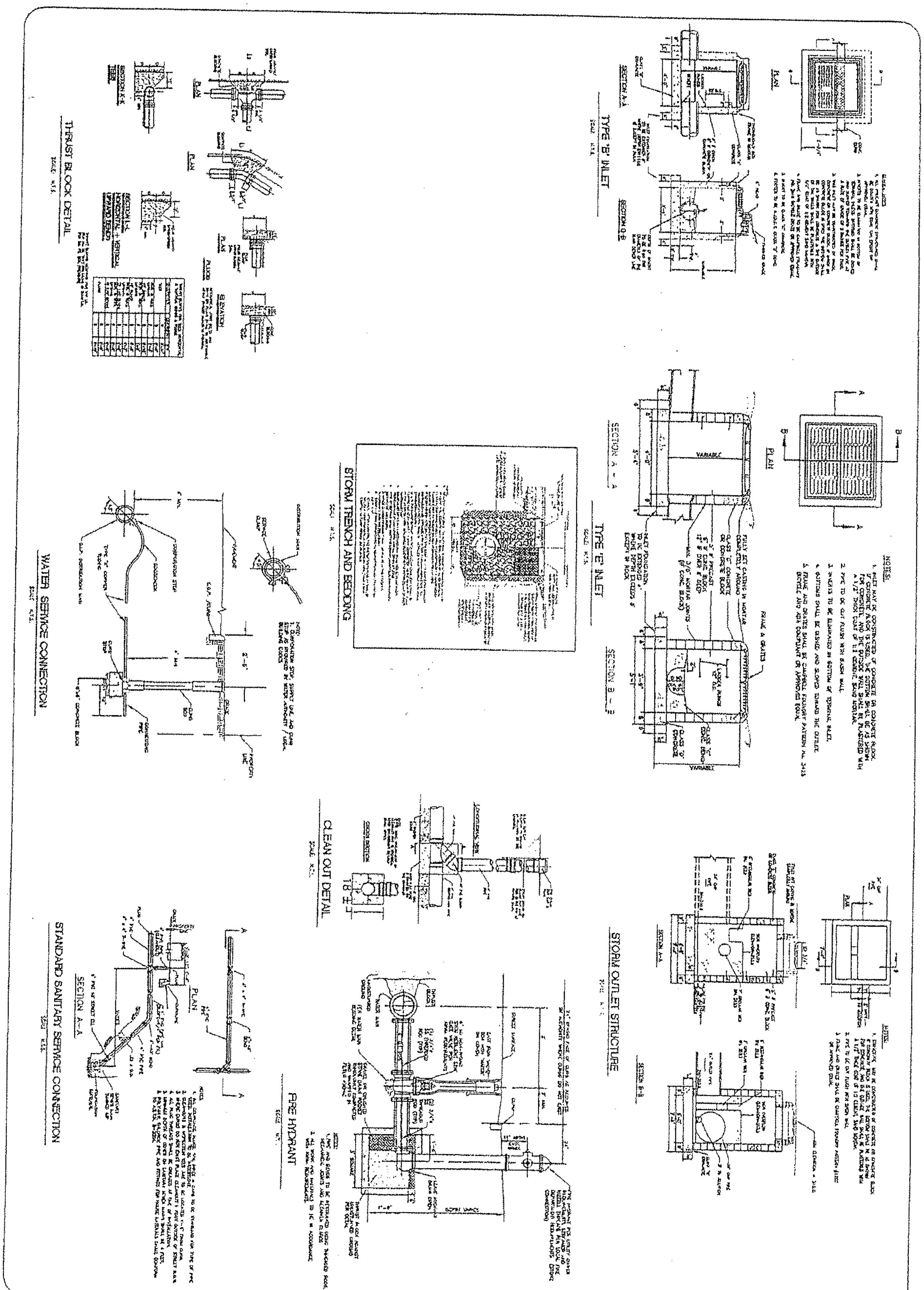
SOIL EROSION AND SEDIMENT CONTROL PLAN

ACS

10 Miller Drive
Boonton, NJ 07005
TEL: 973.975.0703
FAX: 973.975.0703

CERTIFICATE OF AUTHORIZATION
24GA28187400

PAUL W. ANDERSON
N.J. PROFESSIONAL ENGINEER
LIC. NO. 53410



SP-9

SHEET 9 OF 12

MORRISTOWN REDEVELOPMENT
163 MORRIS STREET
BLOCK 3701 LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

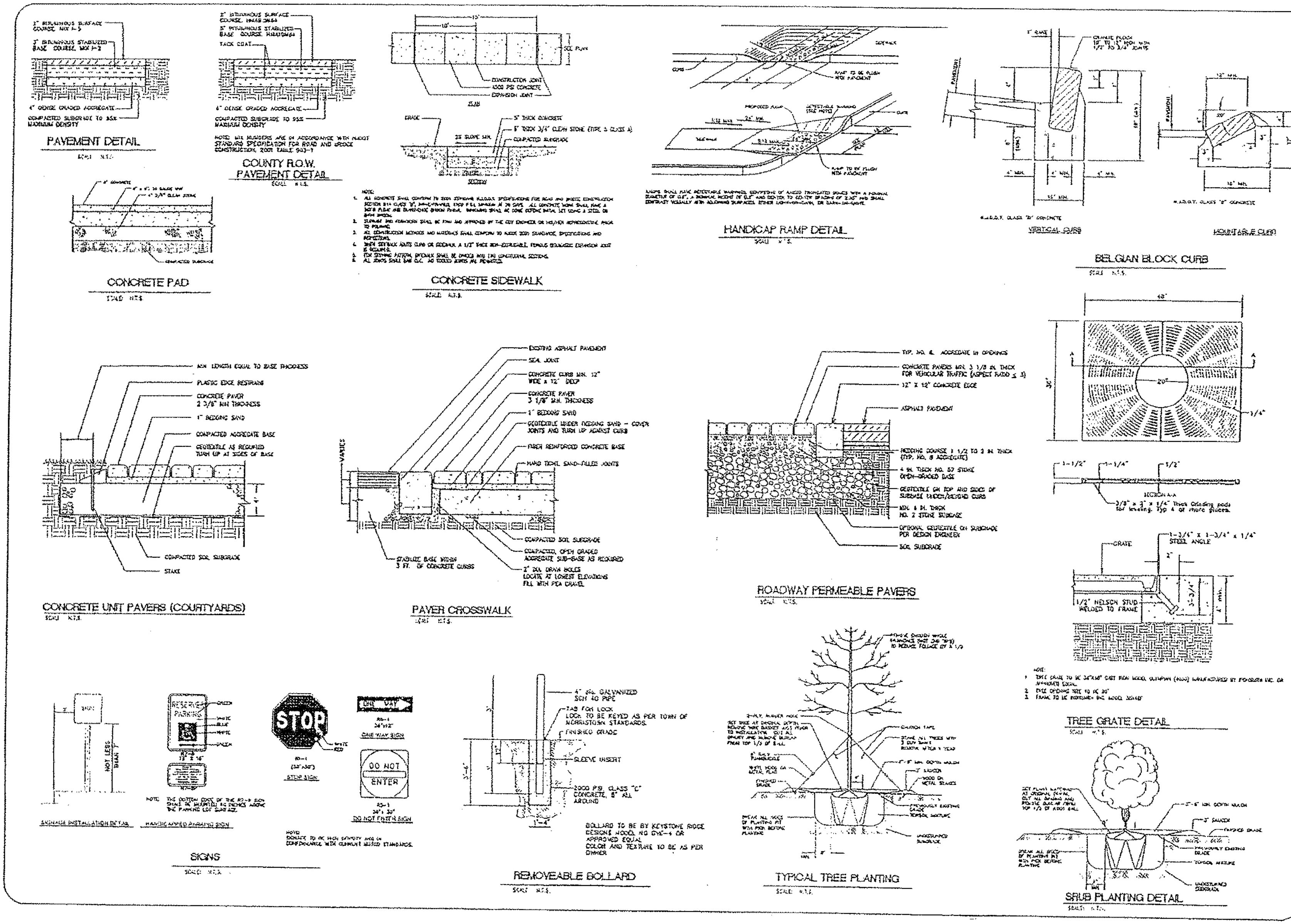
CONSTRUCTION DETAILS

Scale: AS SHOWN

ACS

CERTIFICATE OF AUTHORIZATION
24GA28192400

PAUL W. ANDERSON
N.J. PROFESSIONAL ENGINEER
LIC. NO. 33410



PAUL W. ANDERSON
NJ PROFESSIONAL ENGINEER
LIC. NO. 33410

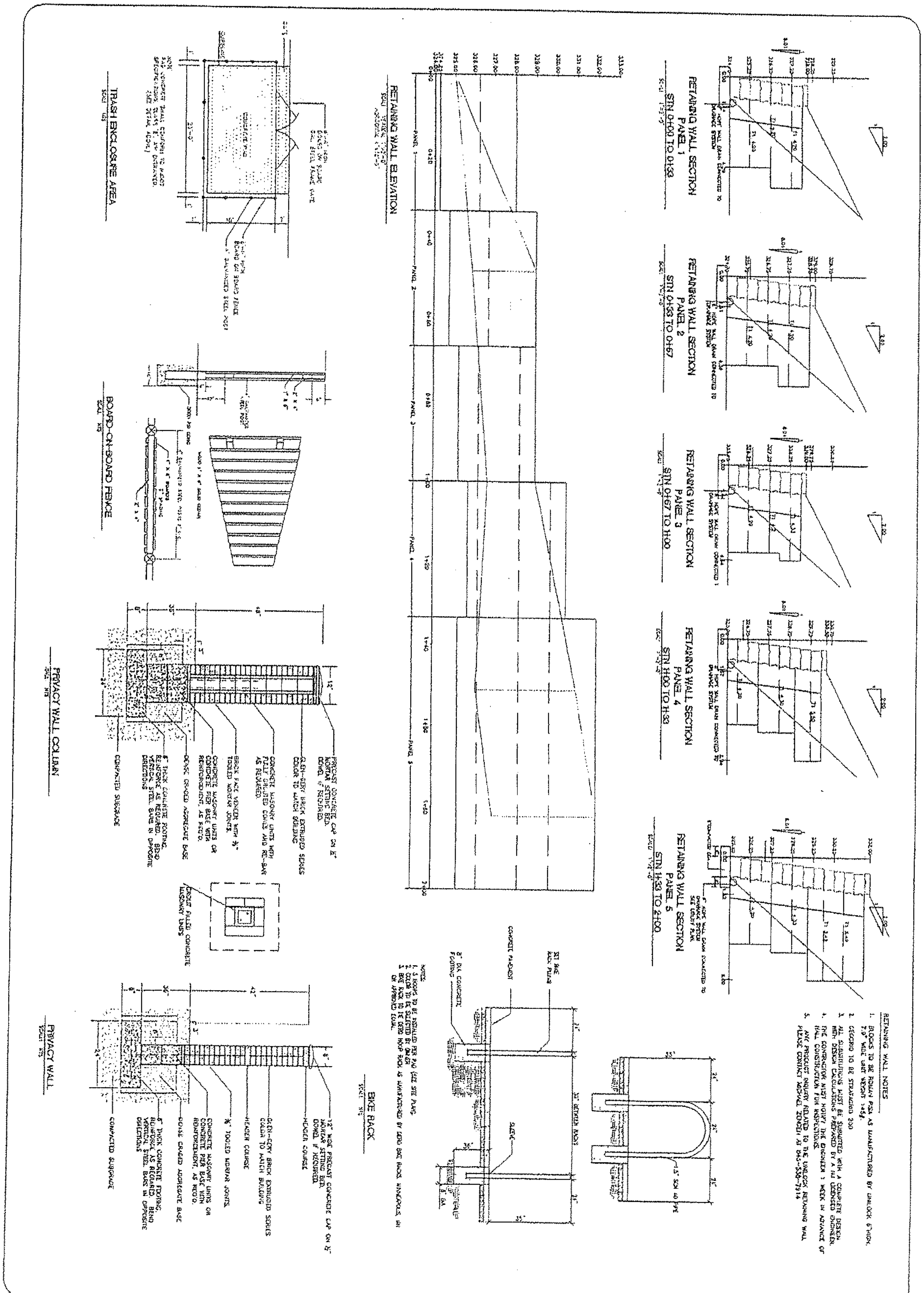
CERTIFICATE OF AUTHORIZATION

MORRISTOWN REDEVELOPMENT
135 MORRIS STREET
BLOCK 5701, LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

CONSTRUCTION DETAILS

SP-10

SHEET 10 OF 12



MORRISTOWN REDEVELOPMENT
185 MORRIS STREET
BLOCK 3701 LOT 5
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

CONSTRUCTION DETAILS

SP-11

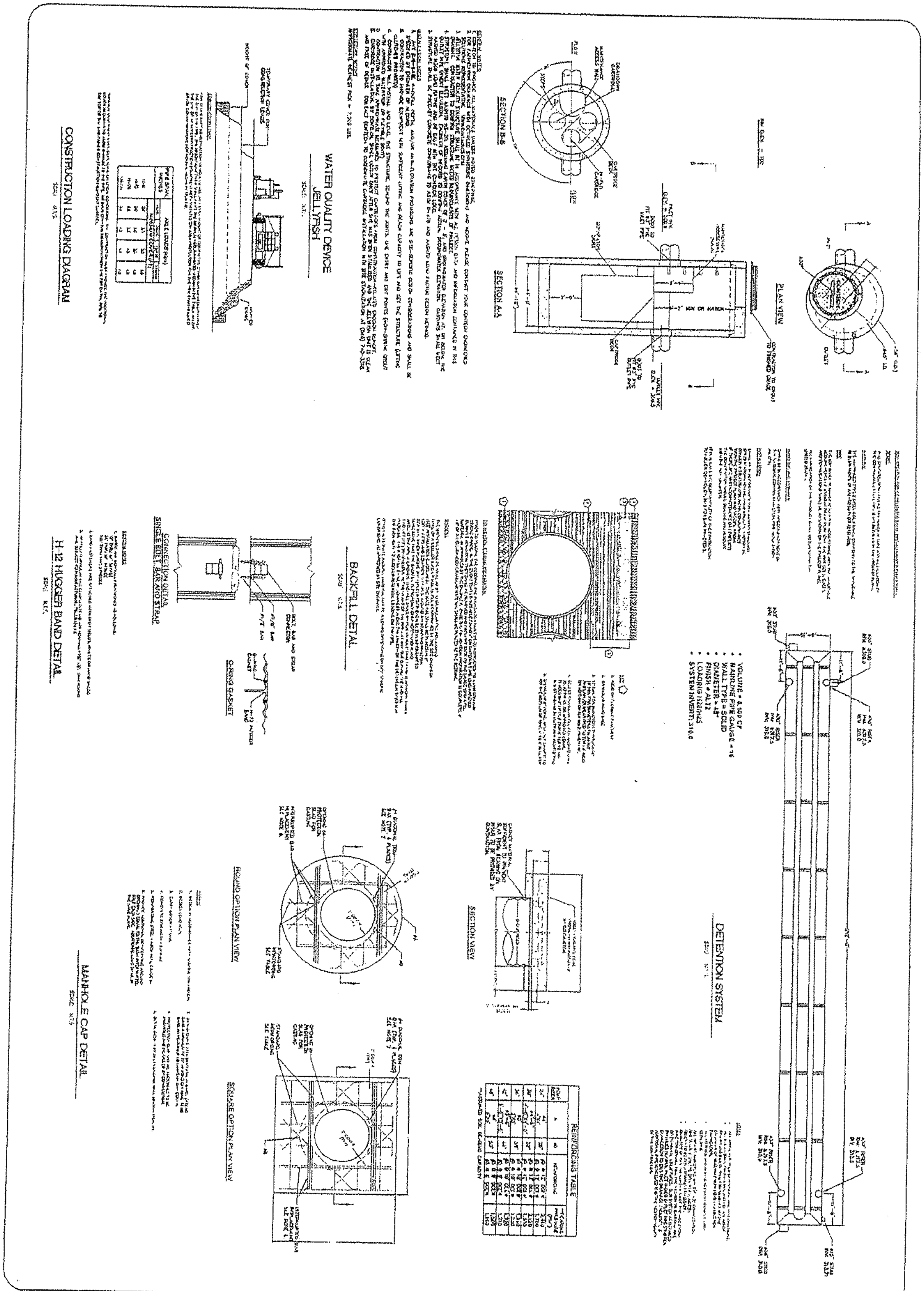
SHEET 8 OF 12

ACS

40 Utter Drive
Boonton, NJ 07005
TEL 973.975.0703
FAX 973.975.0703
www.acsdesignservices.com

CERTIFICATE OF AUTHORIZATION
24GA28182400

PAUL W. ANDERSON
N.J. PROFESSIONAL ENGINEER
LIC. NO. 33410



MORRISTOWN REDEVELOPMENT
145 MORRIS STREET
BLOCK 5701, LOT 11
TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

CONSTRUCTION DETAILS

SP-12
SHEET 12 OF 12

ACS
40 Eagle Drive
Tel: 973.575.0701
Fax: 973.575.0701

CERTIFICATE OF AUTHORIZATION

PAUL W. ANDERSON
NJ PROFESSIONAL ENGINEER
LIC. NO. 50410

SIGNATURE INVALID WITHOUT RAISED SEAL OF P.E.

Exhibit B

Financial Agreement

Attached is the draft Financial Agreement submitted by Applicant.

Exhibit B

Financial Agreement

Attached is the draft Financial Agreement submitted by Applicant.

Exhibit C

Total Project Cost

Attached are Statements from a New Jersey licensed architect with regard to the total building costs of the Project and a New Jersey licensed engineer with regard to the total site costs.

ARCHITECT **JOHN B. VAN LENTEN A.I.A.**

November 8, 2014

Mr. Timothy P. Dougherty, Mayor
Morristown Town Hall
200 South Street CN 914
Morristown, NJ 07963

Re: Leona Morris Street Development

Dear Mr. Dougherty:

I have reviewed the cost estimate prepared for the Leona Morris Street Development and find the estimated vertical construction cost of $4,500,00.00 for the three market rate buildings and the one affordable / COAH building a fair and reasonable expectation of cost.

In my opinion, the reviewed costs are fair and reasonable based on my experience with similar type projects. However, I have no control over material costs or labor costs nor means and methods of construction which may impact the construction cost

Please feel free to contact me if you require additional information or clarification.

Thank for your time and consideration in this matter.

Sincerely,

John B. Van Lenten, AIA

JVL:ev

Anderson Consulting Services LLC

Engineers Construction Cost Estimate
185 Morris Street (shared area separate)
Morristown NJ

Description	Quantity	Unit Cost	Subtotal
Soil Erosion Measures	Lump Sum		$3,500.00
Excavation	2700 cy	$8/cy	$21,600.00
Fine Grading	28000 sf	.25/sf	$7,000.00
Topsoil	285 cy	25/cy	$7,125.00
Retaining Wall	390 sf	$40/sf	$15,600.00
Sanitary Connection	3	$4500 ea	$13,500.00
Storm Drainage			
15 in HDPE	123 lf	$35/lf	$4305.00
24 in HDPE	97 lf	$45/lf	$4365.00
30in HDPE	68 lf	$65/lf	$4420.00
6in HDPE	790lf	$25/lf	$19,750.00
Detention System			
48 in pipe &fittings	652 lf	$225/lf	$146,700.00
Jellyfish	1 unit	$31,000.00	$31,000.00
Outlet Structure	1 unit	$5,000.00	$5,000.00
Potable Water			
8 in DIP	430 lf	$60/lf	$25,800.00
wet tap	1	LS	$12,000.00
hydrant	1	$6500.00/ea	$6,500.00
services	3	$3000/ea	$9,000.00
Meter Pit & Meter	1	$40,000.00/ea	$40,000.00
Site Lights			
Pole Mounted	4	$6,000.00	$24,000.00
Bollards	8	$3,000.00	$3,000.00
Curbing	895lf	18/lf	$16,110.00
Sidewalk	3100 sf	10/sf	$31,000.00
dumpster pad	276 sf	12/sf	$3,312.00
bike rack	2 units	$5000.00	$10,000.00
Asphalt Pavement	9405sf $3.75/sf		$35,268.00
Brick Pavers	2800 sf	18.75/sf	$52,500.00
Courtyard Pavers	975 sf	12.75/sf	$12,431.00
Signing & striping	LS	$2,500.00	$2,500.00
Landscape			
trees	8	350/EA	$2,800.00
shrubs and GC	354	$35/ea	$12,390.00
			$582,476.00
10% contingency			$58,000.00
Total			$640,500.00

ACS
Anderson Consulting Services LLC

Shared Area Leona Development and Mountain Center Reality

Description	Quantity	Unit Cost	Subtotal
Demo & Clearing	LS		$17,000.00
Soil Erosion Measures	LS		$4,200.00
Excavation	3100 cy	$8/cy	$24,800.00
Fine Grading	26,695 sf	.25/sf	$7,424.00
Topsoil	440 cy	$25/cy	$11,000.00
Retaining Wall	2700 sf	$40/sf	$108,000.00
Storm Drainage			
6 in HDPE	96 lf	$25/lf	$2,400.00
15 in HDPE	59 lf	$35/lf	$2,065.00
15 in RCP	41 lf	$40/lf	$1,640.00
36 in HDPE	45 lf	$70/lf	3,150.00
Type B inlet	3 units	$4,00.00	$12,000.00
Connect to existing inlet	1	LS	$1,500.00
Potable Water			
8 in DIP	130 lf	$60/lf	$7,800.00
hydrant	1 unit	$6,500.00	$6,500.00
Pole Mounted Light	6 units	$6,000.00	$36,000.00
Curbing	1225 lf	$18/lf	$22,050.00
Sidewalk	920 lf	$10/sf	$9,200.00
Asphalt Paving	20,565 sf	$3.75/sf	$77,119.00
Sign and Stripe		LS	$4,000.00
Landscape			
Trees	17	$350.00	$5,950.00
Shrubs &GC	354	$35/ea	$12,390.00
			$376,188.00
10% Contingency			$38,000.00
Total			**$414,188.00**

Leona Development Share $207,095.00
Leona development Total Cost **$847,600.00**

The costs as calculated above are based on the engineers experience with similar projects. The engineer has no control over material or labor cost nor means and methods of construction which may impact the final construction cost.

Paul W. Anderson PE PP CME
NJ Lic. # 33410

Exhibit D

Development Process Timeline

Start of Construction:	Third Quarter 2015
Completion of Site Improvements:	Fourth Quarter 2015
Completion of Building 1:	Second Quarter 2016
Completion of Building 2:	Fourth Quarter 2016
Completion of Building 3:	Second Quarter 2017
Completion of Building 4:	Fourth Quarter 2017

Approximate completion time: 30 months

Exhibit E

Financial/Fiscal Plan

Exhibit F

Projected Annual Gross Revenue and Annual Service Charge

See attachment

Exhibit G

2014 Real Estate Taxes

See attached tax payments on the Property for 2013, 2014 and 2015.

THE TOWN OF
MORRISTOWN

Block/Lot/Qual:	3701. 11.	Tax Account Id:	1492
Property Location:	185 MORRIS ST	Property Class:	4A - Commercial
Owner Name/Address:	CIPOLLINI, PETER J	Land Value:	291,600
	201 MENDHAM AVE	Improvement Value:	66,000
	MORRISTOWN NJ 07960	Exempt Value:	0
		Total Assessed Value:	357,600
		Additional Lots:	None
Special Taxing Districts:		Deductions:	

Taxes Utilities

Make a Payment | View Tax Rates | Last Payment: 04/30/2015

Year	Due Date	Billed	Balance	Interest	Total Due	Status
2015	02/01/2015	2,321.00	0.00	0.00	0.00	PAID
2015	05/01/2015	2,321.00	0.00	0.00	0.00	PAID
	Total 2015	**4,642.00**	**0.00**	**0.00**	**0.00**	
2014	02/01/2014	2,311.00	0.00	0.00	0.00	PAID
2014	05/01/2014	2,311.00	0.00	0.00	0.00	PAID
2014	08/01/2014	2,331.30	0.00	0.00	0.00	PAID
2014	11/01/2014	2,330.00	0.00	0.00	0.00	PAID
	Total 2014	**9,283.30**	**0.00**	**0.00**	**0.00**	
2013	02/01/2013	2,332.00	0.00	0.00	0.00	PAID
2013	05/01/2013	2,332.00	0.00	0.00	0.00	PAID
2013	08/01/2013	2,331.11	0.00	0.00	0.00	PAID
2013	11/01/2013	2,248.85	0.00	0.00	0.00	PAID
	Total 2013	**9,243.96**	**0.00**	**0.00**	**0.00**	

Return to Home

Exhibit H

Assessed Property Value

See attached Property Detailed Information

Tax Year	2015		
County	Morris	District	Morristown
Block	03701.	Lot	00011.
Qualification Code		Last Date Updated	04/27/07

Owner's Information

Owner's Name	CIPOLLINI, PETER J		
Owner's Street	201 MENDHAM AVE		
Owner's City,State	MORRISTOWN, NJ		
Owner's Zip Code	07960		
Bank Code			
Deduction Amount	$0.00	Number of Owners	0001
Senior Citizens	0000	Veterans	0000
Widows	0000	Surviving Spouse	000
Disabled Persons	000		

Property Information

Property Location	185 MORRIS ST		
Land Description	31890 SF	Acreage	0.7321
Property Class Code	4A	Zone	RT
Building Description	2S F 1FAM G	Tax Map Page	
Deed Book Number	04770	Deed Book Page	00001
Year Constructed	1901	Building Square Feet	2032
Additional Lots 1			
Additional Lots 2			
Prior Block	00180.	Prior Lot	00010. A
Prior Qualification			

Exempt Property Data

Exempt Property List Code	0000000
Exempt Statute Number	
Exempt Facility Name	
Initial Filing Date	06/12/81
Further Filing Date	10/26/76

Assessments

Land Value	$291,600
Improvement Value	$66,000
Net Taxable Value	$357,600
Prior Year Taxes	$9,283.30
Current Year Taxes	$0.00

Sales Information

Serial Number	Sales Price	Deed Date	Book	Page
1096	$1.00	09/08/97	null	null
1097	$275,000.00	10/01/97	null	null
1098	$1.00	05/20/98	null	null
8346	$1.00	12/10/14	null	null

Exhibit I

Ownership Disclosure Statement

Peter J. Cipollini is the sole member and sole owner of the Applicant, Leona Morris Street Urban Renewal Associates, LLC.

Exhibit J

Certificate of Formation

The Certificate of Formation is attached.

LLC

FILED
AUG 2 0 2014
STATE TREASURER

State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 805
TRENTON, NJ 08625-0805

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

0600413300

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC
File # 1471
An Urban Renewal Entity

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

Done this 7th day of August 2014 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY
Edward M. Smith, Director
Division of Codes and Standards

2686228
4788021

CERTIFICATE OF FORMATION
OF
LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

The undersigned, being authorized to execute and file this Certificate of Formation, hereby certifies that:

FIRST: The name of the Limited Liability Company is Leona Morris Street Urban Renewal Associates, LLC (the "Company").

SECOND: (a) The purpose for which the Company is formed shall be to operate under P.L. 1991, c. 431 (C.40A:20-1 et seq.) and initiate and conduct (i) projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, (ii) projects necessary, useful or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or (iii) low and moderate income housing projects, and, when authorized by a financial agreement with the Town of Morristown (the "Financial Agreement"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, education or welfare projects, or any combination of two or more of these types of improvement in a single project (collectively, the "Project"), under such conditions as to use, ownership, management and control as regulated pursuant to P.L. 1991, c. 431 (40A:20-1 et seq.).

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

(c) The Company has been organized to serve a public purpose, and its operations shall be directed toward: (i) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (ii) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L. 1991, c. 431 (c. 40A:20-1 et seq.), and (iii) that it shall be subject to regulation by the municipality in which the Project is situated and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of the Project subject to P.L. 1991, c. 431 (c. 40A:20-1 et seq.).

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

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 J478802/

all contractual obligations of the transferor entity under the Financial Agreement. The entity shall file annually with the Town of Morristown a disclosure of the persons having an ownership interest in the Project, and of the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Urban Renewal Entity itself provided that the transfer, if greater than 10 percent, is disclosed to the Town of Morristown in the annual disclosure statement or in correspondence sent to the Town of Morristown in advance of the annual disclosure statement referred to above.

(e) The Company is subject to the provisions of Section 18 of P.L. 1991, c. 431 (c. 40A:20-18) respecting the powers of the municipality to alleviate financial difficulties of the Urban Renewal Entity or to perform actions on behalf of the entity upon a determination of financial emergency.

(f) Any housing units constructed or acquired by the entity shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

THIRD: The name and address of the registered agent of the Company is:

Peter Cipollini
201 Mendham Road
Morristown, NJ 07960

FOURTH: The duration of existence of the Company is perpetual, unless sooner terminated in accordance with the provisions of the operating agreement of the Company.

FIFTH: Except as may otherwise be provided in the New Jersey Limited Liability Company Act, N.J.S.A. 42:2C-1 et seq., the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no member, manager, employee or agent of the Company shall be obligated personally for any such debt, obligation or liability of the Company, or for any debt, obligation or liability of any other member, manager, employee or agent of the Company, by reason of being a member, or acting as a manager, employee or agent of the Company.

IN WITNESS WHEREOF, I have signed this Certificate of Formation on this 14th day of July, 2014.

Charles B. Liebling, Esq.
Authorized Person

EXHIBIT C

ORDINANCE

[Attached]

O-17-2015
I - 6/9/2015
A - 6/23/15

TOWN OF MORRISTOWN

ORDINANCE O - 17 - 2015

ORDINANCE APPROVING THE FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION BY AND BETWEEN THE TOWN OF MORRISTOWN AND LEONA MORRIS STREET URBAN RENEWAL ASSOCIATES, LLC

WHEREAS, the Town Council of the Town of Morristown in its capacity as the municipal governing body (the "Town Council") is responsible for implementing redevelopment plans and carrying out redevelopment projects pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law"); and

WHEREAS, in accordance with the provision of the Redevelopment Law, the Town Council designated property located at 185 Morris Street and identified as Block 3701, Lot 11 on the Tax Map of the Town of Morristown (the "Property") and abutting and/or adjacent property as an area in need of redevelopment; and

WHEREAS, the Town Council adopted a redevelopment plan for the Property, as well as abutting and/or adjacent property, in accordance with the provisions of the Redevelopment Law, entitled "Morris Street Redevelopment Plan," dated October 5, 2012, prepared by Jonathan Rose Companies, LLC (the "Redevelopment Plan"); and

WHEREAS, the Property is owned by Peter J. Cipollini, a principal of Leona Developers, LLC ("Leona"); and

WHEREAS, Leona and the Entity (as defined below) have agreed to acquire the Property, and develop and use it for the purposes of implementing the Redevelopment Plan; and

WHEREAS, Leona submitted an application to the Planning Board for preliminary and final major site plan, variances, design exception and waiver approval to develop and operate on the Property three (3) multi-family residential buildings to include a total of thirty (30) dwelling units, and the renovation of an existing structure to be used for multi-family residential housing to include a total of seven (7) dwelling units (four (4) of which shall be affordable housing units) on a newly created lot, and to include construction of the on-site parking and related improvements (the "Project"), which application was approved by the Planning Board and memorialized on January 16, 2014, in Resolution R-13-13 (collectively, the "Planning Board Approval"); and

WHEREAS, the Town Council designated Leona Developers, LLC as the redeveloper of the Property and entered into a Redevelopment Agreement with Leona, dated January 28, 2015, providing for the acquisition of the Property by Leona and the Entity (as defined below) and the development of same in accordance with the Redevelopment Plan and the Planning Board Approval; and

WHEREAS, the Redeveloper created the entity, Leona Morris Street Urban Renewal Associates, LLC, a limited-dividend, urban renewal entity (the "Entity") under the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law") to undertake and own the Project and to seek a long term tax exemption for the Project under the LTTE Law; and

WHEREAS, the Entity submitted to the Mayor of the Town (the "Mayor") an application for tax exemption, which is on file with the Town Clerk (the "Application"), requesting an exemption of the improvements constituting the Project pursuant to the LTTE Law; and

WHEREAS, the Mayor submitted the Application to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, with the Mayor's recommendation for approval of the Application, the Town Council accepted and approved the Application in Resolution R-__-2015, finding that the Project represents an undertaking permitted by the LTTE Law, and constitutes improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law; and

WHEREAS, the Entity also separately submitted to the Mayor a form of financial agreement (the "Financial Agreement"), establishing the rights, responsibilities and obligations of the Entity under a tax exemption for the Project; and

WHEREAS, the Mayor submitted the Financial Agreement to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk; and

WHEREAS, the Governing Body has reviewed the information provided in the Financial Agreement and has deemed it appropriate and acceptable.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Town of Morristown in the County of Morris, New Jersey, as follows:

Section 1. The Financial Agreement concerning Leona Morris Street Urban Renewal Associates, LLC and the Long Term Tax Exemption of the Project as part of the Morris Street Redevelopment Plan attached hereto as **Exhibit A** is hereby approved, and the Mayor is hereby authorized to execute such Financial Agreement, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 2. The Clerk of the Town is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Town upon such document.

Section 3. The executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Town Clerk. Further, the Clerk of the Town shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Town and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the Long Tern Tax Exemption Law.

Section 4. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 5. All ordinances and resolutions or parts thereof inconsistent with this Ordinance are hereby rescinded.

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

I, Robin J. Kesselmeyer, Deputy Town Clerk of the Town of Morristown, do hereby certify the above to be a true and exact copy of an Ordinance duly passed and adopted by the Town Council of the Town of Morristown at a Regular Town Council Meeting held on June 23, 2015

Dated: June 24, 2015

Robin J Kesselmeyer

Robin J. Kesselmeyer

EXHIBIT D

FINANCIAL/FISCAL PLAN

[Attached]

FISCAL IMPACT ANALYSIS

FOR

MORRIS STREET REDEVELOPMENT

IN THE

TOWN OF MORRISTOWN
MORRIS COUNTY, NEW JERSEY

Richard B. Reading Associates
Princeton, New Jersey

May 26, 2015

TABLE OF CONTENTS

Summary Of Findings
Proposed Residential Redevelopment in Morristown

- This Fiscal Impact Analysis provides an assessment of the economic and fiscal effects anticipated to result from the construction and occupancy of the residential redevelopment proposed by Leona Development for a tract of land within the Morris Street Redevelopment Area, and situated in the cental portion of the Town of Morristown.

- The redevelopment plans prepared for a portion (Block 3701, Lot 11) of the Morris Street Redevelopment Area contemplate the construction and occupancy of a transit-oriented, multi-family residential development containing a total of 37 multi-family housing units comprised of 33 "market" rental apartments and 4 "affordable" rental housing units.

- The current plans for proposed redevelopment anticipate that the 33 "market" rental housing units will consist of 27 one-bedroom units and 6 two-bedroom units with monthly rents ranging from $1,800 to $2,200, with an average monthly rent of $1,873. The 4 "affordable" housing units, which will be provided with the required mix of bedrooms and stratified rents required by applicable regulations, have an average estimated rent of $892 per month.

- Based upon the distribution of units and estimated rents, the residential units within the proposed redevelopment would have a completed (capitalized) value of $6,223,034.

- The proposed redevelopment, utilizing the demographic multipliers published by the Center for Urban Policy Research (CUPR) for transit-oriented housing and for "affordable" housing units, would be expected to be occupied by 67 total residents including 3 public school children. The added population would, on a marginal cost basis, have allocated municipal service costs amounting to $37,920.

- Under the terms of a proposed Financial Agreement, the Morris Street redevelopment will pay an Annual Service Charge equal to 12.0 percent of the Annual Gross Revenues of the 37 new housing units. With Annual Gross Revenues of $745,195, Annual Service Charges, Administrative Fees and Land Taxes amounting to $91,060 would be generated by the completed redevelopment, of which $82,351 would be retained by the Town of Morristown with $4,965 paid to the County of Morris.

- The annual revenues generated for the Town of Morristown ($82,351) are 1.5 times the property tax revenues of $53,916 that would be received with Ordinary Applicable Taxes and are than 22.7 times the annual property tax revenues of $3,623 that the Town currently receives from the redevelopment property. The proposed Tax Exemption would generate annual payments to the Town of Morristown that amount to $1,229 per capita, which is 1.48 times the Town's current average per capita tax revenues of $832 per capita.

INTRODUCTION

The ensuing Fiscal Impact Analysis has been undertaken at the request of Leona Developers, LLC in order to provide an assessment of the economic, demographic and fiscal implications of the planned residential redevelopment within the Morris Street Redevelopment Area that is located in the Town of Morristown in Morris County. The initial section of this evaluation presents an historical profile of the Town's residential and non-residential growth trends and documents the manner in which the Town generates and distributes municipal revenues and school district revenues. The findings of the fiscal profile are reviewed from an historical as well as a present perspective in the context of the economic base, market trends and the fiscal infrastructure which exists in Morristown in Morris County, New Jersey.

The second section of this evaluation involves a statistical analysis of the anticipated fiscal and economic effects that would be expected to result from the construction and occupancy of the of the planned residential redevelopment within the Morris Street Redevelopment Area. The overall redevelopment plan contemplates the construction of a mixture of commercial (retail) space and residential housing units to be developed in two projects. The portion of the redevelopment that is examined herein (Block 3701, Lot 11) includes 37 housing units. The data and evaluations contained on the following pages describe the nature and magnitude of proposed redevelopment considers the available infrastructure of the community and calculates the added need for services resulting from the redevelopment.

Of particular concern in the following evaluation is detailed information pertaining to:

a) the economic and demographic composition of Morristown, including historic and current levels of housing, population, employment and school enrollments;

b) the residential and non-residential ratable bases of Morristown, the changes occurring in each during recent years and the effective tax rate of the Town;

c) the nature, scope and magnitude of the proposed redevelopment; and

d) the fiscal impact of the redevelopment upon municipal, school district and county operations, to include changes in tax revenues and budgetary appropriations, as well as the impact upon the existing tax structure.

ECONOMIC BASE AND FISCAL PROFILE

An examination of the current and historic characteristics of the Town of Morristown and the manner by which the Town derives its revenues and manages its appropriations is a precursor to a fiscal impact analysis of the planned residential redevelopment. This examination will furnish a useful insight into the nature of local fiscal operations and a benchmark by which changes may be measured and anticipated.

General Characteristics

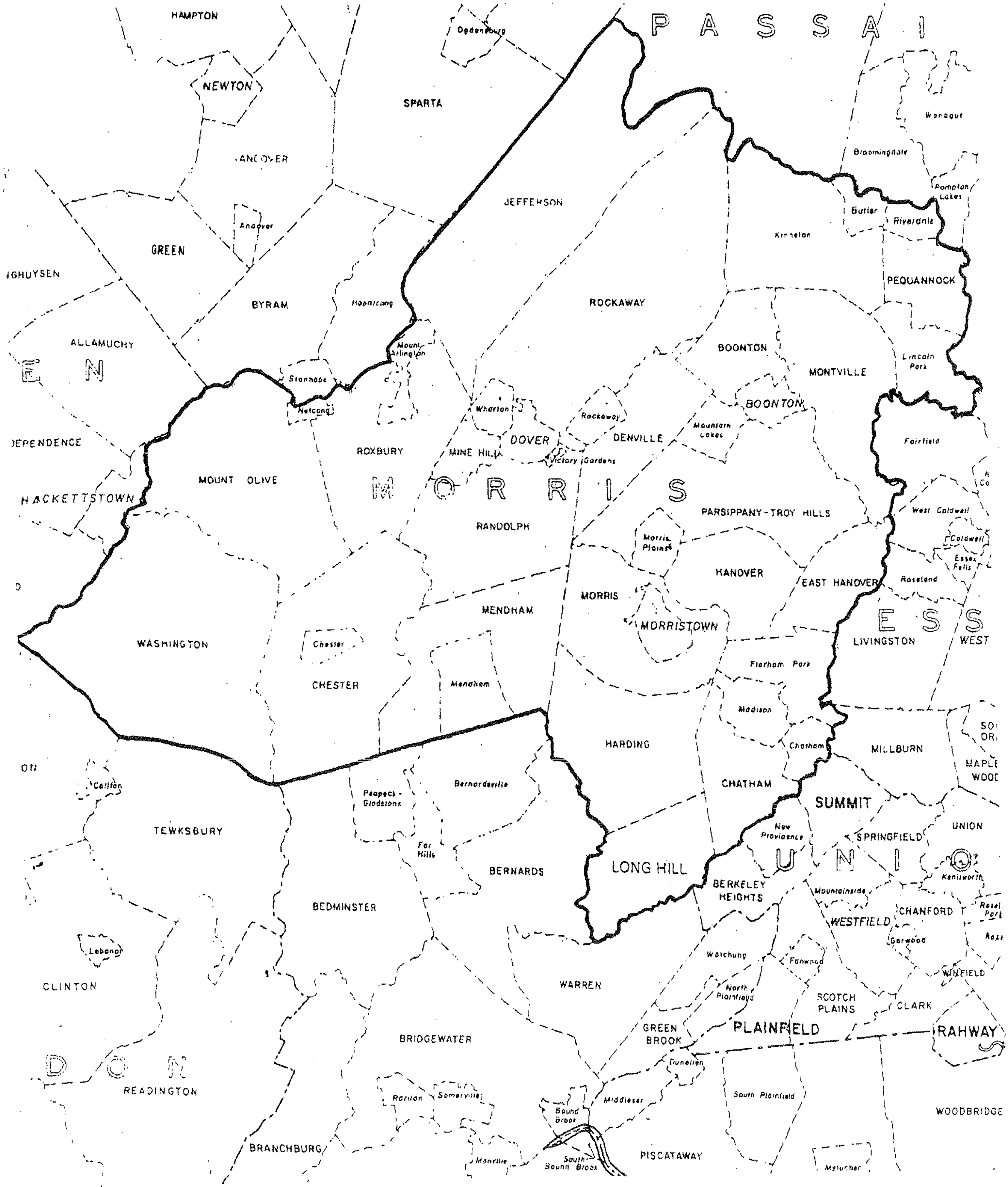
The Town of Morristown, an established community and the seat of County government in Morris County, is located in the east-central portion of Morris County. The Town, as illustrated on Figure 1, is completed surrounded by Morris Township. The Town of Morristown, itself, includes a land area of 2.93 square miles, or approximately 0.64 percent of Morris County's total land area of 460.18 square miles.

Population - Morristown contained a total population of 17,712 persons at the time of the 1960 Census. During the 1960's, Morristown's population decreased by 50 persons (0.3 percent) and resulted in a population of 17,662 persons at the time of the 1970 Census. A population decrease was recorded during the 1970's with a loss of 1,048 persons (5.9 percent) to yield a total population of 16,614 persons as of the 1980 Census.

Between 1980 and 1990, the population of Morristown decreased by 425 persons (2.6 percent), to yield a total population of 16,189 persons in 1990. In 1990, the population of Morristown represented 3.84 percent of Morris County's total population of 421,353 persons at that time. Between the 1990 and 2000 Census of Population, Morristown experienced a population increase of 2,355 persons and resulted in the Town's reported population of 18,544 persons at the time of the 2000 Census of Population. According to the reports available from the 2010 Census of Population, the Town's population base experienced a population decrease amounting to 133 persons (0.7 percent) persons during the 10 year period intervening the 2000 and 2010 Census of

FIGURE 1

LOCATION MAP



Population with a total population of 18,411 persons reported at the time (April 1, 2010) of the 2010 Census. The most recent municipal population estimates prepared by the Bureau of the Census indicate that Morristown's population had increased to 18,529 persons as of July 1, 2013. These population trends are summarized below:

Population Trends
Town of Morristown

	Census						Est
	1960	1970	1980	1990	2000	2010	2013
Population	17,712	17,662	16,614	16,189	18,544	18,411	18,529
Change	------	(50)	(1,048)	(425)	2,355	(133)	118
Percent Change	------	(0.3)	(5.9)	(2.6)	14.5	(0.7)	0.6

Since 1960, Morristown has generally accounted for a decreasing share of the County's total population. According to the most recent population estimates by the Bureau of the Census, the Town's share of the County's total population had decreased to 3.72 percent in 2012 compared to 4.08 percent in 1980 and 7.99 percent in 1960. This information is tabulated below, and the 1990, 2000 and 2010 Census population characteristics of Morristown are profiled in Table 1 while the age characteristics of the Town's residents are presented in Table 2.

Population Trends
Morristown as a Share of Morris County

	1960	1970	1980	1990	2000	2010	2012
Morristown	17,712	17,662	16,614	16,189	18,544	18,411	18,529
Morris Co.	221,620	383,454	407,630	421,353	470,212	492,276	497,397
Town / Co. - %	7.99	4.61	4.08	3.84	3.94	3.74	3.73

Since 1970, the Town's population base reflects a maturing of the Town's residents with increases in the median age of the population from 32.8 years in 1970 to 34.3 years in 1980, to 34.8 years in 1990, to 35.0 years in 2000 and to 34.8 years in 2010. In 2010, 3,597 residents in Morristown, or 19.5 percent of Morristown's total population was 19 years of age or younger, compared to 5,337 persons, 30.2 percent of the population in 1970.

TABLE 1
MORRISTOWN POPULATION BASE
1990, 2000 AND 2010 CENSUS

	1990	2000	2010
TOTAL POPULATION	16,189	18,544	18,411
Male	7,688	9,302	9,408
Female	8,501	9,242	9.003
AGE			
Under 5 years	866	1,026	1,075
5 to 17 years	1,690	2,378	2,158
18 to 20 years	541	564	556
21 to 24 years	1,135	1,068	1,230
25 to 44 years	6,456	7,501	7,064
45 to 54 years	1,680	2,280	2,373
55 to 59 years	682	801	999
60 to 64 years	689	634	846
65 to 74 years	1,188	1,069	1,071
75 to 84 years	888	817	660
85 years and over	374	406	379
Median age	34.8	35.0	34.8
Under 18 years	2,556	3,404	3,233
Percent of total population	15.8	18.4	17.6
65 years and over	2,450	2,292	2,110
Percent of total population	15.1	12.4	11.5
HOUSEHOLDS BY TYPE			
Total households	6,712	7,252	7,417
Family households (families)	3,492	3,700	3,652
Married-couple families	2,411	2,496	2,305
Percent of total households	35.9	34.4	31.1
Other family, male householder	262	337	460
Other family, female householder	819	867	887
Non-family households	3,220	3,552	3,765
Percent of total households	48.0	49.0	50.8
Householder living alone	2,550	2,805	2,875
Householder 65 years and over	858	739	704
Persons living in households	15,293	17,617	17,789
Persons per household	2.28	2.43	2.40
Persons living in group quarters	896	927	622
Institutionalized persons	708	595	353
Other persons in group quarters	188	332	269

TABLE 2

MORRISTOWN TOWN, MORRIS COUNTY
1970, 1980, 1990, 2000 and 2010 Census

	1970 Census		1980 Census		1990 Census		2000 Census		2010 Census	
Age Cohorts	No.	%	No.	%	No.	%	No.	%	No.	%
0 - 4	1,371	7.8	763	4.6	856	5.3	1,026	5.5	1,075	5.8
5 - 9	1,397	7.9	856	5.2	651	4.0	966	5.4	887	4.8
10 - 14	1,317	7.5	1,042	6.3	742	4.6	845	4.6	784	4.3
15 - 19	1,252	7.1	1,258	7.6	661	4.1	907	4.9	851	4.6
20 - 24	1,477	8.4	1,501	9.0	1,326	8.2	1,262	6.8	1,422	7.7
25 - 29	1,463	8.3	1,708	10.3	2,087	12.9	2,169	11.7	2,353	12.8
30 - 34	985	5.3	1,359	8.2	1,942	12.0	2,071	11.2	1,915	10.4
35 - 54	3,926	22.2	3,580	21.5	4,261	26.3	5,541	29.9	5,169	28.1
55 - 59	1,115	6.3	922	5.5	641	3.9	801	4.3	999	5.4
60 - 64	932	5.3	889	5.4	644	4.0	634	3.4	846	4.6
65 - 74	1,493	8.50	1,415	8.5	1,182	7.3	1,069	5.8	1,071	5.8
75+	934	5.3	1,321	8.0	1,196	7.4	1,223	6.6	1,039	5.6
TOTALS	**17,662**	**100.0**	**16,614**	**100.0**	**16,189**	**100.0**	**18,544**	**100.0**	**18,411**	**100.0**
Median Age	**32.8**		**34.3**		**34.8**		**35.0**		**34.8**	

Housing Trends - Notwithstanding the population declines reported during the 1960's, 1970'sand 1980's, Morristown has experienced an ongoing expansion of its housing inventory since 1960. During the 1960's, the Town issued building permits authorizing the construction of 1,713 new housing units within the Town. An additional 296 residential dwellings were authorized during the 1970's. By 1980, Morristown contained a total of 6,773 year-round housing units of which 6,534 units (96.5 percent) were reported to be occupied. The 6,773 year-round housing units included 3,034 units in one-unit structures, 2,078 units in structures of 2 to 9 housing units, 1,658 units in structures of 10 or more housing units and 3 housing units classified as "mobile home or trailer". In 1980, 2,209 of the 6,534 occupied housing units within Morristown, or 33.8 percent, were reported to be owner-occupied. The 1980 housing profile of Morristown is provided in Table 3.

During the 1980's, housing construction in Morristown increased from the rates observed during the 1970's (30 units/year). As indicated in Table 3, during the period from January 1980 through December 1989, Morristown issued building permits authorizing the construction of 481 residential units, or an average of 48 units/year. Between 1990 and 1999, a slightly reduced level of residential construction occurred in Morristown, with the Town authorizing the construction of 403 new housing units between 1990 and 1999, or an average of 40 new homes annually. The Town authorized an additional 745 new housing units, or an average of 75 units per year from 2000 through 2009. The Town's building permit trends are further detailed on Table 4.

The 1990 housing stock of Morristown reflects a housing base that is predominantly comprised of renter-occupied and attached housing units with renter-occupied homes accounting for 62.4 percent of the occupied housing units. In 1990, 2,524 housing units (37.6 percent) were reported to be owner-occupied. Single-family detached homes accounted for 1,919 of the Town's 7,061 total housing units in 1990, while the 5,012 housing units were located in attached housing structures and 130 housing units were classified as "mobile home, trailer or other".

Between the 1990 and 2000 Census, the total number of housing units in Morristown increased from 7,061 housing units to 7,615 housing units, for an increase of 554 housing units while the total number of occupied households increased by 540 units, from 6,712 households in 1990 to 7,252 households in 2000. Owner-occupied households in Morristown, which accounted for 37.6 percent of the Town's occupied households in 1990, represented 39.5 percent, of the Town's 7,252 occupied households in 2000. As further detailed in Table 5, the initial reports of the 2010 Census

TABLE 3

1980 CENSUS HOUSING CHARACTERISTICS
MORRISTOWN TOWN, MORRIS COUNTY

1. TOTAL PERSONS

TOTAL PERSONS	16614

4. YEAR-ROUND HOUSING UNITS BY ROOMS

1 ROOM	336
2 ROOMS	350
3 ROOMS	1308
4 ROOMS	1369
5 ROOMS	1039
6 OR MORE ROOMS	2371
MEDIAN ROOMS	4.5

7. OCCUPIED HOUSING UNITS BY TENURE

TOTAL	6534
RENTER OCCUPIED	4325

8. VACANT YEAR-ROUND HOUSING UNITS BY VACANCY STATUS

FOR SALE ONLY	19
FOR RENT	82
HELD FOR OCCASIONAL USE	11
OTHER VACANT (9)	127

11. YEAR-ROUND CONDOMINIUM HOUSING UNITS BY TENURE AND VACANCY STATUS

TOTAL	113
RENTER OCCUPIED	14
VACANT FOR SALE ONLY	3
OTHER VACANT (9)	6

12. SPECIFIED OWNER-OCCUPIED AND VACANT-FOR-SALE ONLY HOUSING UNITS BY OCCUPANCY STATUS BY CONDOMINIUM STATUS(11)

	OWNER OCCUPIED	VACANT FOR SALE ONLY
	**********	**********
NONCONDOMINIUM:		
TOTAL	1652	14
MEAN VALUE	$ 72465	$ 90714
CONDOMINIUM:		
TOTAL	90	3
MEAN VALUE	$ 103527	$ 95000

14. SPECIFIED RENTER-OCCUPIED PAYING CASH RENT AND VACANT-FOR-RENT HOUSING UNITS BY OCCUPANCY STATUS

	RENTER OCCUPIED	VACANT FOR RENT
	*********	*********
TOTAL	4176	82
MEAN CONTRACT RENT	$ 268	$ 279

2. HOUSING UNITS (INCLUDING SEASONAL AND MIGRATORY UNITS) BY URBAN AND RURAL (2)

TOTAL	6782
INSIDE URBANIZED AREAS	6782
RURAL	

5. YEAR-ROUND HOUSING UNITS BY UNITS AT ADDRESS

1	3034
2 TO 9	2078
10 OR MORE	1658
MOBILE HOME OR TRAILER	3

9. SPECIFIED OWNER-OCCUPIED NONCONDOMINIUM HOUSING UNITS BY VALUE (11)

LESS THAN $10,000	
$10,000 TO $14,999	1
$15,000 TO $19,999	6
$20,000 TO $24,999	12
$25,000 TO $29,999	21
$30,000 TO $34,999	49
$35,000 TO $39,999	50
$40,000 TO $49,999	210
$50,000 TO $79,999	754
$80,000 TO $99,999	357
$100,000 TO $149,999	160
$150,000 TO $199,999	25
$200,000 OR MORE	7
MEDIAN VALUE	$ 69000

3. YEAR-ROUND HOUSING UNITS BY OCCUPANCY STATUS (1)

TOTAL	6773
OCCUPIED	6534
VACANT	239

6. AGGREGATE NUMBER OF ROOMS IN YEAR-ROUND HOUSING UNITS BY TENURE AND VACANCY STATUS (10)

TOTAL	32709
RENTER OCCUPIED	16705
VACANT FOR SALE ONLY	124
VACANT FOR RENT	335
OTHER VACANT (9)	609

10. SPECIFIED RENTER-OCCUPIED HOUSING UNITS BY CONTRACT RENT (12)

WITH CASH RENT:	
LESS THAN $50	21
$50 TO $99	227
$100 TO $119	81
$120 TO $139	145
$140 TO $149	79
$150 TO $159	100
$160 TO $169	100
$170 TO $199	347
$200 TO $249	737
$250 TO $299	834
$300 TO $399	1115
$400 TO $499	264
$500 OR MORE	126
MEDIAN CONTRACT RENT	$ 265
NO CASH RENT	86

13. YEAR-ROUND HOUSING UNITS BY TENURE AND OCCUPANCY STATUS BY PLUMBING FACILITIES

	TOTAL	TOTAL OCCUPIED	RENTER OCCUPIED
	*********	*********	*********
COMPLETE PLUMBING FOR EXCLUSIVE USE	6614	6380	4182
LACKING COMPLETE PLUMBING FOR EXCLUSIVE USE	159	154	143

15. OCCUPIED HOUSING UNITS WITH 1.01 OR MORE PERSONS PER ROOM BY TENURE, PERSONS, AND PLUMBING FACILITIES(13)

	TOTAL	RENTER OCCUPIED
	*********	*********
UNITS LACKING COMPLETE PLUMBING FOR EXCLUSIVE USE	16	15
PERSONS IN UNITS	1246	876
WITH COMPLETE PLUMBING	1184	N/A
LACKING COMPLETE PLUMBING	62	N/A

16. PERSONS IN OCCUPIED HOUSING UNITS LACKING COMPLETE PLUMBING FACILITIES FOR EXCLUSIVE USE (13)

PERSONS IN OCCUPIED HOUSING UNITS LACKING COMPLETE PLUMBING FACILITIES FOR EXCLUSIVE USE (13)	273

17. VACANT UNITS

YEAR-ROUND WHICH ARE BOARDED UP	26
FOR RENT, WHICH HAVE BEEN VACANT FOR 2 OR MORE MONTHS	35
FOR SALE ONLY WHICH HAVE BEEN VACANT FOR 6 OR MORE MONTHS	5

TABLE 4

MORRISTOWN TOWN
RESIDENTIAL CONSTRUCTION
AUTHORIZED BY BUILDING PERMITS

Year	Units	Year	Units	Year	Units	Year	Units	Year	Units
1960	83	1970	10	1980	7	1990	0	2000	149
1961	150	1971	10	1981	4	1991	1	2001	23
1962	179	1972	153	1982	13	1992	0	2002	9
1963	262	1973	7	1983	63	1993	14	2003	10
1964	150	1974	2	1984	134	1994	99	2004	24
1965	260	1975	4	1985	189	1995	117	2005	18
1966	265	1976	17	1986	55	1996	2	2006	307
1967	230	1977	17	1987	0	1997	140	2007	129
1968	64	1978	34	1988	5	1998	11	2008	60
1969	70	1979	42	1989	11	1999	19	2009	16
1960-1969	1,713	1970-1979	296	1980-1989	481	1990-1999	403	2000-2009	745

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, Residential Building Permits, Annual Summaries 1960-2009.

TABLE 5

MORRISTOWN TOWN HOUSING PROFILE
1990, 2000 AND 2010 CENSUS

	1990	2000	2010
TOTAL HOUSING UNITS	7,061	7,615	8,172
Occupied housing units	6,712	7,252	7,417
Owner occupied	2,524	2,865	2,863
Percent owner occupied	37.6	39.5	38.6
Renter occupied	4,188	4,387	4,554
Vacant housing units	349	363	755
For seasonal, recreational, or occasional use	13	76	97
Homeowner vacancy rate (percent)	2.8	1.2	3.7
Rental vacancy rate (percent)	3.7	3.7	8.4
Persons per owner-occupied unit	2.61	2.62	251
Persons per renter-occupied unit	2.08	2.3	2.3
UNITS IN STRUCTURE			
1-unit, detached	1,919	2,115	*
1-unit, attached	511	662	*
2 to 4 units	1,970	1,810	*
5 to 9 units	428	514	*
10 or more units	2,103	2,505	*
Mobile home, trailer, other	130	9	*
VALUE			
Specified owner-occupied units	1,796	2,114	*
Less than $50,000	4	18	*
$50,000 to $99,999	37	32	*
$100,000 to $149,999	221	206	*
$150,000 to $199,999	575	518	*
$200,000 to $299,999	771	858	*
$300,000 or more	188	482	*
Median (dollars)	205,800	224,400	*
CONTRACT RENT			
Specified renter-occupied units paying cash rent	4,393	1,215	*
Less than $249	382	142	*
$250 to $499	919	48	*
$500 to $749	1,738	98	*
$750 to $999	680	481	*
$1,000 or more	349	446	*
Median (dollars)	595	929	*

* Detailed housing characteristics from the 2010 Census are not yet available

disclose that Morristown's total population amounted to 18,411 residents, with 17,789 persons occupying 7,417 of the Town's 8,172 total housing units at the time of the 2010 Census.

School System - The Town of Morristown, along with Morris Township, are members of the Morris (Regional) School District which provides educational services for the students from the two member municipalities in grades K through 12 and maintains a "receiving" relationship with the Borough of Morris Plains to provide educational services for the Borough's students in grades 9 through 12. The number of students "on roll" in the Morris School District decreased from 6,059 students in the 1975-76 school year to 3,341 students in the 1991-92 school year, for a decrease of 2,718 students (44.9 percent). During the 1990's, the number students enrolled in the Morris School District increased, with 3,974 student reported in the 1995-96 school year and 4,363 students reported during the 1999-00 school year. Since 2000, enrollments in Morris School District have continued to increase, with 4,581 students enrolled during the 2005-06 school year and 5,204 students on roll during 2014-15 school year. The enrollment trends of Morristown students and total students enrolled in the Morris (Regional) School District are further detailed in Table 6.

Commercial Development - According to reports of the New Jersey Department of Labor, during 1975 there were 18,634 persons covered by New Jersey Unemployment Compensation (covered jobs) employed within Morristown, equal to 12.08 percent of Morris County's total employment base of 109,102 jobs at that time. Between 1975 and 1985, the Town's employment base increased by 13,725 jobs to a total of 32,359 jobs in 1985. During this ten-year period (1975-85), employment in Morristown increased by an average of 1,372 jobs each year. The Town experienced a decrease in its employment base during the ensuing ten-year interval (1985-95) with 31,106 jobs reported in Morristown during 1995.

Between 1995 and 2005, local employment was reported to have declined by 3,682 jobs to 27,424 jobs reported in 2005. Corrections to the covered employment data, to remove employment with Morristown addresses located in the surrounding municipalities, has resulted in reduced employment levels being attributed to Morristown with a total (private sector) employment base of 20,486 jobs reported for Morristown in 2009 and 21,597 jobs in 2013. It should be noted that the "covered" employment data is for "private sector" jobs and does not include the substantial public sector (government) employment in the Town. This information is further detailed in Table 7.

TABLE 6
MORRIS REGIONAL SCHOOL DISTRICT
PUBLIC SCHOOL ENROLLMENT

	Students Enrolled		Net School
	Morristown	Total	Cost/Student
1975-76	------	6,059	$ 2,321
1976-77	------	5,990	2,509
1977-78	2,752	5,712	2,792
1978-79	2,743	5,510	3,042
1979-80	2,393	5,262	3,374
1980-81	3,106	4,774	3,950
1981-82	2,084	4,561	4,602
1982-83	2,001	4,389	5,410
1983-84	1,933	4,310	5,928
1984-85	1,860	4,181	6,590
1985-86	1,786	4,052	7,252
1986-87	1,789	4,054	7,715
1987-88	1,643	3,821	8,771
1988-89	1,619	3,665	9,658
1989-90	1,592	3,523	10,863
1990-91	1,652	3,613	10,605
1991-92	1,537	3,341	11,612
1992-93	1,688	3,650	11,225
1993-94	2,017	3,771	11,384
1994-95	1,782	3,843	10,432
1995-96	1,680	3,974	10,440
1996-97	1,817	4,044	10,658
1997-98	1,895	4,150	11,790
1998-99	2,047	4,187	12,445
1999-00	2,292	4,363	12,943
2000-01	2,144	4,471	13,871
2001-02	2,183	4,547	14,499
2002-03	2,126	4,610	14,644
2003-04	2,121	4,570	15,808
2004-05	2,217	4,592	16,615
2005-06	1,988	4,581	17,263
2006-07	2,084	4,648	18,424
2007-08	1,990	4,574	19,006
2008-09	1,930	4,571	18,058
2009-10	1,989	4,951	17,109
2010-11	2,012	5,037	17,725
2011-12	2,012	5,079	17,761
2012-13	2,113	5,078	17,371
2013-14	------	5,152	18,930
2014-15	------	5,204	17,859

Source: Rutgers University, Bureau of Government Research, N J Legislative District Data Book (1975-2012); N J Dept of Education, 2013-14, 2014-15. The net cost per pupil is the general fund budget per pupil, as implemented under(CEIFA), is equal to the sum of general fund tax levy, budgeted general fund balance, miscellaneous revenue, and most forms of state formula aid. The per pupil cost for the 2013-14 and 2014-15 school years reflects total operating expenditures

TABLE 7
PRIVATE SECTOR EMPLOYMENT
MORRISTOWN TOWN, MORRIS COUNTY
(Employment Covered by New Jersey Unemployment Compensation)

Year	Morristown Town	Morris County	Town/ County (%)
1975	18,634	109,102	12.08
1980	19.250	149,902	12.84
1981	21,864	161,189	13.56
1982	23,052	163,240	14.12
1983	23,923	173,141	13.82
1984	29,768	187,697	15.86
1985	32,359	196,813	16.44
1986	34,211	205,299	16.66
1987	34,417	210,861	16.32
1988	35,528	214,625	16.43
1989	35,480	214,916	16.49
1990	33,644	208,635	16.13
1991	30,703	199,312	15.40
1992	29,650	201,024	14.75
1993	29,080	202,642	14.35
1994	30,668	208,466	14.71
1995	31,106	213,398	14.58
1996	29,233	220,494	13.26
1997	30,367	228,388	13.30
1998	30,344	233,240	13.01
1999	31,738	242,228	13.10
2003	30,857	244,397	12.63
2004	29,844	248,978	11.99
2005	27,424	253,558	10.81
2006	27,016	257,505	10.49
2007	20,024	255,748	7.83
2008	21,013	254,072	8.27
2009	20,486	222,420	9.21
2010	20,948	236,528	8.86
2011	19,536	237,310	8.23
2012	19,426	240,795	8.07
2013	21,597	248,032	8.71

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, New Jersey Covered Employment Trends.

Note: Employment is as of September 3.

RATABLE BASE AND TAX RATE

The economic and demographic characteristics of the Town of Morristown are reflected in the Town's ratable base, and changes in the Town's household base and commercial development over the past twenty years may be examined in terms of the per parcel and total valuations (assessment) of the taxable properties in the Town.

Ratable Base

The Town of Morristown has undertaken periodic property revaluations in order to maintain assessments that approximate current market values. The ratio of assessed value to market value is expressed in the State equalization ratio which amounted to 99.51 percent in 1994 and is reported to amount to 85.53 percent in the current (2014-15) assessments. These assessment trends are further detailed in Table 8.

During 1994, the total equalized property valuation in the Town of Morristown amounted to $1,201.7 million. This equalized valuation increased by 114.3 percent between 1994 and 2014, with an equalized assessed valuation of $2,575.8 million reported for 2014.

During the period from 1994 through 2014 when the Town's equalized valuation increased 114.3 percent, the cost of municipal operations reflected in the local use budget increased from $30,132,069 to $36,753,032--an increase of $6,620,963, or 22.0 percent. From 1994 to 2014, the growth of municipal costs (22.0 percent) was below the increase in the equalized taxable base (114.3 percent). The result of these varying growth rates would be a somewhat lower local (municipal purpose) property tax rate levied upon all properties as a percentage of property value.

Residential properties (Class 2) increased as a share of total ratables from 47.60 percent in 1994 to 56.37 percent in 2014, a relative increase of 18.4 percent. Non-residential (commercial and industrial) properties amounted to 43.77 percent of valuation in 1994 and 32.19 percent in 2014. These percentage levels and the changes that have occurred since 1994 indicate a decrease in the proportion of the total assessments represented by non-residential properties, with commercial and industrial properties now comprising 32.19 percent of total assessments, while residential (Class 2) properties have increased from 47.60 percent to 56.37 percent of the Town's total assessed valuation.

TABLE 8

MORRISTOWN TOWN, MORRIS COUNTY
RATABLE BASE COMPOSITION
LOCAL USE REVENUES AND TAXES

Year	Valuation Assessed	Valuation Equalized	Percent Comm/Ind	State Eq. Ratio	Local Use Budget	Average Residential Tax
1994	$1,195,895,900	$1,201,784,645	43.77	99.51	$30,132,069	$3,850
2014	$2,203,078,442	$2,575,796,144	32.19	85.53	$36,753,032	$9,005

Source: New Jersey Department of Community Affairs, Division of Local Government Services, Annual Reports, 1994; Morris County Board of Taxation, 2014.

Since 1994, the average equalized value of the Town's residential (Class 2) parcels has increased substantially. During 1994, the average equalized residential (Class 2) property assessment amounted to $179,886 per parcel and, by 2014, this per parcel average has increased to an equalized value of $405,578.

In 1994, the average residential tax bill in the Town of Morristown was $3,850 and between 1994 and 2014, this average annual tax increased at an annual average rate of 4.34 percent, resulting in a 2014 average residential (Class 2) tax of $9,005. This information is detailed on Table 9.

Effective Tax Rates

The local (general) tax rates levied in the Town of Morristown reflect the ratio of assessed to true (market) value of the assessments in the Town. In 1994, the local (general) tax rate in Morristown was $2.150 per $100 of assessed value. By 2014, this general tax rate had increased to $2.596 per $100 of assessed value. The increase in the general tax rate was accompanied by a decrease in the assessment ratio from 99.51 percent to 85.53 percent. On an "equalized valuation" basis, the tax rate relative to current values also increased between 1994 and 2014, with an increase in the equalized or "effective" tax rate in the Town of Morristown from $2.139 per $100 during 1994 to $2.220 per $100 of equalized valuation in 2014:

Morristown Town, Morris County
Local and Equalized Tax Rates

Year	Local Rate/$100	State Equalization Ratio	Equalized Rate/$100
1994	$2.150	99.51	$2.139
2014	$2.596	85.53	$2.220

TABLE 9

MORRISTOWN TOWN, MORRIS COUNTY
AVERAGE RESIDENTIAL ASSESSMENTS AND TAXES[1]

Year	Average Residential Assessment	Equalized Residential Assessment	Total Tax*	PROPERTY TAXES Local Use	Regional School District	County
1994	$179,005	$179,886	$3,850	$1,511	$1,781	$ 558
2014	$346,891	$405,578	$9,005	$3,649	$4,319	$1,037

Source: New Jersey Department of Community Affairs, Division of Local Government Services, Annual Reports, 1994; Morris County Board of Taxation, 2014.

[1]Class 2 Residential Properties.

Overview

The preceding review of the economic, demographic, fiscal and financial characteristics of Morristown has disclosed the Town to be a well-established and intensively developed community that accounts for a substantial share of the County's population base (3.74 percent in 2010) and private sector employment (8.86 percent in 2010) relative to the Town's 0.64 percent share of the County's total land area. Employment in Morristown increased from 18,634 jobs in 1975 to 20,948 jobs in 2010.

The review of the enrollment trends in the Morris School District disclosed a declining enrollment from the mid-1970's to the early 1990's which has been followed by steady enrollment increases. Between 1994 and 2014, the equalized valuation (assessments) in Morristown increased from $1,201.4 million to $2,575.8million.

PROJECT DESCRIPTION AND FISCAL IMPACTS

On the preceding pages, the economic base and fiscal infrastructure of Morristown have been examined and quantified. With the information and insight gained in the foregoing examination, it is now possible to estimate the costs, revenues and overall fiscal effects that would be expected to accompany the construction and occupancy of a total of 37 multi-family housing units, including 4 "affordable" housing units on a 1.282 acre tract of land within the Morris Street Redevelopment Area in the central portion of the Town of Morristown.

Project Description

The development that is the subject of the this fiscal evaluation involves a plan for a residential redevelopment to be located on a tract of land situated along the southerly side of Morris Street and within an area that has been designated as an "area in need of redevelopment" (Morris Street Redevelopment Area) within the Town of Morristown. Consistent with the objectives of the Redevelopment Plan to encourage "transit-oriented, residential infill development", the redevelopment proposed by Leona Development for a portion (Block 3701, Lot 11) of the Redevelopment Area contemplates the construction of a total of 37 multi-family rental housing units, including 4 affordable housing units. The current redevelopment plans anticipate the construction of three (3) new residential buildings, each containing 10 residential units and the renovation of the existing structure at 185 Morris Street to contain 7 residential units, including 4 affordable housing units.

The 33 market-priced rental apartments will consist of 27 one-bedroom apartments and 6 two-bedroom apartments with monthly rents ranging from $1,800 to $2,200 and averaging $1,873 per month. The 4 "affordable" rental units will include the required mixture of one, two and three bedroom units and will be priced in accordance with current regulations with an estimated (average) monthly rent of $892.

Based upon the current plans and anticipated rents, would be expected to yield an overall (market and affordable) average rent of $1,767 per month and result in a completed (capitalized) value of $ 6,223,034. This information is further detailed in the following tabulation:

Morris Street Redevelopment Area
Residential Redevelopment Plan
Block 3701, Lot 11

Market	No. of Units	Average Mo Rent	Estimated Value [2]	Aggregate Value
Apt- 1BR	27	$1,800	$171,360	$4,626,720
Apt -2BR	6	$2,200	$209,440	$1,256,640
Subtotal Market	33	$1,873	$178,283	$5,883,360
Affordable				
Apt 1 BR	1	$ 759	$ 72,257	$ 72,257
Apt 2 BR	2	$ 894	$ 85,109	$ 170,218
Apt 3 BR	1	$1,021	$ 97,199	$ 97,199
Subtotal Affordable	4	$ 892	$ 84,918	$ 339,674
Total /*Average*	37	*$1,767*	*$168,190*	$ 6,223,034
Estimated Assessment (85.53 percent)				*$ 5,322,560*

Demographic Implications

There are a number of techniques and methods available in demographic analysis which may be utilized to estimate the anticipated population levels which would be generated by a proposed development. No single technique or methodology is universally applicable, accepted or reliable. Rather, all methods available for the pro forma calculation of anticipated population are subject to certain limitations.

Among the various techniques available for developing estimates of population, the "comparable" or "case study" approach appears to offer the benefits of actual experiences, timely data, geographic proximities and known similarities in market sectors and product design. In the "case study" method, population determinants are generated on the basis of the actual occupancy experiences of comparable housing units in similar, recently constructed housing complexes. The reliability of the case study model is a function of the comparability of the case study housing units to the units proposed for construction.

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[2] Estimated value is Gross Potential Rent, less 5.0 percent vacancy and less operating expenses of 35.5 percent, capitalized at 7.5 percent.

Information is also available from the U.S. Department of Commerce, Bureau of the Census, which provides population and housing characteristics that can be examined to estimate municipal population and school children multiplier ratios on a per household basis. In this regard, at the time of the 2010 Census of Population (April 1, 2010), the Town of Morristown contained a total population of 18,411 persons of which 17,789 persons occupied 7,417 of the Town's 8,172 total housing units. At this time (2009-2010 school year), there were 2,090 students from Morristown enrolled in the Morris Regional School District. These statistics indicate that the average household in the Town of Morristown contained 2.40 persons and 0.282 public school children per household

The proposed redevelopment, which contains 37 attached housing units with an average of 1.27 bedrooms per unit, differs significantly from the Town's housing base to the extent that all of the proposed housing units are "new" ,"attached", "renter-occupied" and includes an "affordable" housing component. In view of the differences in the type of housing units proposed vis-a-vis the Town's existing housing base, the use of municipal demographics as a "comparable" would not be appropriate.

Demographic multipliers for total population and school age children have been developed and published by the Urban land Institute (ULI). The ULI multipliers, which are derived from information regarding newly constructed and occupied housing units contained in the American Housing Survey, furnish data for six different types of housing products, by number of bedrooms for four different regions of the United States. The demographic multipliers published by ULI are derived from information contained in the 1987 American Housing Survey for the Northeast region of the United States and do not reflect current occupancy trends, are not available for New Jersey, Morris County or the Morristown area and do not distinguish between "entry-level" and transit-oriented housing products.

Multi-Family Demographics

Given the unique location, character, and transit-oriented convenience of the proposed new housing units, demographic information for recently occupied attached housing units in New Jersey can provide a more realistic basis for estimating the population and public school children likely to be generated by the proposed multi-family rental housing units at a location that affords retail convenience and a transit-oriented opportunity for its residents.

Standard Demographic Multipliers - A study of the occupancy characteristics of newly occupied housing units was prepared (November 2006) for the New Jersey Department of Community Affairs, Office of Smart Growth by the Center for Urban Policy Research (CUPR), Edward J. Bloustein School of Planning & Public Policy at Rutgers, The State University. The findings of this study, which are summarized in the enclosed Appendices 1 and 2, provide demographic multipliers for single-family detached homes, single-family attached homes and multi-family (5+ units/building), including condominiums and apartments. The "CUPR" multipliers furnish Statewide information, adjusted for pricing (below median or above median), for certain bedroom configurations (0-1, 2, 3, and 4-5 bedrooms). The CUPR multipliers also provide consolidated (owner/renter) information for three "Regions" of the State (northern, central and southern) but the regional data does not separate owner and renter occupied units or provide the disaggregated data for the specific bedroom configurations that is available in the Statewide data.

The published CUPR data that is most similar to the 33 proposed "market" rental housing units is contained within the New Jersey multipliers for "above median price" one-bedroom and two-bedroom housing units in buildings containing five or more housing units. These tables (Appendices 1 and 2) indicate an expectation for occupancies of 1.644 to 2.107 persons per unit, including 0.051 to 0.115 public school children per unit. If these Statewide multipliers were applied to the 33 "market" housing units with a mix of 27 one-bedroom units and 6 two-bedroom units, a total resident population with a weighted average amounting to 1.727 persons per unit, including 0.063 school children per unit, would be anticipated:

Estimated Population
CUPR Standard (Statewide) Demographic Multipliers
Proposed Redevelopment "Market" Units

		Population Per Unit		Estimated Population	
Rental	No. of Units	Total Pop.	Public School	Total Pop.	Public School
One-Bedroom	27	1.644	0.051	44	1
Two-Bedroom	6	2.107	0.115	13	1
Total	33	1.727	0.063	57	2

Transit-Oriented Developments - In addition to the demographic information for standard housing types, the November 2006 study prepared by the Center for Urban Policy Research also provides demographic multipliers specialized forms of housing, including housing units within transit-oriented residential developments. As detailed in Appendix 3, this survey of transit-oriented developments included a total of 2,183 rental housing units located within ten (10) rental projects in New Jersey. These 2,183 "rental" housing units were found to contain a total of 47 public school children, or 0.021 public school children per housing unit. In view of the design and the proximity of the proposed residential development to transit opportunities (commuter rail), the TOD multipliers furnish an indication of the reduced population and public school children that could be anticipated. Applying the TOD school children multiplier (0.021 school children / unit) to the 33 "market" priced rental housing units would yield 1 public school child, as opposed to the 2 public school children derived with the standard CUPR (Statewide) multipliers:

Estimated Population
TOD Demographic Multipliers
Proposed Residential Redevelopment Morristown

		Population Per Unit		Estimated Population	
Rental	No. of Units	Total Pop.	Public School	Total Pop.	Public School
One-Bedroom	27	1.587	0.019	43	1
Two-Bedroom	6	1.942	0.036	12	0
Total	33	1.652	0.021	55	1

Affordable Housing Demographics - In addition to the "market" priced housing units, the development proposal also contains four (4) "affordable" (Mt. Laurel) housing units to be reserved and priced to be affordable for lower-income households in accordance with affordable housing regulations. To the extent that the 4 "affordable" housing units have specific occupancy, income, and pricing restrictions, the "CUPR" survey provides separate demographic multipliers for low and moderate income households in New Jersey. The demographic multipliers for the 4 one-, two- and three-bedroom, renter-occupied, "affordable" housing units (Appendix 4) anticipate 1.61 to 3.82 persons per unit including 0.14 to 1.27 public school children per "affordable" housing unit.

Utilizing the CUPR demographic (TOD) multipliers for the 33 "market" housing units and the demographic multipliers specific to the 4 "affordable" housing units, the number residents and public school children generated by the housing units within the proposed residential redevelopment have been estimated.

Added Population

As indicated in the following calculations, and applying CUPR (TOD) demographic multipliers to the 33 "market" housing units and the specific multipliers for the 4 "affordable" (Mt Laurel) housing units, a total population of 67 persons, including 3 public school children, would be anticipated:

Estimated Population
Proposed Residential Redevelopment in Morristown
CUPR Transit-Oriented and Affordable Demographic Multipliers

Residential	No.	Per Unit		Total	Public
Market	Units	Pop	PSC	Pop	School
Apt - 1BR	27	1.610	0.019	43	1
Apt - 2 BR	6	2.030	0.036	12	0
Subtotal	33	1.664	0.021	55	1
Affordable					
Apt-1BR	1	1.610	0.140	2	0
Apt-2BR	2	2.760	0.620	6	1
Apt-3BR	1	3.820	1.270	4	1
Subtotal	4	2.734	0.663	12	2
Total	37	1.811	0.081	67	3

The preceding information is consistent with a survey prepared by Jonathan Rose Companies regarding the number of public school children generated by new rental housing units in the Town of Morristown. According to this survey, the rental units located within Chancery Square (131 apartments), Highlands (217 apartments) and Metropolitan (130 apartments) generate a combined total of three (3) public school children, or 0.006 public school children per unit:

Morristown Rental Housing Units
School Children Survey

Property Name	No. Units	School Children	School Children/Unit
Chancery Square	131	2	0.015
Highlands	217	1	0.005
Metropolitan	130	0	0.000
Total Survey	478	3	0.006

Added Services

The development and addition of new residences, new businesses or a combination thereof to a community may generate direct and indirect needs for new or added services from the community or other governmental jurisdictions. The services to be provided to a new development generally include education (public school), police and fire protection, public works, administration, etc. The degree to which the added development may be accommodated within the framework of existing governmental services, facilities and personnel is typically a function of the relative increases in population, school children and employment represented by the new development.

As was indicated in the preceding review of the population and enrollment estimated for the proposed redevelopment in Morristown, a total of 67 residents, including 3 public school children, could be expected to be directly generated by the new housing units. Relative to the Town's current estimated (year-end 2014) population of 18,580 residents and 2,165 public school children, the added development would represent increments of 0.36 percent and 0.14 percent, respectively. To the extent that the proposed redevelopment represents increments in the range of 0.14 to 0.36 percent, increases in governmental services are more likely to generate marginal, rather than average costs, and generally within the capacities of the extant public infrastructure.

IMPACT ANALYSIS

Service Cost Allocations

The fiscal impact resulting from the proposed redevelopment and the addition of 37 new housing units may now be examined in terms of the costs incurred by the municipality and the school district in providing a variety of services to the Town's residents. The determination of the fiscal impact of the proposed development involved the use of an econometric model which is a composite of two techniques generally referred to as the "proportional valuation method" and the "per capita multiplier method". The proportional valuation method is utilized first to assign a portion of total municipal expenditures to the residential (as opposed to non-residential) valuation in the Town. Municipal expenditure levels proportionately allocated to residential valuation are then expressed in terms of per capita expenditures for the existing population. School appropriations are expressed on a per-pupil basis. Once these per capita and per pupil expense ratios are determined, the "per capita multiplier method" anticipates added costs from the proposed development by applying increased population and student enrollment to the current expense ratios.

Assumptions, Conditions and Qualifications

The preparation of a cost/revenue analysis which measures the overall and specific impacts resulting from the development and occupancy of the proposed development necessarily requires that certain empirical assumptions be made:

1) All dollars are dollars--the fiscal impact shown reflects the forecasted impact as if the development were completed in 2014;

2) Other growth or changes (demographic/economic) occurring in Morristown during the development phases of the project may well have their own impact on fiscal matters, but are not included within the scope of this study in order to empirically assess the direct impact of the planned development;

3) The "per capita multiplier method" assumes that, over the long run, <u>current</u> average operating costs per capita furnish a reasonable estimate of <u>future</u> operating costs occasioned by growth, and that current levels

of service, relative to current population, are reasonably accurate indicators of future service levels continued at the same relative scale, and;

4) The current distribution of expenditures among the various sectors of municipal service will remain constant in the short term and will serve as the primary indicator of the way in which additional expenditures will be subsequently allocated.

Utilizing the aforedescribed methodology and assumptions, the ultimate impact of the completion and occupancy of the proposed residential redevelopment can be determined through a cost/revenue analysis of the major sources of the services and taxing bodies affected by the new development. The primary sources of the services affected by the new development are: a) the municipality; b) the regional school district, and; c) the County.

MUNICIPAL SERVICE COSTS

The fiscal effects anticipated to result from the construction and occupancy of the proposed housing units, and the addition of 67 new residents shall be analyzed in this section in terms of the added costs expected to be incurred by the municipality in providing the various services required by the proposed development.

Service Cost Allocations

Insofar as the costs of the services now being provided by the community serve as the statistical foundation for the costs to be generated by the proposed development, an analysis of existing service/cost relationships has been undertaken. A summary of Morristown's current revenues and expenditures as presented in Table 10, provides a useful profile for the determination of the fiscal impact attributable to the proposed development.

Before the data and relationships indicated in Table 10 may be utilized, certain adjustments must be made to separate its residential and non-residential components. As may be seen in Table 10, non-residential properties in Morristown, which include Class 4a Commercial and Class 4b Industrial properties represent 12.95 percent of all properties and 32.19 percent of the Town's total assessed valuation. Given these distributions, 22.57 percent of the current tax-supported municipal expenditures would be assigned, in terms of cost/benefit (or cost generation) to the 562 (commercial and industrial) properties in Morristown, and which are estimated to employ 21,810 persons. Of the Town's current tax-supported appropriations of $23,248,236, approximately 22.57 percent, or $5,247,127 would be assigned to the Town's 562 commercial and industrial properties, indicating a non-residential service cost factor amounting to $241 per employee.

The Town's residential properties, which include Class 2 and 4c properties, represent 84.15 percent of the Town's total properties and 66.66 percent of the Town's total valuation, and would be assigned 75.41 percent of the Town's total tax-supported costs. In this regard, $17,531,495 of the Town's $23,248,236 in tax-supported local use appropriations would be attributed to Morristown's residential properties.

TABLE 10

MUNICIPAL DATA - 2014
MORRISTOWN TOWN, MORRIS COUNTY

A. Current Assessments:

Category	Assessment	Percent	Parcels
1. Vacant Land	$ 25,321,600	1.15	126
2. Residential	$1,241,869,642	56.37	3,580
3a Farm-Regular	$ 0	0.00	0
3b Farm-Qualified	$ 0	0.00	0
4a Commercial	$ 697,912,200	31.68	553
4b Industrial	$ 11,253,500	0.51	9
4c Apartments	$ 226,722,100	10.29	73
Summary			
Residential (Class 2, 3a, 4c)	$1,468,591,142	66.66	3,653
Commercial/Industrial	$ 709,165,700	32.19	562
Vacant, Farm-Q	$ 25,321,600	1.15	126
Total	$2,203,078,442	100.00	4,341

B. Current Tax Structure:

Rate Per $100 (2014-15)	Percent	Tax Rate
Municipal Purpose	40.52	$1.052
Regional School District	47.96	$1.245
County Taxes	11.52	$0.299
Total	100.00	$2.596

C. Local Use Appropriations:

	Percent	Amount
Operations (within CAPS)	76.50	$28,114,347
Other Operations	6.36	$ 2,337,542
Deferred Charges & Other Appropriations	0.51	$ 187,737
Capital Improvements	0.68	$ 250,000
Debt Service	13.76	$ 5,058,457
Reserve for Uncollected Taxes	2.19	$ 804,949
Total General Appropriations	100.00	$36,753,032

D. General Revenues - Local Use:

	Percent	Amount
Revenue from Property Taxes*	63.25	$23,248,236
Miscellaneous Revenues	30.81	$11,324,796
Surplus Revenues	4.63	$ 1,700,000
Receipts from Delinquent Taxes	1.31	$ 480,000
Total General Revenues	100.00	$36,753,032

Note: State Assessment Ratio is 85.53 percent, County Ratio is 86.02 percent..

Residential Costs - When the resident-based, tax-supported municipal appropriations of $17,531,495 are allocated among Morristown's estimated year-end 2014 residential population of 18,580 residents, an average per capita, tax-supported cost appropriation of $944 is derived. Concentrated, higher-density residential developments, and particularly Class 4c income producing (apartment) properties, where many services are provided by the property owner, will typically have "marginal" added costs that are approximately 60 percent of the "average" per capita costs. Applying the marginal per capita local use appropriation of $566 ($944 x .60 =$566) to the 67 new residents expected to reside within the proposed residential redevelopment indicates an added local use appropriation of $37,920 (67 x $566 = $37,920).

Cost Allocations - The actual experience and distribution of the municipality's expenditures among its various budgetary components provides a basis for the allocation of the added costs estimated for the proposed redevelopment. The estimated tax-supported costs of $37,920 amount to 0.16 percent of the tax-supported municipal appropriations which would be allocated to maintain the same level and quality of municipal services to the Town's existing residential and non-residential properties. The marginal cost allocation takes into account factors associated with the economies of scale and efficiencies applicable to the addition of 67 persons to the estimated existing population base of 18,580 persons and the lower consumption of municipal services applicable to a self-contained, income-producing (Class 4c) property

SCHOOL SYSTEM IMPACT

The Town of Morristown, along with Morris Township, are members of the Morris (Regional) School District which provides educational services for the students from the two member municipalities in grades K through 12 and maintains a "receiving" relationship with the Borough of Morris Plains to provide educational services for the Borough's students in grades 9-12.

The number of public school students expected to be generated by the proposed redevelopment furnishes the statistical basis for this element of the anticipated fiscal impact of the proposed residential redevelopment in Morristown. In this regard, the 33 "market" housing units have been estimated to generate a total of 1 public school student while the 4 "affordable" (COAH) housing units have been estimated to generate an additional 2 public school children, for a total of 3 children that could be expected to be enrolled in the Morris Regional School District.

Morris Regional School District

The fiscal impact resulting from the addition of the 3 new students to the school district has been statistically structured under the assumption that all new students were enrolled during 2012. The interjection of the hypothetical students into a current enrollment situation is empirically preferable to the extent that it permits a more objective appraisal of the direct impact of the enrollment specific to the new development and also permits an analysis predicated upon known fiscal data and current (2012) dollars. The costs anticipated for the added enrollment of 3 students in the school district have been estimated on the basis of the actual reported per pupil appropriations for the 2014-15 school year.

School District Costs - During the 2014-15 school year, the Morris Regional School District has a total operating budget of $96,885,709, of which $87,705,056 (87.81 percent), is funded by property taxes and other local sources (tuition received). Relative to the school district's resident enrollment, the current (2014-15) school district budget equates to $17,859 per student, of which $15,681 per student, is funded by local property taxes. Applying the tax-supported school district cost of $15,681 to the 3 new students estimated to be enrolled, yields added tax-supported school district costs of $47,040 (3 x $15,681 = $47,040).

COUNTY SERVICES IMPACT

A broad range of services are furnished by the County government, its agencies, offices and departments. These services, which are provided and available to all County residents without respect to municipality of residence, include the services of County Courts; Sheriff's office; various health, safety and welfare programs; maintenance of County roads; County education services; County parks; recreational facilities; etc. The nature of the services provided by the County are such that its services, facilities and operations are generally of countywide use and benefit, and the costs thereof are not allotted and cannot be segregated on a municipality-by-municipality basis. It is, therefore, difficult, to specifically separate and determine the actual measure of benefit, and the costs attendant thereto, received by Morristown residents from Morris County operations.

The absence of a direct cost/benefit relationship in the services supplied by the County does not preclude its analysis, but rather, focuses the correlations upon the actual manner in which County services are furnished and financed. Although County services are provided to the general public and, therefore, generate costs as a function of population (per capita), these services are not financed by the population, but through the assessment of a County Tax upon property valuations. A calculation of the estimated County costs and estimated County revenues resulting from the proposed development in Morristown may also be derived from this bifurcated relationship between hypothetical costs and direct revenues.

County Costs

County services are provided primarily, and in some instances exclusively, for the benefit of County residents with only a limited amount of services rendered to non-residential properties and non-resident employees. Because the vast majority of Morris County's services and associated costs are furnished to and for the benefit of County residents, only a nominal and indirect relationship exists relative to non-residential properties and the employees thereof. Of the total County appropriations, only those activities involved with general government, public safety and public works could reasonably be perceived as providing a service/benefit to non-residential properties and their employees. These types of County services, which are provided for the joint benefit of residents and non-residents, account for 30 percent of the total County expenditures while the remaining 70 percent of Morris County's expenditures are furnished exclusively for the County's residential population.

Residential Costs - During 2014, \$174.8 million of Morris County's total tax-supported expenditures of \$217.9 million would be allocated to the County's resident population. With an estimated 2014 resident population of 499,800 persons, the tax-supported residential expenditures would amount to \$350 for each of the County's residents at this time. Were this resident-based, tax-supported expense applied to the 67 new residents expected to reside within the proposed redevelopment, additional tax-supported costs of \$23,450 would be hypothesized. Given the magnitude of Morris County operations, the absence of a direct cost/revenue basis for the provision of County services and the fact that the added development would represent a nominal (0.01 percent) increase in the County's total population, it is unlikely that County costs would increase proportionately. To the contrary, it is probable that the added development could substantially be accommodated and serviced by existing County facilities, equipment and personnel.

ADDED REVENUES

Existing Property

Assessed Valuation - The proposed residential redevelopment that is the subject of this fiscal assessment involves a proposal for the redevelopment of the property located at 185 Morris Street in the Town of Morristown. The redevelopment property consists is a flag shaped lot identified as "Parcel B" within the Morris Street Redevelopment Area and encompasses a land area of 1.282 acres. The subject property is currently identified as a single tax lot and has a current (2014) assessed valuation of $357,600, consisting of a land assessment of $291,600 and an improvement assessment of $66,000:

Proposed Residential Redevelopment
Block 3701, Lot 11
Current Assessment - Existing Use

Block	Lot	Land	Improvements	Total
3701	11	$ 291,600	$ 66,000	$ 357,600
Totals		$ 291,600	$ 66,000	$ 357,600

Current Property Tax Revenues - The property to be redeveloped, as indicated above, has a total current taxable assessment of $357,600. At Morristown's current general tax rates, the existing use of the subject property generates annual property tax revenues for the Town of Morristown amounting to $3,623, along with property tax revenues of $139 for the Morristown Library, $4,452 for the Morris Regional School District and property tax revenues of $1,069 for Morris County. The total property tax revenues generated by the existing property amount to $9,283 and are comprised of tax revenues of $7,570 generated by the land assessment ($291,600) and tax revenues of $1,713 attributable to the assessed value ($66,000) of the improvements on this property. The current annual property tax revenues are summarized in the following tabulation:

Proposed Redevelopment Property
Existing Use Property Tax Revenues

		Land	Improvements	Total
Existing Assessment		$ 291,600	$ 66,000	$ 357,600
Property Taxes/$100				
Municipal	$1.013	$ 2,954	$ 669	$ 3,623
Library	$0.039	$ 114	$ 25	$ 139
School District	$1.245	$ 3,630	$ 822	$ 4,452
County	$0.299	$ 872	$ 197	$ 1,069
Total	$2.596	$ 7,570	$ 1,713	$ 9,283

Payments In Lieu Of Taxes

The proposed redevelopment is located within an area (Morris Street Redevelopment Area) within the Town of Morristown that the Town has been determined to be an "area in need of redevelopment". The redeveloper will form an urban renewal entity ("Entity") formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as set forth in N.J.S.A. 40A:20-1 et seq., ("Long Term Tax Exemption Law").

The redevelopment entity, in order to undertake the proposed redevelopment, will request a long term (30 year) tax exemption pursuant to the Long Term Exemption Law and shall prepare Applications and Financial Agreements that set forth the nature and details regarding the terms of the Payments In Lieu Of Taxes to be paid to the Town of Morristown in the form of Annual Service Charges for the residential and non-residential components within the redevelopment plan.

Financial Agreement - The proposed Financial Agreement shall set forth the minimum annual payments (annual service fees) to be paid to Town of Morristown for the residential and non-presidential components of the redevelopment plan. Within the Application for Long Term Tax Exemption and the Financial Agreement, the 37 dwelling units within this portion of the overall redevelopment plan will pay Annual Service Charges that amount to 12.0 percent of the Annual Gross Revenues for the 33 "market" rental housing units and for the 4 "affordable" (COAH) housing units.

Annual Gross Revenue Method

The proposed redevelopment of Block 3701, Lot 11, consisting of 37 multi-family housing units, would be expected to generate Annual Gross Revenues amounting to $745,195 when completed and occupied. These Annual Gross Revenues, which are further detailed in the following tabulation, consist of Annual Gross Revenues of $704,520 from the 33 "market" units and $40,675 from the affordable housing units within the proposed redevelopment plan. The total (combined) Annual Gross Revenues amount to $745,195 and, with an Annual Service Charge amounting to 12.0 percent, which is within the range discussed in the provisions of the law governing PILOT payments, would generate Annual Service Charges amounting to $89,423:

Estimated Annual Gross Revenues
Proposed Residential Redevelopment

	No.	Average	Annual Gross Revenue[3]		Annual Svc Chg
Market	Units	Rent / Mo.	Per Unit	Aggregate	12.0 %
Apartment 1BR	27	$1,800	$20,520	$554,040	$ 66,485
Apartment 2BR	6	$2,200	$25,080	$150,480	$ 18,057
Subtotal /*Average*	33	*$1,873*	*$21,349*	$704,520	$ 84,542
Affordable					
Apartment 1BR	1	$ 759	$ 8,653	$ 8,653	$ 1,038
Apartment 2BR	2	$ 894	$10,192	$ 20,383	$ 2,446
Apartment 3BR	1	$1,021	$11,639	$ 11,639	$ 1,397
Subtotal /Average	4	*$ 892*	*$10,169*	$ 40,675	$ 4,881
Total	**37**	**$1,767**	***$20,140***	**$745,195**	**$ 89,423**

Land Tax Credit - The completed redevelopment would be estimated to generate an Annual Service Charge of $89,423 that, net of land taxes of $7,570, would yield a net Annual Service Charge of $81,853 on the improvements represented proposed redevelopment. After the land tax credit, the net Annual Service Charge amounts to $81,853, of which 95.0 percent, or $77,760, would be retained by the Town of Morristown. Morris County would be entitled to an annual payment that amounts to the remainder (5.0 percent) of the net Annual Service Charge, or $4,093.

[3] Gross potential rent less five percent vacancy

Annual Gross Revenue Method

The proposed redevelopment of Block 3701, Lot 11, consisting of 37 multi-family housing units, would be expected to generate Annual Gross Revenues amounting to $745,195 when completed and occupied. These Annual Gross Revenues, which are further detailed in the following tabulation, consist of Annual Gross Revenues of $704,520 from the 33 "market" units and $40,675 from the affordable housing units within the proposed redevelopment plan. The total (combined) Annual Gross Revenues amount to $745,195 and, with an Annual Service Charge amounting to 12.0 percent, which is within the range discussed in the provisions of the law governing PILOT payments, would generate Annual Service Charges amounting to $89,423:

Estimated Annual Gross Revenues
Proposed Residential Redevelopment

Market	No. Units	Average Rent / Mo.	Annual Gross Revenue[3] Per Unit	Annual Gross Revenue[3] Aggregate	Annual Svc Chg 12.0 %
Apartment 1BR	27	$1,800	$20,520	$554,040	$ 66,485
Apartment 2BR	6	$2,200	$25,080	$150,480	$ 18,057
Subtotal /*Average*	33	*$1,873*	*$21,349*	$704,520	$ 84,542
Affordable					
Apartment 1BR	1	$ 759	$ 8,653	$ 8,653	$ 1,038
Apartment 2BR	2	$ 894	$10,192	$ 20,383	$ 2,446
Apartment 3BR	1	$1,021	$11,639	$ 11,639	$ 1,397
Subtotal /Average	4	*$ 892*	*$10,169*	$ 40,675	$ 4,881
Total	**37**	**$1,767**	***$20,140***	**$745,195**	**$ 89,423**

Land Tax Credit - The completed redevelopment would be estimated to generate an Annual Service Charge of $89,423 that, net of land taxes of $7,570, would yield a net Annual Service Charge of $81,853 on the improvements represented proposed redevelopment. After the land tax credit, the net Annual Service Charge amounts to $81,853, of which 95.0 percent, or $77,760, would be retained by the Town of Morristown. Morris County would be entitled to an annual payment that amounts to the remainder (5.0 percent) of the net Annual Service Charge, or $4,093.

[3] Gross potential rent less five percent vacancy

Annual Administrative Fee - In addition to the Annual Service Charge to be paid to the Town of Morristown, the residential units in the redevelopment plan would also pay the Town an Annual Administrative Fee equal to two (2.0) percent of the net annual service charge, or $1,637 ($81,853 x 0.02 = $1,637).

Annual Service Charges and Administrative Fees - The completed residential redevelopment, pursuant to the provisions of a proposed Financial Agreement, could be expected to make "net" annual PILOT payments to the Town of Morristown and Morris County amounting to $66,950. These payments would be distributed between the Town of Morristown ($79,397) and the County ($4,093) as detailed in the tabulation below:

Proposed Residential Redevelopment
Annual Service Charges and Administrative Fees

Annual Service Charge (Net)			Admin	Total	
Total	Morristown	County	Morristown	Morristown	Morristown + Co.
$81,853	$77,760	$4,093	$1,637	$79,397	$83,490

Total Annual Payments - With the inclusion of the land tax payments, which currently amount to $7,570, the proposed residential redevelopment would be expected to generate total annual payments (PILOT revenues and land taxes) amounting to $91,060:

Proposed Residential Redevelopment
Annual Revenues

Source	Municipal	Library	School	County	Total
ASC	$77,760	$ 0	$ 0	$ 4,093	$81,853
Admin	$ 1,637	$ 0	$ 0	$ 0	$ 1,637
Land Taxes	$ 2,954	$ 114	$ 3,630	$ 872	$ 7,570
Total	$82,351	$ 114	$ 3,630	$ 4,965	$91,060

Annual Revenue Comparisons

The payments that the Town of Morristown would retain with the proposed tax exemption ($82,351) are 22.7 times the property tax revenues ($3,623) that the Town currently receives from the existing property, are 1.5 times the property tax revenues of $53,918[4] that the Town would receive with Ordinary Applicable Taxes and are 2.2 times allocated municipal service costs of $37,920 :

Proposed Residential Redevelopment
Annual Revenue Summary and Comparison

	Town of Morristown
Existing Use	$ 3,623
Proposed Redevelopment	
Ordinary Taxes	$ 53,918
ASC, Admin, Land Tax Payments	$ 82,351
Allocated Costs	$ 37,920

As summarized in the preceding tabulation, the annual revenues that would be received by the Town of Morristown with a Financial Agreement providing for in-lieu payments are 22.7 times the current tax municipal tax revenues of $3,623, are 1.5 times the annual revenues of $53,918 that the Town would receive with Ordinary Applicable Taxes and are 2.2 times the allocated municipal service costs of $37,920. During the 30-year term of the requested exemption, and as detailed in Table 12, the project would make total annual payments to the Town of Morristown that amount to $3,538,788, compared to $2,187,350 with ordinary taxes.

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[4] The proposed redevelopment, with a completed project value of $6,223,024 and an estimated assessment of $5,322.560, would generate municipal property tax revenues of $53,918 at the current municipal property tax rate of $1.013 per $100 of assessed valuation, which excludes the Library Tax of $0.039 per $100.

The municipal Annual Service Charges, Administrative Fees and Land Taxes paid by the 33 "market" residential units yield annual payments that amount to $2,359 per residential unit while the "affordable" apartments would yield total annual payments that amount to $1,124 per unit:

Proposed Redevelopment
Per Unit ASC, Admin and Land Tax Payments
to the Town of Morristown

Residential	Municipal ASC, Admin and Land Tax Payments	Per Unit
33 Market Units	$77,856	$2,359 / unit
4 Affordable Units	4,495	$1,124 / unit
Total (37)	$82,351	$2,226 / unit

Per Capita Revenue Comparisons - The total Annual Service Charge, Administrative Fees and Land Taxes to be paid to be paid to the Town of Morristown by the residential units with the proposed redevelopment amount to $82,351 and would equate to $1,229 for each of the 67 estimated new residents. By way of comparison, the residential properties in the Town of Morristown, which consist of 3,580 Class 2 Residential properties with an assessed value of $1,241,869,642 and 73 Class 4c Apartment properties with an assessed value of $226,722,100, yield a total assessed residential valuation of $1,468,591,142. The Town's residential properties, with a current assessed value $1,468,591,142, pay municipal (local use) property taxes to the Town of Morristown amounting to $15,549,579 at the current municipal (local use) property tax rate of $1.052 per $100 of assessed valuation, or approximately $832 for each of the Town's 18,580 current residents.

The per capita municipal revenues generated by the proposed redevelopment ($1,229) are <u>1.48 times</u> the $832 in municipal property tax revenues paid by the Town's current residents.

FISCAL IMPACT OVERVIEW

In the preceding sections, the nature and magnitude of the residential redevelopment proposed for Block 3701, Lot 11 within the Morris Street Redevelopment Area relative to the existing community have been defined and quantified, and the prospective impact thereof upon the various services furnished by the municipality and school system have been determined. These services, and the costs allocated to the proposed redevelopment, were subsequently refined to illustrate the ultimate impact through cost/revenue analysis.

The results of these analyses, as set forth in Table 11, indicate that the completed redevelopment would, with the proposed tax exemption, generate Annual Service Charges, Administrative Fees and Land Taxes for the Town of Morristown that amount to $82,351. The annual revenues generated for the municipality with the proposed tax exemption are 1.5 times the municipal tax revenues of $53,918 that the Town would receive with Ordinary Applicable Taxes and are 22.7 times the property tax revenues of $3,623 currently paid to the Town of Morristown by the redevelopment property. Significantly, the Annual Service Charges and Administrative Fees to be paid to the Town of Morristown of $82,351 are 2.2 times the municipal service costs ($37,920) allocated to the proposed redevelopment and result in an annual net revenue surplus of $44,431, notwithstanding the inclusion of 4 "affordable" housing units.

Under Ordinary Applicable Taxes, the Town of Morristown would receive only 40.52 percent of the property tax revenues generated by the proposed redevelopment. The utilization of the provisions for tax-exemption would provide the Town with over 95 percent of the total annual revenues generated and an annual payment ($82,351) that is $28,433 greater that the amount ($53,918) of ordinary taxes. The total Annual Service Charges and Administrative Fees to be paid to the Town of Morristown by the proposed redevelopment amount to $82,351 ($2,226 per unit) and would equate to $1,229 for each of the 67 estimated new residents. By way of comparison, the residential properties in the Town of Morristown pay municipal (local use) property taxes to the Town amounting to $15,449,579 at the current municipal (local use) property tax rate of $1.052 per $100 of assessed valuation, or approximately $832 for each of the Town's 18,580 current residents. The per capita municipal revenues generated by the new housing units ($1,229) are 1.48 times the $832 in municipal property tax revenues paid by the Town's current residents.

TABLE 11

Annual Municipal Revenue Comparisons
Morris Street Redevelopment Area
Proposed Block 3701, Lot 11 Residential Redevelopment

	Town of Morristown
Existing Use	\$ 3,623
Proposed Redevelopment	
Ordinary Taxes	\$ 53,918
Annual PILOT Payments	\$ 82,351
Municipal Service Costs	\$ 37,920

Note: Ordinary Applicable Taxes are current revenues calculated at the current (2014-15) property tax rates of $1.013 per $100 for the municipality, and have not been adjusted to include future annual increases.

TABLE 12
MORRIS STREET REDEVELOPMENT
TOWN OF MORRISTOWN
PROJECTED TAX AND PILOT PAYMENTS

	PROJECT	MINIMUM	PROJECT	EXISTING USE LAND	TAX	PROJECT	PILOT	Net of	Pilot	Paymnts	Municipal	Municipal	Minimim Muni
Year	OAT Tot.	TAX	OAT Municip.	Total	Municip.	AGR	0.120	Land tax	Municip.	County	Admin. Fee	Payment	Payment
1	138,174	Pilot	53,918	7,570	2,954	745,195	89,423	81,853	77,760	4,093	1,637	82,351	82,351
2	140,937	Pilot	54,996	7,721	3,013	760,099	91,212	83,490	79,316	4,175	1,670	83,999	83,999
3	143,756	Pilot	56,096	7,876	3,073	775,301	93,036	85,160	80,902	4,258	1,703	85,679	85,679
4	146,631	Pilot	57,218	8,033	3,135	790,807	94,897	86,863	82,520	4,343	1,737	87,392	87,392
5	149,564	Pilot	58,363	8,194	3,198	806,623	96,795	88,601	84,171	4,430	1,772	89,140	89,140
6	152,555	Pilot	59,530	8,358	3,261	822,755	98,731	90,373	85,854	4,519	1,807	90,923	90,923
7	155,606	Pilot	60,720	8,525	3,327	839,211	100,705	92,180	87,571	4,609	1,844	92,742	92,742
8	158,718	Pilot	61,935	8,696	3,393	855,995	102,719	94,024	89,323	4,701	1,880	94,596	94,596
9	161,893	Pilot	63,174	8,869	3,461	873,115	104,774	95,904	91,109	4,795	1,918	96,488	96,488
10	165,131	Pilot	64,437	9,047	3,530	890,577	106,869	97,822	92,931	4,891	1,956	98,418	98,418
11	168,433	Pilot	65,726	9,228	3,601	908,389	109,007	99,779	94,790	4,989	1,996	100,386	100,386
12	171,802	Pilot	67,040	9,412	3,673	926,556	111,187	101,774	96,686	5,089	2,035	102,394	102,394
13	175,238	Pilot	68,381	9,601	3,746	945,087	113,410	103,810	98,619	5,190	2,076	104,442	104,442
14	178,743	Pilot	69,749	9,793	3,821	963,989	115,679	105,886	100,592	5,294	2,118	106,531	106,531
15	182,318	36,464	71,144	9,988	3,898	983,269	117,992	108,004	102,604	5,400	2,160	108,661	108,661
16	185,964	37,193	72,567	10,188	3,976	1,002,934	120,352	110,164	104,656	5,508	2,203	110,835	110,835
17	189,683	37,937	74,018	10,392	4,055	1,022,993	122,759	112,367	106,749	5,618	2,247	113,051	113,051
18	193,477	38,695	75,498	10,600	4,136	1,043,453	125,214	114,615	108,884	5,731	2,292	115,312	115,312
19	197,346	78,939	77,008	10,812	4,219	1,064,322	127,719	116,907	111,061	5,845	2,338	117,619	117,619
20	201,293	80,517	78,548	11,028	4,303	1,085,608	130,273	119,245	113,283	5,962	2,385	119,971	119,971
21	205,319	82,128	80,119	11,249	4,389	1,107,321	132,878	121,630	115,548	6,081	2,433	122,370	122,370
22	209,426	83,770	81,722	11,474	4,477	1,129,467	135,536	124,062	117,859	6,203	2,481	124,818	124,818
23	213,614	128,169	83,356	11,703	4,567	1,152,056	138,247	126,544	120,217	6,327	2,531	127,314	128,169
24	217,886	130,732	85,023	11,937	4,658	1,175,097	141,012	129,075	122,621	6,454	2,581	129,860	130,732
25	222,244	133,347	86,724	12,176	4,751	1,198,599	143,832	131,656	125,073	6,583	2,633	132,458	133,347
26	226,689	136,013	88,458	12,419	4,846	1,222,571	146,709	134,289	127,575	6,714	2,686	135,107	136,013
27	231,223	184,978	90,227	12,668	4,943	1,247,023	149,643	136,975	130,126	6,849	2,739	137,809	184,978
28	235,847	188,678	92,032	12,921	5,042	1,271,963	152,636	139,714	132,729	6,986	2,794	140,565	188,678
29	240,564	192,451	93,873	13,180	5,143	1,297,403	155,688	142,509	135,383	7,125	2,850	143,376	192,451
30	245,376	196,300	95,750	13,443	5,246	1,323,351	158,802	145,359	138,091	7,268	2,907	146,244	196,300
			2,187,350									3,340,854	3,538,788

Impact Summary

The estimated fiscal effects of the proposed redevelopment, which yield annual revenues that exceed the allocated service costs, is the result of differences in the level of cost and revenue increases. An examination of several of the relationships that exist between population, valuation, and fiscal operations relative to the Town on the one hand, and the nature of the planned redevelopment on the other, will disclose the underlying reasons for the expectations of a surplus or a shortfall of the added revenues relative to the allocated costs.

When a given budget is in balance (local, school, etc.), the measures of per capita valuation and per pupil valuation express the amount of property tax base supportive of each service user (resident / student) in the municipality. These measures can be used to indicate whether or not a new development will normally generate surplus revenues or cost deficits. Generally speaking, if per capita and per student valuations in a new development are greater than those which exists throughout the municipality, then a surplus situation would be anticipated by such development. This indicator holds true in fiscal situations where property tax revenues contribute the major portion of total revenues. Conversely, when a new development contains per pupil valuations below that which exist in the municipality prior to the introduction of such new development, then a deficit situation will usually result.

A review of the per student residential valuation generated by the housing units in the proposed redevelopment vis-a-vis the average per student residential valuation in the Town yields a comparison that would anticipate the forecasted results. During 2014, the Town's total residential valuation of $1,468,591,142 amounts to $678,333 per student. The housing units in the proposed redevelopment, with a valuation (assessed value) of $5,322,560, yields a per student valuation of $1,774,187. The ratable base derived from the new development is being added at a level that is 2.6 times Morristown's existing per student residential valuation:

Ratable Base and Per Student Comparisons

	Town of Morristown	Proposed Housing Units
Residential Valuation	$1,468,591,142	$ 5,322,560
Public School Children	2,165	3
Per Pupil Valuation	$678,333	$ 1,774,187

The methodology utilized to calculate new municipal and school costs attributable to the completion and occupancy of the planned redevelopment is designed to provide cost estimates based upon existing levels of expenditures relative to population and public school enrollments. After adjustments are made for municipal expenditures allocated to non-residential services, total expenditures are expressed in terms of the cost benefit derived from municipal and school operations. The expression of current operating expenses in this manner stems from the assumption that current operations and service levels are adequate, appropriate, and reflective of municipal priorities.

This fiscal analysis is not intended, nor has it been used, to determine precise physical and personnel needs. Rather, the analysis conducted herein is intended to reflect an allocation of the costs of providing the residents and school children in the planned development with the same quality and amount of municipal and school services currently provided to the existing residents in the Town of Morristown.

The existing service cost allocations provide one possible distribution of the estimated costs, but it is the overall cost estimate, and not the specific distribution of this cost, that is the most reliable product of this analysis. The actual and final determination of specific services, equipment and manpower needs most appropriately rests with the various municipal and school authorities responsible for the provision of these services. Similarly, the allocation and/or reallocation of newly realized revenue sources should necessarily be reserved for those charged with the responsibility of managing these fiscal resources.

INDEX TO APPENDICES

APPENDIX 1

Demographic Multipliers - Total Population

STATEWIDE NEW JERSEY
TOTAL PERSONS AND PERSONS BY AGE (continued)

STRUCTURE TYPE/ BEDROOMS/ VALUE /TENURE	TOTAL PERSONS	AGE 0-4	5-17	18-34	35-44	45-54	55-64	65-74	75+
5+ Units (Own), 0-1 BR									
All Values	1.694	0.094	0.125	0.530	0.304	0.145	0.124	0.159	0.214
Below Median $185,361	1.702	0.137	0.167	0.474	0.364	0.140	0.097	0.151	0.171
Above Median $185,361	1.682	0.036	0.069	0.605	0.223	0.150	0.159	0.171	0.270
5+ Units (Own), 2 BR									
All Values	1.797	0.071	0.122	0.485	0.320	0.294	0.191	0.153	0.161
Below Median $226,552	1.771	0.074	0.131	0.520	0.324	0.290	0.164	0.121	0.147
Above Median $226,552	1.844	0.064	0.105	0.419	0.312	0.301	0.243	0.215	0.186
5+ Units (Own), 3 BR									
All Values	2.469	0.213	0.471	0.537	0.481	0.332	0.243	0.129	0.063
Below Median $226,552	2.828	0.301	0.655	0.588	0.524	0.412	0.204	0.103	0.041
Above Median $226,552	2.104	0.124	0.283	0.486	0.438	0.250	0.282	0.155	0.086
5+ Units (Rent), 0-1 BR									
All Values	1.507	0.069	0.070	0.569	0.190	0.098	0.077	0.149	0.284
Below Median $125,716	1.370	0.053	0.083	0.285	0.143	0.100	0.093	0.262	0.351
Above Median $125,716	1.644	0.085	0.057	0.855	0.237	0.097	0.061	0.035	0.216
5+ Units (Rent), 2 BR									
All Values	2.303	0.207	0.323	0.967	0.353	0.180	0.113	0.069	0.090
Below Median $177,123	2.493	0.265	0.478	0.951	0.364	0.195	0.115	0.065	0.060
Above Median $177,123	2.107	0.147	0.165	0.984	0.342	0.164	0.112	0.073	0.121
5+ Units (Rent), 3 BR									
All Values	3.545	0.431	0.973	1.137	0.577	0.199	0.109	0.075	0.044
Below Median $173,004	3.666	0.392	1.242	1.064	0.587	0.246	0.114	0.022	0.000
Above Median $173,004	3.422	0.470	0.702	1.212	0.568	0.151	0.104	0.128	0.088
2-4 Units, 0-1 BR									
All Values	2.043	0.179	0.288	0.747	0.278	0.221	0.112	0.087	0.133
Below Median $123,574	1.868	0.151	0.259	0.650	0.282	0.141	0.111	0.117	0.158
Above Median $123,574	2.225	0.207	0.318	0.847	0.274	0.304	0.113	0.057	0.106
2-4 Units, 2 BR									
All Values	2.651	0.250	0.453	0.940	0.477	0.217	0.157	0.094	0.063
Below Median $149,607	2.857	0.341	0.603	0.939	0.497	0.200	0.144	0.082	0.052
Above Median $149,607	2.440	0.158	0.300	0.940	0.456	0.235	0.169	0.106	0.075
2-4 Units, 3 BR									
All Values	3.529	0.293	0.805	1.062	0.654	0.363	0.209	0.107	0.036
Below Median $226,552	3.665	0.355	1.070	1.085	0.718	0.269	0.099	0.047	0.021
Above Median $226,552	3.388	0.228	0.530	1.038	0.588	0.460	0.322	0.170	0.052
2-4 Units, 4-5 BR									
All Values	3.995	0.384	0.749	1.141	0.623	0.527	0.216	0.194	0.162
Below Median $370,722	4.231	0.474	0.965	1.212	0.744	0.557	0.073	0.129	0.078
Above Median $370,722	3.699	0.270	0.477	1.052	0.471	0.490	0.396	0.276	0.268

APPENDIX 2

Demographic Multipliers - Public School Children

STATEWIDE NEW JERSEY
PUBLIC SCHOOL CHILDREN (PSC) (continued)

STRUCTURE TYPE/ BEDROOMS/ VALUE /TENURE	TOTAL PSC	PUBLIC SCHOOL GRADE Elementary (K-6)	Junior High School (7-9)	High School (10-12)
5+ Units (Own), 0-1 BR				
All Values	0.117	0.100	0.009	0.008
Below Median $129,835	0.167	0.137	0.015	0.015
Above Median $129,835	0.051	0.051	0.000	0.000
5+ Units (Own), 2 BR				
All Values	0.098	0.067	0.013	0.018
Below Median $226,552	0.101	0.065	0.013	0.024
Above Median $226,552	0.092	0.072	0.013	0.007
5+ Units (Own), 3 BR				
All Values	0.442	0.321	0.068	0.054
Below Median $226,552	0.598	0.406	0.134	0.058
Above Median $226,552	0.283	0.234	0.000	0.049
5+ Units (Rent), 0-1 BR				
All Values	0.060	0.040	0.012	0.008
Below Median $125,716	0.069	0.043	0.015	0.011
Above Median $125,716	0.051	0.037	0.009	0.006
5+ Units (Rent), 2 BR				
All Values	0.275	0.183	0.051	0.041
Below Median $177,123	0.432	0.286	0.081	0.065
Above Median $177,123	0.115	0.078	0.019	0.017
5+ Units (Rent), 3 BR				
All Values	0.832	0.493	0.229	0.109
Below Median $173,004	1.103	0.761	0.251	0.091
Above Median $173,004	0.560	0.225	0.208	0.127
2-4 Units, 0-1 BR				
All Values	0.250	0.139	0.052	0.059
Below Median $123,574	0.237	0.126	0.044	0.067
Above Median $123,574	0.264	0.153	0.060	0.051
2-4 Units, 2 BR				
All Values	0.382	0.252	0.074	0.057
Below Median $149,607	0.514	0.360	0.084	0.071
Above Median $149,607	0.248	0.141	0.064	0.042
2-4 Units, 3 BR				
All Values	0.684	0.386	0.171	0.128
Below Median $226,552	0.946	0.523	0.244	0.180
Above Median $226,552	0.412	0.244	0.094	0.074
2-4 Units, 4-5 BR				
All Values	0.556	0.247	0.143	0.167
Below Median $370,722	0.742	0.321	0.256	0.165
Above Median $370,722	0.322	0.154	0.000	0.168

APPENDIX 3

TRANSIT-ORIENTED DEVELOPMENT DEMOGRAPHIC MULTIPLIERS

Public School Children Generation from Selected Transit-Oriented Developments (TODs) in New Jersey

PROJECT PROFILE			SIZE	PUPIL GENERATION	PUPIL MULTIPLIERS
Project Name	*Location*	*Tenure*	*Number of Units*	*Public School Children*	*Public School Children Multiplier*[a]
1. Jacobs Ferry	West New York	Rental	254	0	0.00
2. Riverwatch	New Brunswick	Rental	200	1	0.01
3. Chancery Square	Morristown	Rental	131	1	0.01
4. Franklin Square	Metuchen	Rental	105	10	0.10
5. Gaslight Commons	South Orange	Rental	200	6	0.03
6. Riverbend I	West New York	Rental	302	5	0.02
7. Riverbend II	West New York	Rental	212	4	0.02
8. Riverside West	West New York	Rental	344	5	0.01
9. Harbor Place	West New York	Rental	20	9	0.45
10. Highlands at Plaza Square	New Brunswick	Rental	415	6	0.01
TOTAL			**2,183**	**47**	**0.02**

Note: a. Equals public school children divided by the number of housing units.

Source: Project profile and size information was derived from the developers of the indicated TODS.
Public school children data from each TOD was obtained by contacting the public school district(s) serving the respective TODs.

APPENDIX 4

Demographic Multipliers - Affordable Housing

Household Size, School-Age Children, and Public School Children for Low- and Moderate-Income Households (LMI) in New Jersey (2000)

	Total Persons	*School-Age Children*	*Public School Children*
All Housing Types and Bedrooms	2.35	0.50	0.45
Single-Family, Detached			
2 BR	1.95	0.24	0.21
3 BR	2.49	0.51	0.46
4 BR	3.07	0.83	0.73
Single-Family, Attached			
2 BR	2.09	0.35	0.32
3 BR	3.05	0.86	0.78
5+ Units, Own			
1 BR	1.37	0.07	0.06
2 BR	1.76	0.21	0.18
3 BR	2.51	0.60	0.54
5+ Units, Rent			
1 BR	1.61	0.16	0.14
2 BR	2.76	0.68	0.62
3 BR	3.82	1.37	1.27

Note: The New Jersey Council on Affordable Housing (COAH) Uniform Housing Affordability Controls (UHAC) indicate the following occupancy standards: "A studio shall be affordable to a one-person household; a one-bedroom unit shall be affordable to a one and one-half person household; a two-bedroom unit shall be affordable to a three-person household; a three-bedroom unit shall be affordable to a four and one-half person household; and a four-bedroom unit shall be affordable to a six-person household." UHAC further indicates that "to the extent feasible...the administrative agent shall strive to: Provide an occupant for each unit bedroom; provide children of different sex with separate bedrooms; and prevent more than two persons from occupying a single bedroom." While these standards bear on the relationship between housing-unit size (bedrooms) and household size, we do not have empirical evidence on the number of persons found in different-size COAH units. For instance, a "smaller" household (e.g., a 3-person household in a 3-bedroom unit) may be able to afford such a home with a larger down payment.

Source: *U.S. Census of Population and Housing, Public Use Microdata Sample*, 2000.

More complete knowledge must await future survey of the occupants of such housing units. En route to that goal, the current investigation has begun to investigate empirically the public school children impact of *Mount Laurel* dwellings. Ideally, this will be the start of follow-up future investigations.

The research protocol proceeded in the following manner. From the New Jersey Council on Affordable Housing (COAH) and from other affordable housing groups in New Jersey, Rutgers obtained a list of *Mount Laurel* housing developments, both stand-alone, entirely affordable projects (termed "exclusively affordable") and *Mount Laurel* units intermixed with market-rate housing (termed "inclusionary.") Rutgers then contacted the school districts responsible for the *Mount Laurel* and market housing to ascertain the number of public school children (PSC) generated from these units. In many instances, the school districts could not or would not provide the requested information. However, Rutgers was able to obtain

EXHIBIT E

PROJECTED ANNUAL GROSS REVENUE AND ANNUAL SERVICE CHARGE

TABLE 12
MORRIS STREET REDEVELOPMENT
TOWN OF MORRISTOWN
PROJECTED TAX AND PILOT PAYMENTS

EXISTING USE

Year	PROJECT OAT Tot.	MINIMUM TAX	PROJECT OAT Municip.	LAND TAX Total	LAND TAX Municip.	PROJECT AGR	PILOT 0.120	Net of Land tax	Pilot Paymnts Municip.	Pilot Paymnts County	Municipal Admin. Fee	Municipal Payment	Minimim Muni Payment
1	138,174	Pilot	55,993	7,570	3,068	745,195	89,423	81,853	77,761	4,093	1,637	82,466	82,466
2	140,937	Pilot	57,113	7,721	3,129	760,099	91,212	83,490	79,316	4,175	1,670	84,115	84,115
3	143,756	Pilot	58,255	7,876	3,192	775,301	93,036	85,160	80,902	4,258	1,703	85,797	85,797
4	146,631	Pilot	59,420	8,033	3,256	790,807	94,897	86,863	82,520	4,343	1,737	87,513	87,513
5	149,564	Pilot	60,609	8,194	3,321	806,623	96,795	88,601	84,171	4,430	1,772	89,264	89,264
6	152,555	Pilot	61,821	8,358	3,387	822,755	98,731	90,373	85,854	4,519	1,807	91,049	91,049
7	155,606	Pilot	63,057	8,525	3,455	839,211	100,705	92,180	87,571	4,609	1,844	92,870	92,870
8	158,718	Pilot	64,318	8,696	3,524	855,995	102,719	94,024	89,323	4,701	1,880	94,727	94,727
9	161,893	Pilot	65,605	8,869	3,595	873,115	104,774	95,904	91,109	4,795	1,918	96,622	96,622
10	165,131	Pilot	66,917	9,047	3,667	890,577	106,869	97,822	92,931	4,891	1,956	98,554	98,554
11	168,433	Pilot	68,255	9,228	3,740	908,389	109,007	99,779	94,790	4,989	1,996	100,525	100,525
12	171,802	Pilot	69,620	9,412	3,815	926,556	111,187	101,774	96,686	5,089	2,035	102,536	102,536
13	175,238	Pilot	71,013	9,601	3,891	945,087	113,410	103,810	98,619	5,190	2,076	104,587	104,587
14	178,743	Pilot	72,433	9,793	3,969	963,989	115,679	105,886	100,592	5,294	2,118	106,678	106,678
15	182,318	36,464	73,882	9,988	4,048	983,269	117,992	108,004	102,604	5,400	2,160	108,812	108,812
16	185,964	37,193	75,359	10,188	4,129	1,002,934	120,352	110,164	104,656	5,508	2,203	110,988	110,988
17	189,683	37,937	76,866	10,392	4,212	1,022,993	122,759	112,367	106,749	5,618	2,247	113,208	113,208
18	193,477	38,695	78,404	10,600	4,296	1,043,453	125,214	114,615	108,884	5,731	2,292	115,472	115,472
19	197,346	78,939	79,972	10,812	4,382	1,064,322	127,719	116,907	111,061	5,845	2,338	117,781	117,781
20	201,293	80,517	81,571	11,028	4,469	1,085,608	130,273	119,245	113,283	5,962	2,385	120,137	120,137
21	205,319	82,128	83,203	11,249	4,559	1,107,321	132,878	121,630	115,548	6,081	2,433	122,540	122,540
22	209,426	83,770	84,867	11,474	4,650	1,129,467	135,536	124,062	117,859	6,203	2,481	124,991	124,991
23	213,614	128,169	86,564	11,703	4,743	1,152,056	138,247	126,544	120,217	6,327	2,531	127,490	128,169
24	217,886	130,732	88,295	11,937	4,838	1,175,097	141,012	129,075	122,621	6,454	2,581	130,040	130,732
25	222,244	133,347	90,061	12,176	4,935	1,198,599	143,832	131,656	125,073	6,583	2,633	132,641	133,347
26	226,689	136,013	91,862	12,419	5,033	1,222,571	146,709	134,289	127,575	6,714	2,686	135,294	136,013
27	231,223	184,978	93,700	12,668	5,134	1,247,023	184,978	172,311	163,695	8,616	3,446	172,275	184,978
28	235,847	188,678	95,574	12,921	5,237	1,271,963	188,678	175,757	166,969	8,788	3,515	175,721	188,678
29	240,564	192,451	97,485	13,180	5,341	1,297,403	192,451	179,272	170,308	8,964	3,585	179,235	192,451
30	245,376	196,300	99,435	13,443	5,448	1,323,351	196,300	182,857	173,714	9,143	3,657	182,820	196,300
			2,271,528									3,486,749	3,541,901

Morris Street Redevelopment Area
185 Morris Street Redevelopment
Block 3701, Lot 11 - Revised May 21, 2015

Project Valuation and Assessment

Market	No. of Units	Average Mo Rent	Estimated Value [6]	Aggregate Value
Apt- 1BR	27	$1,800	$171,360	$4,626,720
Apt -2BR	6	$2,200	$209,440	$1,256,640
Subtotal Market	33	$1,873	$178,283	$5,883,360
Affordable				
Apt 1 BR	1	$ 759	$ 72,257	$ 72,257
Apt 2 BR	2	$ 894	$ 85,109	$ 170,218
Apt 3 BR	1	$1,021	$ 97,199	$ 97,199
Subtotal Affordable	4	$ 892	$ 84,918	$ 339,674
Total /*Average*	37	*$1,767*	*$168,190*	$ 6,223,034
Estimated Assessment (85.53 percent)				*$ 5,322,560*

Ordinary Applicable Taxes - Project Assessment = $5,322,560

	Municipal	School	County	Total
Rate/$100	$1.052	$1.245	$0.299	$2.596
Taxes	$55,993	$ 66,266	$15,915	$138,174

PILOT Payments

	Municipal	School	County	Total
ASC	$77,761	$ 0	$ 4,093	$ 81,854
Admin	$ 1,637	$ 0	$ 0	$ 1,637
Land	$ 3,068	$ 3,630	$ 872	$ 7,570
Total	$82,466	$ 3,630	$ 4,965	$ 91,061

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[6] Estimated value is Gross Potential Rent, less 5.0 percent vacancy and less operating expenses of 35.5 percent, capitalized at 7.5 percent.

LEONA REDEVELOPERS, LLC
MORRIS STREET REDEVELOPMENT PROJECT
Operating Income and Expenses - Stabilized Operations

Total Units	37
Total Square Feet	36,000

	Stabilized	Per Unit Per Month	Per Net SF Per Year
Income			
Gross Potential Rent (GPR)	$ 784,416	$1,767.00	$21.79
Less Vacancy (5.00 %)	39,221	88.34	1.09
Effective Gross Income (EGI)	$ 745,195	$1,678.37	$20.70
Operating Expenses			
Salaries and Benefits	$ 42,032	$ 94.67	$ 1.17
Admin/Accounting/Legal	$ 14,800	$ 33.33	$ 0.41
Advertising/Leasing	$ 18,500	$ 41.67	$ 0.51
Repairs and Maintenance	$ 25,900	$ 58.33	$ 0.72
Apartment Turnover (R&M)	$ 11,840	$ 26.67	$ 0.33
Utilities	$ 13,320	$ 30.00	$ 0.37
Real Estate (PILOT Payments)	$ 91,061	$ 205.09	$ 2.53
Insurance	$ 38,850	$ 87.50	$ 1.08
Management Fee (3.00 % EGI)	$ 22,356	$ 50.35	$ 0.62
Total Expenses	$ 278,659	$ 627.61	$ 7.74
Net Operating Income	$ 466,536	$1,050.76	$12.96
Replacement Reserve ($200/unit)	$ 7,400	$ 16.67	$ 0.21
Project Cash Flow	$ 459,136	$1,034.09	$12.75